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# FUND INFORMATION

## PENSION FUND MANAGER

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan.  
Phone: (9221) 5630722-6, 111-MEEZAN  
Fax: (9221) 5676143, 5630808  
Web site: www.almeezangroup.com  
E-mail: info@almeezangroup.com

## BOARD OF DIRECTORS OF THE PENSION FUND MANAGER

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive
Mr. Tasnimul Haq Farooqui	Director
Mr. Aliuddin Ansari	Director
Mr. Rizwan Ata	Director
Mr. Mazhar Sharif	Director
Syed Owais Wasti	Director

## CFO & COMPANY SECRETARY OF THE PENSION FUND MANAGER

Syed Owais Wasti

## AUDIT COMMITTEE OF THE PENSION FUND MANAGER

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member

## TRUSTEE

Central Depository Company of Pakistan Limited  
Suite # M 13-16, Meezzanine Floor, Progressive Plaza,  
Beaumont Road, Karachi.

## AUDITORS

A.F. Fergusons & Co.  
Chartered Accountants  
State Life Building No. 1-C,  
I.I. Chundrigar Road, P.O. Box 4716,  
Karachi-74000, Pakistan.

## BANKERS TO THE FUND

Meezan Bank Limited  
Al Baraka Islamic Bank B.S.C (E.C)  
Bank Alfalah Limited, Islamic Banking  
MCB Bank Limited  
Habib Metropolitan Bank - Islamic Banking Branch  
Bank Al Habib Limited - Islamic Banking Branch  
Emirates Global - Islamic Banking Branch

## LEGAL ADVISER

Bawaney & Partners  
404, 4<sup>th</sup> Floor, Beaumont Plaza, 6-CL-10  
Beaumont Road, Civil Lines  
Karachi - 75530  
Phone: (9221) 565 7658-59  
Fax: (9221) 565 7673  
E-mail: bawaney@cyber.net.pk

## TRANSFER AGENT

Meezan Bank Limited  
SITE Branch  
Plot # B/9-C, Estate Avenue,  
SITE, Karachi.  
Phone: 2062891  
Fax: 2552771  
Web site: www.meezanbank.com

## DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## **DIRECTORS' REPORT**

### **AL MEEZAN INVESTMENT MANAGEMENT LIMITED**

### **PENSION FUND MANAGER - MEEZAN TAHAFFUZ PENSION FUND**

The Board of Directors of Al Meezan Investment Management Limited, the management company of Meezan Tahaffuz Pension Fund is pleased to present the un-audited financial statements of the fund for the nine months period ended March 31, 2009.

#### **Economic Review**

The macroeconomic outlook mostly remained bearish during the last nine months as inflationary pressures mounted and current account deficit continued to widen unabated. The main reason for widening of the current account deficit was worsening of trade deficit which rose to US \$5.84 billion in initial period of fiscal year 09. This was mainly due to the extraordinary increase in international crude prices, which peaked at US\$ 147 per barrel in mid July, and later hike in food prices. As a result, foreign exchange reserves declined from US\$ 11.1 billion in June 2008 to their lowest level of US\$ 6.75 billion as on November 1, 2008.

Subsequently, government took much needed macro stabilization measures like subsidy removal, fiscal deficit management, monetary tightening and tightening of forex market regulations. The impact of these decisions along with reversal in global commodity prices helped in bringing down current account deficit and inflationary pressure. Subsequently, approval of US\$ 7.6 billion 23-month Stand-By Arrangement by IMF along with strong remittance inflows helped in reserve replenishment which crossed US\$ 10 billion again and also helped in stabilization in the rupee-dollar parity. The rupee, however, remained under pressure and closed at Rs. 80.52 versus US\$, depreciating by 15% for the period under review.

On the domestic front, although FBR has so far met its tax collection target during nine months collecting Rs. 810 billion, the tax collection target of Rs 1.3 trillion for fiscal year 09 seems difficult to achieve. Although improvements have been witnessed on many economic fronts, Government revised downward the GDP growth target for fiscal year 09 to 2.5%.

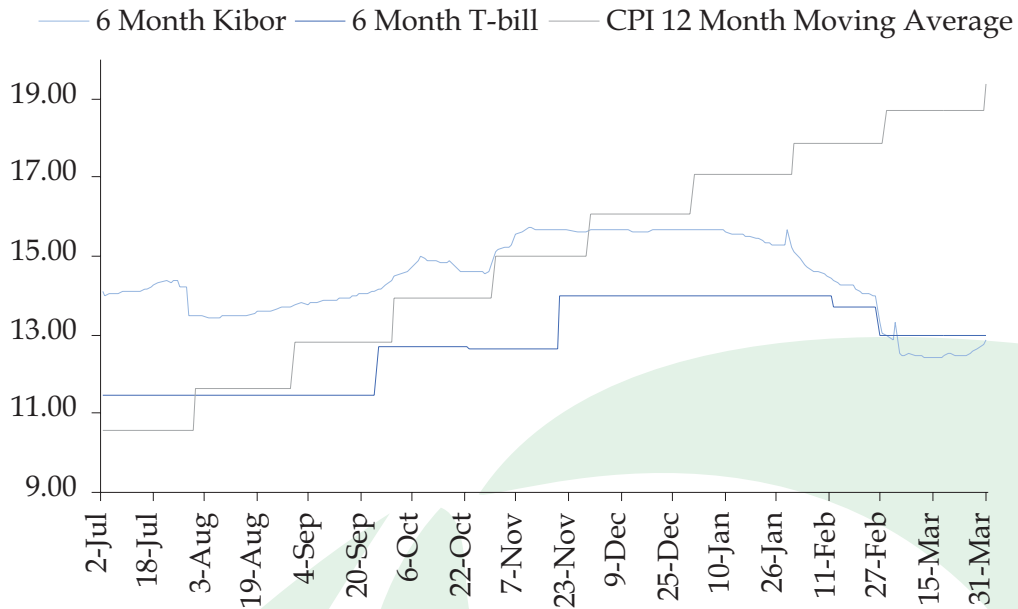
#### **Money Market Review - Monetary Tightening**

In order to arrest the unabated inflation which had reached alarming level of 25% in first four months of fiscal year 2009, and to adhere to IMF conditions, the State Bank of Pakistan (SBP) continued its policy of monetary tightening and raised the discount rate by 1% in July and subsequently 2% in November to 15%. The tight monetary stance resulted in six month KIBOR and T-bill rates to peak at 15.71% and 14.01% respectively. The very interest rate environment during the period under review kept the money market very tight with overnight rates making new highs of over 40%.

Later, with some corrective measures by SBP including reducing Cash Reserve Requirement (CRR) and Statutory Liquidity Requirement (SLR) for commercial banks helped to ease of the liquidity crunch in the market. Subsequently, in the monetary policy statement in January 09, SBP stopped further monetary tightening which helped to improve the liquidity position and hence interest rates reversed their increasing trend. As a result, overnight rates experienced declined sharply to 10-11%.

The effect of these measures was also reflected in the six month KIBOR and T bill rates which dropped from their peak by 286bps and 212 bps respectively to close at 12.85% and 11.89% respectively as on March 31, 2009.

To reduce government borrowing from SBP and to promote Islamic mode of financing, SBP conducted three auctions of Ijara sukuks in which it sold Rs. 27.5 billion worth of sukuks against the target of Rs. 30 billion. The following graph shows the trend in interest rates during the period under review:



### Equity Market Review

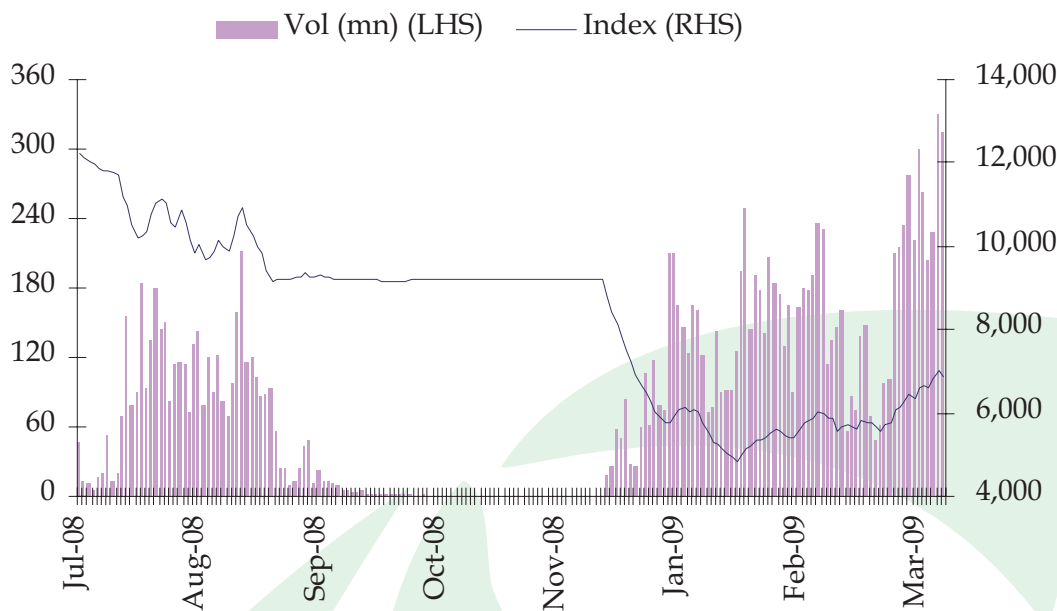
The downward trend at KSE that began towards the end of June fiscal year 08 continued its extension into fiscal year 09. To arrest the sharp decline, Securities and Exchange Commission of Pakistan (SECP) had changed the circuit breakers to a floor of 1% and a cap of 10% at the end of fiscal year 08. This measure, however, did not improve the situation and created a problem for margin traders who wanted an exit. Due to the drying up of volumes after the introduction of these circuit breakers, the SECP decided to revert them back to the original 5% level in early July 2008.

Nonetheless, the unabated economic pressures continued to create further downward pressure. To stem further downslide in the market, KSE Board of Directors on August 27, 2008 decided to place a floor on the index at a level of 9,144 based on the closing prices of August 27. As a result, investors decided to stay away from the regular market and trading mainly took place in off the market counter at 20%-50% discount from the floor prices.

After 110 days, the floor was finally removed on December 15, 2008 with the KSE-100 Index undergoing heavy correction falling to the lowest level of 4,815 by the end of January 2009. With the removal of the price floors, the brokers, who got margin calls from the financiers and were on the verge of default, were ultimately bailed out by financiers and government institutions. Initially trading in the ready market was nominal as prices corrected by 5% daily downward limit for several days.

Subsequently, Government administered macro stabilization measures began to lead to some recovery. Consequently, stock started improving in beginning of calendar year 2009. The major booster for the market came in March with the restoration of the judges and anticipation of political stability. This provided a further impetus to the market with index breaching psychological barrier of 7,000 points and appreciated 19% in the last 15 days of March 2009 with staggered rise in market volumes touching a high of 330mn shares. Other factors contributing to the bull run were inclusion of KSE in MSCI Frontier Index, incentive driven petroleum policy, and encouraging prospects of funding from the Friends of Democratic Pakistan meeting in April.

Since normalization of market activity, KSE-100 index appreciated 17% and closed at 6,860 level with the average trading volume of 161mn shares as compared to just 12.6mn shares during the period when market was on floor.



### Investment Policy

The objective of Meezan Tahaffuz Pension Fund is to provide participants with a Shariah Compliant saving mechanism whereby they can save from their current income in order to gain benefits after retirement or disability or when the other income avenues are exhausted. MTPF aims to provide participants a regular Halal income stream after retirement/disability when they can no longer earn regular income to support their living.

### Performance Review

Meezan Tahaffuz Pension Fund (MTPF) comprises of three sub funds namely equity sub fund, debt sub fund and money market sub fund. Performance review for each sub fund is given as under:

#### Equity Sub Fund

For the quarter ended March 31, 2009 the sub fund incurred gross loss of Rs.23.09 million (2008: gross income was Rs. 13.54 million), main contributors of which were unrealised loss on equity securities of Rs. 23.85 million (2008: unrealised gain was Rs. 0.25 million) and dividend income of Rs. 2.89 million (2008: Rs.2.18 million). After accounting for expenses of Rs. 0.73 million (2008: Rs. 1.17 million), the sub fund recorded a net loss of Rs. 23.09 million as compared to net gain of Rs. 12.37 million in the corresponding period last year. The net assets of equity sub fund decreased from Rs. 65.98 million at the beginning of the year to Rs. 47.53 million by the end of third quarter.

## **Debt Sub Fund**

The net asset value per unit of debt sub fund appreciated by 10.15 % during the period. During the quarter ended March 31, 2009 the sub fund earned gross income of Rs.4.46 million (2008: Rs. 3.43 million), main contributor of which was profit on sukuk certificates of Rs. 3.51 million (2008: Rs. 0.89 million). After accounting for expenses of Rs. 0.95 million (2008: Rs. 0.97 million), the sub fund recorded a net profit of Rs. 4.46 million (2008: Rs. 3.43 million). The net assets of debt sub fund increased from Rs. 60.09 million at the beginning of the year to Rs. 66.19 million by the end of the third quarter.

## **Money Market Sub Fund**

The net asset value per unit of money market sub fund appreciated by 8.80% to end the third quarter at Rs. 115.85. Profit on bank deposits and placements was Rs. 1.39 million (2008: Rs. 0.16 million) contributed mainly to the sub fund's gross income of Rs. 5.00 million (2008: Rs.3.95 million). The sub fund recorded net profit of Rs. 4.13 million (2008: Rs. 3.01 million), after accounting for expenses of Rs. 0.87 million (2008: Rs. 0.94 million). The net assets of money market sub fund increased from Rs. 54.88 million at the beginning of the year to Rs. 59.71 million by the end of the third quarter.

## **Future Outlook**

With greater financial discipline, tight monetary policy, stabilization of the rupee and sustained weakness in international commodity prices, the government has now firmed up its grip on underlying economic fundamentals through the help of various multilateral donor agencies particularly IMF which is spearheading Pakistan's economic revival. We expect that these corrective measures will bring back the country into more stable economic territory. With expectation of decline in inflation rate during the next quarter, we anticipate that central bank will ease monetary policy. This will lead to further decline in interest rates and financial costs for listed companies and also lead to continued recovery in stock market. Moreover, as Pakistan has succeeded in meeting all IMF targets, we expect SBP to decrease the discount rate by the end of the year

## **Acknowledgement**

We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee - Central Depository Company of Pakistan Limited and the management of the Karachi Stock Exchange. We also wish to place on record our appreciation for the personnel of the Pension Fund Manager.

April 15, 2009  
Karachi.

For and on behalf of the Board  
**Mohammad Shoaib, CFA**  
Chief Executive

## CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2009

Note	March 31, 2009 (Unaudited)					June 30, 2008 (Audited)	
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total	
(Rupees in '000)							
<b>Assets</b>							
Balances with banks	5	2,694	12,414	25,208	226	40,542	58,985
Placements		-	13,500	13,500	-	27,000	26,250
Receivable against sale of investments		-	-	-	-	-	751
Investments at fair value through profit or loss	6	43,079	38,279	19,500	-	100,858	93,903
Derivative financial instruments	7	829	-	-	-	829	-
Financial instruments sold on deferred settlement basis	8	-	-	-	-	-	251
Dividend receivable		1,000	-	-	-	1,000	480
Profit receivable		28	2,040	1,548	-	3,616	3,110
Formation costs		100	101	100	-	301	489
Deposit with Central Depository Company of Pakistan Limited		100	100	100	-	300	300
Other receivables		1	8	-	-	9	1,612
<b>Total assets</b>		<u>47,831</u>	<u>66,442</u>	<u>59,956</u>	<u>226</u>	<u>174,455</u>	<u>186,131</u>
<b>Liabilities</b>							
Payable against purchase of investments		-	-	-	-	-	2,631
Payable to Al Meezan Investment Management Limited - Pension Fund Manager		133	162	155	217	667	599
Payable to Central Depository Company of Pakistan Limited - trustee of the Fund		6	10	9	-	25	25
Payable to auditors		51	51	51	-	153	180
Payable to Securities and Exchange Commission of Pakistan		12	16	14	-	42	59
Accrued expenses and other liabilities	9	95	15	15	9	134	1,679
<b>Total liabilities</b>		<u>297</u>	<u>254</u>	<u>244</u>	<u>226</u>	<u>1,021</u>	<u>5,173</u>
<b>Net assets</b>		<u>47,534</u>	<u>66,188</u>	<u>59,712</u>	<u>-</u>	<u>173,434</u>	<u>180,958</u>
<b>Deferred sale commitments</b>		-	-	-	-	-	-
<b>Participants' sub-funds (as per statement attached)</b>		<u>47,534</u>	<u>66,188</u>	<u>59,712</u>	<u>-</u>	<u>173,434</u>	<u>180,958</u>
<b>Number of units in issue</b>		<u>684,876</u>	<u>569,911</u>	<u>515,443</u>			
<b>Net assets value per unit (Rupees)</b>		<u>69.41</u>	<u>116.14</u>	<u>115.85</u>			

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

**Chief Executive**

**Director**

## CONDENSED INTERIM INCOME STATEMENT FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)

Note	For the nine months period ended March 31, 2009					For the period June 16, 2007 to March 31, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
----- (Rupees in '000) -----						
<b>Income</b>						
Profit on sukuk certificates	-	3,510	1,395	-	4,905	1,042
Profit on savings accounts with banks	160	2,015	2,150	-	4,325	6,914
Profit on placements	-	549	1,405	-	1,954	-
Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss	(23,850)	(925)	(177)	-	(24,952)	7,137
Unrealised gain on re-measurement of derivative financial instruments	829	-	-	-	829	-
Unrealised gain on re-measurement of financial instruments sold on deferred settlement basis	-	-	-	-	-	454
Net realised (loss) / gain on sale of investments	(703)	92	167	-	(444)	3,066
Dividend income	2,888	-	-	-	2,888	2,786
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed	(1,673)	174	61	-	(1,438)	495
<b>Total (loss) / income</b>	<u>(22,349)</u>	<u>5,415</u>	<u>5,001</u>	<u>-</u>	<u>(11,933)</u>	<u>21,894</u>
<b>Expenses</b>						
Remuneration of Al Meezan Investment Management Limited - Pension Fund Manager	522	715	647	-	1,884	1,985
Remuneration of Central Depository Company of Pakistan Limited - trustee of the Fund	62	86	77	-	225	238
Annual fee of Securities and Exchange Commission of Pakistan	12	16	14	-	42	44
Auditors' remuneration	55	55	55	-	165	252
Amortisation of formation cost	63	62	63	-	188	198
Securities' transaction cost	11	8	2	-	21	342
Custody and settlement charges	5	5	5	-	15	15
Legal advisory fee	7	7	7	-	21	-
Bank charges	1	1	1	-	3	3
<b>Total expenses</b>	<u>738</u>	<u>955</u>	<u>871</u>	<u>-</u>	<u>2,564</u>	<u>3,077</u>
<b>Net (loss) / income</b>	<u>(23,087)</u>	<u>4,460</u>	<u>4,130</u>	<u>-</u>	<u>(14,497)</u>	<u>18,817</u>
<b>(Loss) / earnings per unit outstanding - basic (Rupees)</b>	10	<u>(33.71)</u>	<u>7.83</u>	<u>8.01</u>		

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

**Chief Executive**

**Director**



## CONDENSED INTERIM INCOME STATEMENT FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)

Note	For the quarter ended March 31, 2009					For the quarter ended March 31, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
	----- (Rupees in '000) -----					
<b>Income</b>						
Profit on sukuk certificates	-	1,387	630	-	2,017	644
Profit on savings accounts with banks	50	631	902	-	1,583	1,863
Profit on placements	-	313	490	-	803	-
Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss	14,418	(927)	(200)	-	13,291	6,600
Unrealised gain on re-measurement of derivative financial instruments	829	-	-	-	829	-
Unrealised (loss) on re-measurement of financial instruments sold on deferred settlement basis	-	-	-	-	-	(18)
Net realised (loss) / gain on sale of investments	(656)	2	2	-	(652)	191
Dividend income	1,172	-	-	-	1,172	1,084
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed	(1,546)	76	9	-	(1,461)	370
<b>Total income</b>	<u>14,267</u>	<u>1,482</u>	<u>1,833</u>	<u>-</u>	<u>17,582</u>	<u>10,734</u>
<b>Expenses</b>						
Remuneration of Al Meezan Investment Management Limited - Pension Fund Manager	136	241	218	-	595	653
Remuneration of Central Depository Company of Pakistan Limited - trustee of the Fund	17	31	27	-	75	75
Annual fee of Securities and Exchange Commission of Pakistan	3	5	5	-	13	14
Auditors' remuneration	18	18	18	-	54	51
Amortisation of formation cost	21	20	21	-	62	63
Securities' transaction cost	4	-	-	-	4	42
Custody and settlement charges	2	2	2	-	6	4
Legal advisory fee	-	-	-	-	-	-
Bank charges	1	1	-	-	2	-
<b>Total expenses</b>	<u>202</u>	<u>318</u>	<u>291</u>	<u>-</u>	<u>811</u>	<u>902</u>
<b>Net income</b>	<u>14,065</u>	<u>1,164</u>	<u>1,542</u>	<u>-</u>	<u>16,771</u>	<u>9,832</u>
<b>(Loss) / earnings per unit outstanding - basic (Rupees)</b>	10	<u>20.54</u>	<u>2.04</u>	<u>2.99</u>		

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

**Chief Executive**

**Director**

## CONDENSED INTERIM CASH FLOW STATEMENT FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)

Note	For the nine months period ended March 31, 2009					For the period June 16, 2007 to March 31, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
	(Rupees in '000)					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net (loss) / income	(23,087)	4,460	4,130	-	(14,497)	18,817
<b>Adjustments for :</b>						
Dividend income	(2,888)	-	-	-	(2,888)	(2,786)
Profit on sukuk certificates	-	(3,510)	(1,395)	-	(4,905)	(1,042)
Profit on savings accounts with banks	(160)	(2,015)	(2,150)	-	(4,325)	(6,914)
Profit on placements	-	(549)	(1,405)	-	(1,954)	-
Unrealised loss / (gain) on re-measurement of investments at fair value through profit or loss	23,850	925	177	-	24,952	(7,137)
Unrealised gain on re-measurement of financial instruments sold on deferred settlement basis	-	-	-	-	-	(454)
Unrealised gain on re-measurement of derivative financial instruments	(829)	-	-	-	(829)	-
Amortisation of formation cost	63	62	63	-	188	198
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	1,673	(174)	(61)	-	1,438	(495)
	(1,378)	(801)	(641)	-	(2,820)	187
<b>(Increase) / decrease in assets</b>						
Placements	-	(7,750)	7,000	-	(750)	(51,250)
Receivable against sale of investments	-	751	-	-	751	(10)
Investments at fair value through profit or loss	(4,190)	(17,545)	(10,172)	-	(31,907)	(97,090)
Financial instruments sold on deferred settlement basis	-	85	166	-	251	-
Formation costs	-	-	-	-	-	(750)
Deposit with Central Depository Company of Pakistan Limited	-	-	-	-	-	(300)
Other receivables	501	663	439	-	1,603	-
	(3,689)	(23,796)	(2,567)	-	(30,052)	(149,400)
<b>(Decrease) / increase in liabilities</b>						
Payable against purchase of investments	(2,631)	-	-	-	(2,631)	315
Payable to Al Meezan Investment Management Limited - Pension Fund Manager	(28)	10	9	77	68	466
Payable to Central Depository Company of Pakistan Limited - trustee of the Fund	(3)	2	1	-	-	25
Payable to Securities and Exchange Commission of Pakistan	(10)	(3)	(4)	-	(17)	44
Payable to auditors	(9)	(9)	(9)	-	(27)	237
Accrued expenses and other liabilities	(797)	10	10	(768)	(1,545)	153
	(3,478)	10	7	(691)	(4,152)	1,240
Dividend received	2,368	-	-	-	2,368	2,286
Profit received on savings accounts with banks	221	1,778	1,634	-	3,633	6,154
Profit received on sukuk certificates	-	3,145	1,295	-	4,440	-
Profit received on placements	-	551	2,054	-	2,605	-
<b>Net cash outflow from operating activities</b>	(5,956)	(19,113)	1,782	(691)	(23,978)	(139,533)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Receipts of contribution	3,495	2,003	783	-	6,281	163,994
Payment against withdrawal / conversion	(530)	(196)	(20)	-	(746)	-
<b>Net cash inflow from financing activities</b>	2,965	1,807	763	-	5,535	163,994
Net cash (outflow) / inflow during the period	(2,991)	(17,306)	2,545	(691)	(18,443)	24,461
Cash and cash equivalents at the beginning of the period	5,685	29,720	22,663	917	58,985	-
Cash and cash equivalents at the end of the period	2,694	12,414	25,208	226	40,542	24,461

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

## CONDENSED INTERIM CASH FLOW STATEMENT FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)

Note	For the quarter ended March 31, 2009					March 31, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
----- (Rupees in '000) -----						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net (loss) / income	14,065	1,164	1,542	-	16,771	9,832
<b>Adjustments for :</b>						
Dividend income	(1,172)	-	-	-	(1,172)	(1,084)
Profit on sukuk certificates	-	(1,387)	(630)	-	(2,017)	(644)
Profit on savings accounts with banks	(50)	(631)	(902)	-	(1,583)	(1,863)
Profit on placements	-	(313)	(490)	-	(803)	-
Unrealised loss / (gain) on re-measurement of investments at fair value through profit or loss	(14,418)	927	200	-	(13,291)	(6,600)
Unrealised gain on re-measurement of financial instruments sold on deferred settlement basis	-	-	-	-	-	18
Unrealised gain on re-measurement of derivative financial instruments	(829)	-	-	-	(829)	-
Amortisation of formation cost	21	20	21	-	62	63
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	1,546	(76)	(9)	-	1,461	(370)
	(837)	(296)	(268)	-	(1,401)	(648)
<b>Decrease / (increase) in assets</b>						
Placements	-	(11,500)	(500)	-	(12,000)	(22,500)
Receivable against sale of investments	-	-	-	-	-	14,634
Investments at fair value through profit or loss	(1,717)	310	310	-	(1,097)	(21,953)
Financial instruments sold on deferred settlement basis	-	-	-	-	-	-
Formation costs	-	-	-	-	-	-
Deposit with Central Depository Company of Pakistan Limited	-	-	-	-	-	-
Other receivables	1	(6)	-	-	(5)	-
	(1,716)	(11,196)	(190)	-	(13,102)	(29,819)
<b>(Decrease) / increase in liabilities</b>						
Payable against purchase of investments	-	-	-	-	-	278
Payable to Al Meezan Investment Management Limited - Pension Fund Manager	-	2	2	15	19	(501)
Payable to Central Depository Company of Pakistan Limited - trustee of the Fund	-	-	-	-	-	(1)
Payable to Securities and Exchange Commission of Pakistan	3	6	5	-	14	15
Payable to auditors	18	18	18	-	54	51
Accrued expenses and other liabilities	-	(10)	(8)	(23)	(41)	110
	21	16	17	(8)	46	(48)
Dividend received	426	-	-	-	426	914
Profit received on savings accounts with banks	111	1,402	911	-	2,424	3,240
Profit received on sukuk certificates	-	1,965	1,140	-	3,105	-
Profit received on placements	-	237	1,420	-	1,657	-
<b>Net cash (outflow) / inflow from operating activities</b>	(1,995)	(7,872)	3,030	(8)	(6,845)	(26,361)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Receipts of contribution	1,667	597	77	-	2,341	4,532
Payment against withdrawal / conversion	(38)	(9)	(1)	-	(48)	-
<b>Net cash inflow from financing activities</b>	1,629	588	76	-	2,293	4,532
Net cash inflow / (outflow) during the period	(366)	(7,284)	3,106	(8)	(4,552)	(21,829)
Cash and cash equivalents at the beginning of the period	3,060	19,698	22,102	234	45,094	46,290
Cash and cash equivalents at the end of the period 5	2,694	12,414	25,208	226	40,542	24,461

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)

	For the nine months period ended March 31, 2009					For the period June 16, 2007 to March 31, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
	----- (Rupees in '000) -----					
Net assets at the beginning of the period	65,983	60,095	54,880	-	180,958	-
Amount received on issue of units (2009: Equity sub fund: 52,043 units; Debt sub fund: 18,051 units; Money market sub fund: 7,071 units) (2008: Equity sub fund: 599,387 units; Debt sub fund: 532,872 units; Money market sub fund: 502,734 units)	3,495	2,003	783	-	6,281	159,471
Amount paid on redemption / conversion of units (2009: Equity sub fund: 5,264 units; Debt sub fund: 1,793 units; Money market sub fund: 178 units) (2008: Equity sub fund: nil units; Debt sub fund: nil units; Money market sub fund: nil units)	(530)	(196)	(20)	-	(746)	(9)
	2,965	1,807	763	-	5,535	159,462
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	1,673	(174)	(61)	-	1,438	(125)
Net (loss) / income for the period	(23,087)	4,460	4,130	-	(14,497)	8,985
Net assets at the end of the period	47,534	66,188	59,712	-	173,434	168,322

FOR THE QUARTER ENDED	March 31, 2009					March 31, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
	----- (Rupees in '000) -----					
Net assets at the beginning of the quarter	30,294	64,512	58,103	-	152,909	163,131
Amount received on issue of units (2009: Equity sub fund: 32,481 units; Debt sub fund: 5,134 units; Money market sub fund: 542 units) (2008: Equity sub fund: 29,361 units; Debt sub fund: 10,980 units; Money market sub fund: 1,197 units)	1,667	597	77	-	2,341	1,341
Amount paid on redemption / conversion of units (2009: Equity sub fund: 328 units; Debt sub fund: 83 units; Money market sub fund: nil units) (2008: Equity sub fund: nil units; Debt sub fund: nil units; Money market sub fund: nil units)	(38)	(9)	(1)	-	(48)	(9)
	1,629	588	76	-	2,293	1,332
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	1,546	(76)	(9)	-	1,461	(108)
Net (loss) / income for the quarter	14,065	1,164	1,542	-	16,771	3,967
Net assets at the end of the quarter	47,534	66,188	59,712	-	173,434	168,322

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

**CONDENSED INTERIM CONTRIBUTION TABLE**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)**

<b>Contributions net of front end fee received during the period</b>	<b>For the nine months period ended March 31, 2009</b>							<b>For the period June 16, 2007 to March 31, 2008</b>
	Equity sub fund		Debt sub fund		Money Market Sub Fund		Total (Rupees in '000)	Total (Rupees in '000)
	Units	Rs in '000	Units	Rs in '000	Units	Rs in '000		
	------(Rupees in '000)-----							
Individuals - issue of units	52,043	3,495	18,051	2,003	7,072	783	6,281	13,994
Issue of core units to Pension Fund Manager	-	-	-	-	-	-	-	150,000
<b>Total</b>	<u>52,043</u>	<u>3,495</u>	<u>18,051</u>	<u>2,003</u>	<u>7,072</u>	<u>783</u>	<u>6,281</u>	<u>163,994</u>

**FOR THE QUARTER ENDED**

<b>Contributions net of front end fee received during the period</b>	<b>March 31, 2009</b>							<b>March 31, 2008</b>
	Equity sub fund		Debt sub fund		Money Market Sub Fund		Total (Rupees in '000)	Total (Rupees in '000)
	Units	Rs in '000	Units	Rs in '000	Units	Rs in '000		
	------(Rupees in '000)-----							
Individuals - issue of units	<u>32,481</u>	<u>1,667</u>	<u>5,134</u>	<u>597</u>	<u>542</u>	<u>77</u>	<u>2,341</u>	<u>4,523</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

**Chief Executive**

**Director**

**CONDENSED INTERIM NUMBER OF UNITS IN ISSUE  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)**

<b>For the nine months period ended March 31, 2009</b>			
Equity sub fund	Debt sub fund	Money market sub fund	
-----Number of units-----			
Total units outstanding at the beginning of the period	638,489	553,580	508,430
Add: Units issued during the period	52,043	18,051	7,191
Less: Units redeemed / converted during the period	(5,656)	(1,720)	(178)
Total units in issue at the end of the period	<u>684,876</u>	<u>569,911</u>	<u>515,443</u>

<b>For the quarter ended March 31, 2009</b>			
Equity sub fund	Debt sub fund	Money market sub fund	
-----Number of units-----			
Total units outstanding at the beginning of the period	652,992	564,745	514,766
Add: Units issued during the period	32,481	5,134	542
Less: Units redeemed / converted during the period	(597)	32	135
Total units in issue at the end of the period	<u>684,876</u>	<u>569,911</u>	<u>515,443</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

**Chief Executive**

**Director**

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Tahaffuz Pension Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited (AMIML) as Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as trustee. The Trust Deed was executed and approved by the Securities and Exchange Commission of Pakistan (SECP) on May 30, 2007 under the Voluntary Pension System Rules, 2005. The registered office of the Pension Fund Manager of the Fund, is situated in Finance and Trade Centre Shariah-e-Faisal, Karachi, Pakistan.
- 1.2 The Fund offers a saving mechanism where an individual saves from his/her income during work life in order to retain financial security and comfort in terms of regular income stream after retirement. The Fund initially comprises of three sub funds namely equity sub-fund, debt sub-fund and money market sub-fund. Participants are offered various investment allocation schemes depending on their investment horizon, return requirements, risk tolerance and any unique circumstances. Allocation scheme can be selected initially at the time of opening of account and subsequently at anniversary of the account. The contributions from participants are invested in various instruments belonging to different asset classes to get full benefits of risk minimisation through diversification.
- 1.3 The Fund has been formed to enable the participants to contribute in a diversified portfolio of securities, which are shariah compliant. Under the trust deed, all the conducts and acts of the Fund are based on shariah. The Pension Fund Manager has appointed Meezan Bank Limited (MBL) as its shariah adviser to ensure that the activities of the Fund are in compliance with the principles of shariah. The Pension Fund Manager of the Fund is registered with SECP as a Non-Banking Finance Company under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.4 The Fund is an open-ended un listed fund. Units are offered for public subscription on a continuous basis. The units are non-transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

### 2. BASIS OF MEASUREMENT

The transactions 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 aforementioned guidelines. This practice is being followed to comply with the requirements of approved accounting standards as applicable in Pakistan.

### 3. STATEMENT OF COMPLIANCE

- 3.1 These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan, the Companies Ordinance 1984, (the Ordinance), the trust deed, Voluntary Pension System Rules, 2005 (VPS Rules) and the directives issued by the SECP. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) as are notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Ordinance, the trust deed, the VPS Rules and the said directives differ with the requirements of these standards, the requirements of the Ordinance, the trust deed, VPS Rules and the said directives take precedence. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the IAS 34: 'Interim Financial Reporting'.
- 3.2 These condensed interim financial statements comprise of the condensed interim balance sheet as at March 31, 2009 and the condensed interim income statement, condensed interim statement of movement in participants' sub funds, condensed interim cash flow statement, condensed interim contribution table, condensed interim number of units in issue and notes thereto for the nine months period ended March 31, 2009.



3.3 The comparative balance sheet presented in these condensed interim financial statements as at June 30, 2008 has been extracted from the audited financial statements of the Fund for the period June 16, 2007 to June 30, 2008 whereas the comparative condensed interim income statement, condensed interim statement of movement in participants' sub fund, condensed interim cashflow statement, condensed interim contribution table and condensed interim number of units in issue have been extracted from the financial statements for the period June 16, 2007 to March 31, 2008.

3.4 Standards, amendments and interpretations effective from July 1, 2008:

During the period, IFRS 7 'Financial instruments: Disclosures' became effective. Adoption of such standard would require certain additional disclosures to the complete set of financial statements. However, in accordance with paragraph 18 of IAS 34 such disclosures have not been made in these condensed interim financial statements.

Certain interpretations to the approved accounting standards are mandatory for accounting periods beginning on or before July 1, 2008 but are considered not to be relevant or have any significant effect to the Fund's operations and are therefore not disclosed in these condensed interim financial statements.

3.5 Standards, interpretations and amendments to published approved accounting standards that are not yet effective:

Certain standards, amendments and interpretations of approved accounting standards are effective for accounting periods beginning on or after July 1, 2008 but are considered not to be relevant or have any significant effect to the Fund's operations and are therefore not detailed in these condensed interim financial statements.

#### 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 period June 16, 2007 to June 30, 2008.

#### 5. BALANCES WITH BANKS

	March 31, 2009				June 30, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total
	(Rupees in '000)				
Current accounts	1,218	11	11	-	1,240
Savings accounts	1,476	12,403	25,197	226	39,302
	<u>2,694</u>	<u>12,414</u>	<u>25,208</u>	<u>226</u>	<u>40,542</u>
					<u>58,985</u>

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

Note	March 31, 2009				June 30, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Total
	(Rupees in '000)				
Held for trading - shares of listed companies	43,079	-	-	43,079	74,348
- sukuk certificates	-	15,000	17,500	32,500	-
	<u>43,079</u>	<u>15,000</u>	<u>17,500</u>	<u>75,579</u>	<u>74,348</u>
Investments at fair value through profit or loss upon initial recognition	-	23,279	2,000	25,279	19,555
	<u>43,079</u>	<u>38,279</u>	<u>19,500</u>	<u>100,858</u>	<u>93,903</u>



## 6.1 Held for trading - shares of listed companies

Name of the investee company	Opening Balance as at July 01, 2008	Purchases during the period	Cost of purchase	Bonus / rights issue	Sales during the period	As at March 31, 2009	Carrying value as at March 31, 2009	Market value as at March 31, 2009	Percentage of net assets on the basis of market value (See note 6.1.2)	Percentage of paid up capital of investee company
<b>EQUITY SUB FUND</b>										
<b>Automobile assembler</b>										
Indus Motor Company Limited	2,346	-	-	-	-	2,346	469	173	0.36	-
Pak Suzuki Motor Company Limited	6,000	-	-	-	-	6,000	719	327	0.69	-
<b>Paper and board</b>										
Packages Limited	11,500	-	-	-	-	11,500	2,897	1,991	4.19	-
<b>Power generation and distribution</b>										
Kot Addu Power Company Limited	-	-	-	-	-	-	-	-	-	-
The Hub Power Company Limited	190,000	-	-	-	-	190,000	5,434	3,918	8.24	-
<b>Oil and gas exploration companies</b>										
Pakistan Oilfields Limited	13,000	2,800	396	2,600	-	18,400	5,139	3,148	6.62	-
Oil and Gas Development Company Limited	51,000	15,000	649	-	-	66,000	6,991	4,757	10.01	-
Pakistan Petroleum Limited	19,800	-	-	1,980	-	21,780	4,871	3,774	7.94	-
<b>Oil and gas marketing companies</b>										
Pakistan State Oil Company Limited	13,000	-	-	-	-	13,000	5,424	2,547	5.36	-
Sui Northern Gas Pipeline Limited	47,600	-	-	-	-	47,600	2,074	1,438	3.03	-
<b>Chemicals</b>										
ICI Pakistan Limited	30,200	11,000	715	-	-	41,200	5,588	3,963	8.34	-
<b>Technology and communication</b>										
Pakistan Telecommunication Company Limited	135,500	54,000	1,471	-	10,000	179,500	6,328	2,994	6.30	-
<b>Fertilizer</b>										
Engro Chemical Pakistan Limited	18,700	3,000	671	-	4,000	17,700	4,825	2,560	5.39	-
Fauji Fertilizer Bin Qasim Limited	130,000	20,000	512	-	-	150,000	5,176	2,568	5.40	-
Fauji Fertilizer Company Limited	45,000	-	-	11,250	-	56,250	5,954	4,889	10.29	-
<b>Cement</b>										
DG Khan Cement Company Limited	12,000	8,500	514	-	-	20,500	1,321	447	0.94	-
Attock Cement	38,500	-	-	-	-	38,500	2,969	2,597	5.46	-
Lucky Cement Limited	-	20,000	750	-	-	20,000	750	988	-	-
<b>Total</b>							<u>66,929</u>	<u>43,079</u>		
<b>DEBT SUB FUND</b>										
<b>Securities sold under deferred sale arrangements</b>										
<b>Textile composite</b>										
Nishat Mills Limited	-	25,000	1,775	-	25,000	-	-	-	-	-
<b>Oil and gas exploration company</b>										
Pakistan Oilfields Limited	2,000	-	-	-	2,000	-	-	-	-	-
<b>Fertilizer</b>										
Engro Chemical Pakistan Limited	11,000	11,000	2,403	-	22,000	-	-	-	-	-
<b>Cement</b>										
DG Khan Cement Company Limited	11,500	-	-	-	11,500	-	-	-	-	-
<b>Total</b>							<u>-</u>	<u>-</u>		
<b>MONEY MARKET SUB FUND</b>										
<b>Securities sold under deferred sale arrangements</b>										
<b>Oil and gas exploration company</b>										
Pakistan Oilfields Limited	10,000	-	-	-	10,000	-	-	-	-	-
<b>Fertilizer</b>										
Engro Chemical Pakistan Limited	12,000	12,000	2,610	-	24,000	-	-	-	-	-
<b>Total</b>							<u>-</u>	<u>-</u>		

6.1.1 All shares have a nominal value of Rs 10 each.

6.1.2 Net assets are as defined in rule 2(1) (m) of Voluntary Pension System Rules, 2005.

6.1.3 The SECP through its letter No. 24(3) SEC/SCD/PW-AMIML/2007 dated June 27, 2007 has relaxed the investment limits prescribed in Circular 8 of 2005 dated July 15, 2005.

## 6.2 Held for trading - sukuk certificates

Name of the investee company	Maturity date	Profit rate	Purchases during the period	Sales during the period	Redemptions during the period	As at March 31, 2009	Cost as at March 31, 2009	Market value as at March 31, 2009 (see note 6.3.4)	Percentage of net assets on the basis of market value (see note 6.1.2)
			-----Number of certificate-----			-----Rupees in '000-----			
<b>Debt Sub Fund</b>									
GoP - Ijara sukuk (note 6.2.1)	September 25, 2011	13.1376	150,000	-	-	150,000	15,000	15,000*	23.25
<b>Money Market Sub Fund</b>									
GoP - Ijara sukuk (note 6.2.1)	September 25, 2011	13.1376	175,000	-	-	175,000	17,500	17,500*	30.12

\*This represents cost as the rate was not quoted as of March 31, 2009.

6.2.1 The nominal value of the sukuk certificates of GoP Ijara Sukuk is Rs 100 each.

## 6.3 Investments at fair value through profit or loss upon initial recognition - sukuk certificates

Name of the investee company	Maturity date	Profit rate	Opening Balance as at July 01, 2008	Purchases during the period	Cost of purchase	Sales during the period	Redemptions during the period	As at March 31, 2009	Carrying value as at March 31, 2009	Market value as at March 31, 2009 (see note 6.3.4)	Percentage of net assets on the basis of market value (see note 6.1.2)
			Number of certificate	Rs in '000	Rs in '000	Number of certificate	Number of certificate	Rupees in '000	Rupees in '000		
<b>Debt Sub Fund</b>											
Dawood Hercules Chemicals Limited (note 6.3.1)	September 18, 2012	6 months Kibor plus base rate of 1.2%	50	-	-	-	-	50	2,500	2,333	3.52
Eden Housing Limited (note 6.3.2)	April 2, 2013	6 months Kibor plus base rate of 2.5%	500	-	-	-	-	500	2,528	2,371	3.58
Engro Chemical Pakistan Limited (note 6.3.2)	September 1, 2015	6 months Kibor plus base rate of 1.5%	500	-	-	500	-	-	-	-	-
Karachi Shipyard & Engineering Works Limited (note 6.3.2)	November 2, 2015	6 months Kibor plus base rate of 0.4%	-	4,000	20,192	2,000	-	2,000	10,000	10,093	15.25
Maple Leaf Cement Factory Limited (note 6.3.2)	December 1, 2013	6 months Kibor plus base rate of 1.7%	1,000	-	-	-	-	1,000	5,029	4,603	6.95
Security Leasing Corporation Limited II (note 6.3.2)	September 19, 2012	6 months Kibor plus base rate of 1.95%	500	-	-	-	-	500	2,176	1,998	3.02
Shahmurad Sugar Mills Limited (note 6.3.3)	September 30, 2012	6 months Kibor plus base rate of 2.25%	2	-	-	-	-	2	1,998	1,879	2.84
			2,552	4,000	20,192	2,500	-	4,052	24,231	23,277	
<b>Money Market Sub Fund</b>											
Security Leasing Corporation Limited II (note 6.3.2)	September 1, 2012	6 months Kibor plus base rate of 1.95%	500	-	-	-	-	500	2,176	1,998	3.35
Total			500	-	-	-	-	500	2,176	1,998	

6.3.1 The nominal value of the sukuk certificates of Dawood Hercules Chemicals Limited is Rs. 50,000 each.

6.3.2 The nominal value of the sukuk certificates of Eden Housing Limited, Engro Chemical Pakistan Limited, Karachi Shipyard & Engineering Works Limited, Maple Leaf Cement Factory Limited and Security Leasing Corporation Limited is Rs. 5,000 each.

6.3.3 The nominal value of the sukuk certificates of Shahmurad Sugar Mills Limited is Rs. 1,000,000 each.

6.3.4 The trustee through its letter CDC/T&C/A2/0462/2009 dated February 10, 2009 has confirmed the valuation of debt securities on the basis of rates quoted by the Mutual Fund Association of Pakistan (MUFAP) and where no rates are quoted the debt securities should be carried at cost.

## 7. DERIVATIVE FINANCIAL INSTRUMENTS

Type of derivative	Number of shares	Settlement	Underlying	Notional amount	Fair value		
					Assets	Liabilities	
					----- Rupees in '000 -----		
<b>Rights Entitlement</b>							
D. G. Khan Cement Company Limited	20,500	May 16, 2009	Equity indices	-	7	-	
Engro Chemical Pakistan Limited	21,700	May 20, 2009	Equity indices	-	822	-	
					<b>March 31, 2009</b>	<b>829</b>	<b>-</b>
					<b>June 30, 2008</b>	<b>-</b>	<b>-</b>

## 8. FINANCIAL INSTRUMENTS SOLD ON DEFERRED SETTLEMENT BASIS

Financial Instruments sold on deferred settlement basis outstanding as at March 31, 2009 amounted to Rs nil (June 30, 2008: Rs 0.251 million).

## 9. ACCRUED EXPENSES AND OTHER LIABILITIES

	March 31, 2009					June 30, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
----- (Rupees in '000) -----						
Withholding tax payable	3	15	15	-	33	16
Charity payable	92	-	-	-	92	51
Payable to Equity sub-fund	-	-	-	1	1	502
Payable to Debt sub-fund	-	-	-	8	8	671
Payable to Money Market sub-fund	-	-	-	-	-	439
	<u>95</u>	<u>15</u>	<u>15</u>	<u>9</u>	<u>134</u>	<u>1,679</u>

## 10. (LOSS) / EARNINGS PER UNIT OUTSTANDING - BASIC

	Nine months period ended March 31, 2009			For the period June 16, 2007 to March 31, 2008		
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund
----- (Rupees in '000) -----						
Net (loss) / income for the period	(23,087)	4,460	4,130	12,369	3,435	3,013
----- (Number of units) -----						
Units outstanding as at March 31, 2009	<u>684,876</u>	<u>569,911</u>	<u>515,443</u>	<u>599,387</u>	<u>532,872</u>	<u>502,734</u>
----- (Rupees) -----						
(Loss) / earnings per unit outstanding - basic	<u>(33.71)</u>	<u>7.83</u>	<u>8.01</u>	<u>20.64</u>	<u>6.44</u>	<u>5.99</u>

## 11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include AMIML being the Pension Fund Manager, CDC being the trustee, MBL being the holding company of the Pension Fund Manager, funds under management of the Pension Fund Manager and directors of the Pension Fund Manager.

Remuneration payable to the Pension Fund Manager and the trustee is determined in accordance with the provisions of VPS Rules and the trust deed respectively. Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Details of transactions with connected persons and balances with them at period end are as follows:

	March 31, 2009				June 30, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total
----- (Rupees in '000) -----					
<b>Investment by:</b>					
<b>Al Meezan Investment Management Limited</b>					
(Equity sub fund: 500,000 units; debt sub fund: 500,000 units; money market sub fund: 500,000 units)					
	34,705	58,070	57,925	-	150,700
	<u>34,705</u>	<u>58,070</u>	<u>57,925</u>	<u>-</u>	<u>150,700</u>
<b>Directors and executives of the Pension Fund Manager</b>					
As at March 31, 2009					
(Equity sub fund: 33,114 units; debt sub fund: 10,006 units; money market sub fund: 2,319 units)					
(June 30, 2008: Equity sub fund: 23,341 units; debt fund: 5,875 units)					
	2,299	1,162	269	-	3,730
	<u>2,299</u>	<u>1,162</u>	<u>269</u>	<u>-</u>	<u>3,730</u>
Units issued during the period					
(Equity sub fund: 4,961 units; debt sub fund: 641 units; money market sub fund: 2,319 units)					
	80	270	250	-	600
	<u>80</u>	<u>270</u>	<u>250</u>	<u>-</u>	<u>600</u>
<b>Transactions and balances with connected persons:</b>					
<b>Al Meezan Investment Management Limited</b>					
<b>- Pension Fund Manager</b>					
Remuneration payable at the beginning of the period	82	72	67	140	361
Formation cost payable at the beginning of the period	79	79	79	-	237
Remuneration for the period	522	715	647	-	1,884
Front-end fee for the period	-	-	-	62	62
	<u>683</u>	<u>866</u>	<u>793</u>	<u>202</u>	<u>2,544</u>
Amount paid during the period	(550)	(704)	(638)	15	(1,877)
Balance at the end of the period	<u>133</u>	<u>162</u>	<u>155</u>	<u>217</u>	<u>599</u>
<b>Meezan Bank Limited</b>					
Bank balance	725	556	285	226	1,792
Profit on savings accounts	3	1	3	-	7
	<u>3</u>	<u>1</u>	<u>3</u>	<u>-</u>	<u>7</u>
<b>Central Depository Company of Pakistan Limited</b>					
<b>- trustee of the Fund</b>					
Balance at the beginning of the period	9	8	8	-	25
Remuneration for the period	62	86	77	-	225
CDS charges for the period	5	5	5	-	15
	<u>76</u>	<u>99</u>	<u>90</u>	<u>-</u>	<u>265</u>
Amount paid during the period	(70)	(89)	(81)	-	(240)
Balance at the end of the period	<u>6</u>	<u>10</u>	<u>9</u>	<u>-</u>	<u>25</u>

## 12. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of financial assets and liabilities either equal or approximate their fair values.

## 13. DATE OF AUTHORISATION

These condensed interim financial statements were authorised on April 15, 2009 by the board of directors of the Pension Fund Manager.

**For Al Meezan Investment Management Limited  
(Pension Fund Manager)**

**Chief Executive**

**Director**