



# Building Fruitful Relations

- Meezan Islamic Fund (MIF)
- Al Meezan Mutual Fund (AMMF)
- KSE-Meezan Index Fund (KMIF)
- Meezan Islamic Income Fund (MIIF)
- Meezan Sovereign Fund (MSF)
- Meezan Cash Fund (MCF)
- Meezan Capital Preservation Fund - II (MCPF-II)
- Meezan Capital Preservation Fund - III (MCPF-III)
- Meezan Financial Planning Fund of Funds (MFPF)
- Meezan Balanced Fund (MBF)
- Meezan Tahaffuz Pension Fund (MTPF)

Quarterly Report  
March 31, 2015

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# Vision

To make Shariah compliant investing a first choice for investors

# Mission

To establish Al Meezan as a leading and trusted brand for savings and investments by offering innovative Shariah compliant investment solutions through ethical conduct, value added services and optimal returns, while protecting the interest of all stakeholders

## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of Al Meezan Investment Management Limited is pleased to present the un-audited financial statements of the following open end funds and a voluntary pension scheme for the nine months ended March 31, 2015.

### Equity Funds

- Meezan Islamic Fund
- Al Meezan Mutual Fund
- KSE-Meezan Index Fund

### Income Funds

- Meezan Islamic Income Fund
- Meezan Sovereign Fund

### Money Market Fund

- Meezan Cash Fund

### Balanced Fund

- Meezan Balanced Fund

### Fund of Fund

- Meezan Financial Planning Fund of Funds
- Meezan Capital Preservation Fund - III
- Meezan Capital Preservation Fund - II

### Pension Fund

- Meezan Tahaffuz Pension Fund

### Economic Review:

Economic performance of the country showed marked improvement during the nine months ended March 31, 2015. This was in part due to stringent reforms applied under the guidelines of IMF and the global oil price decline which resulted in falling prices of petroleum products in the country and hence, a favorable situation for Pakistan. Resultantly, considerable fall was witnessed in inflation numbers whereby the CPI for March 2015 clocked in 2.49% taking the nine months average inflation to 5.14% in comparison to 8.64% during the same period last year. Consequentially the real interest rate scenario became favorable for the SBP to embark on its monetary easing stance once again whereby the discount rate was cumulatively slashed during last nine months by 200bps bringing it down to 8%. The government is aiming to increase the private sector credit offtake but the same has not picked up so far. The state bank also decreased its average forecast of inflation which is now forecasted between 4-5.5%.

The government also managed to contain fiscal deficit through prudent fiscal management. Tax revenue increased to Rs. 1.75 trillion during nine months of current fiscal year, up by 11.4% YoY. The current account deficit shrank by 33% during the first eight months of FY15 clocking in at 0.8% of GDP compared to 1.8% during the same period last year. Further, reduction in current account deficit was also supported by higher remittances to the tune of USD 11.7 billion (up 14.6% YoY) despite widening of trade deficit by 13% to USD 14.6 billion YoY.

The government has also worked well towards achieving exchange rate stability. Successful conclusion of IMF's reviews under the EFF program largely resulted in the disbursement of four tranches, cumulatively amounting to USD 2.2 billion. Furthermore, after the issuance of Euro bonds during the last fiscal year, the government once again successfully tapped into the international markets with issuance of an international Sukuks and received an inflow of USD 1bn from the offering. The country also received CSF flows amounting to USD 717 million while proceeds were also realized from privatization process of public sector entities.

All these inflows contributed in taking the country's forex position above USD 16 billion at the end of nine months ended March 2015.

The factors mentioned above coupled with the changes in local debt policy, have resulted in improved profile of public debt management in terms of maturity profile and interest costs. Resultantly, Moody's Investor Service revised its outlook on Pakistan's foreign currency sovereign bond rating to positive from stable while the credit rating was maintained at Caa1.

Going forward, the fundamentals of the economy are expected to continue improving on the back of reforms undertaken by the government. The government is also progressing towards achieving its major targets of 1) current account deficit at 1.1% of GDP, 2) fiscal deficit at 4.9% of GDP and 3) GDP growth at 5.1%. Pressure on external account is expected to be eased further on the back of declining oil prices as oil accounts for 35% of Pakistan's total import bill. This will provide much needed respite and also work in favor of the exchange rate. With political stability improving investor sentiment and further monetary softening on the cards, private sector credit off-take is expected to increase in the coming months, which will provide impetus to economic growth.

#### Money Market Review:

During the nine months ended March 31, 2015, the money market witnessed SBP's return towards a monetary easing stance on the back of improving economic fundamentals and falling inflation. Cumulatively via three bi-monthly Monetary Policy Statements, the Discount Rate (DR) has been slashed by 200bps so far, bringing it down in a single digit range at 8%. With the inflation numbers being expected to stay low on the back of stable oil prices and last year's high base effect coupled with the government's continued intent to stimulate economic activity, the market is currently anticipating further monetary easing before the close of this fiscal year. Overall, in light of these DR cuts and market expectations of continued monetary easing going forward, the interest rates and government paper yields in the secondary market have undergone a downward adjustment whereby the KIBORs have declined by 218-219bps, T-bills fell by 189-214bps and PIBs were reduced by 362-406bps during the period under review. On the liquidity front, the market faced a relatively tight liquidity scenario during this period evidenced by Rs. 15,001 billion worth of OMO injections carried out by the SBP in comparison to Rs. 449 billion worth of OMO mop-ups.

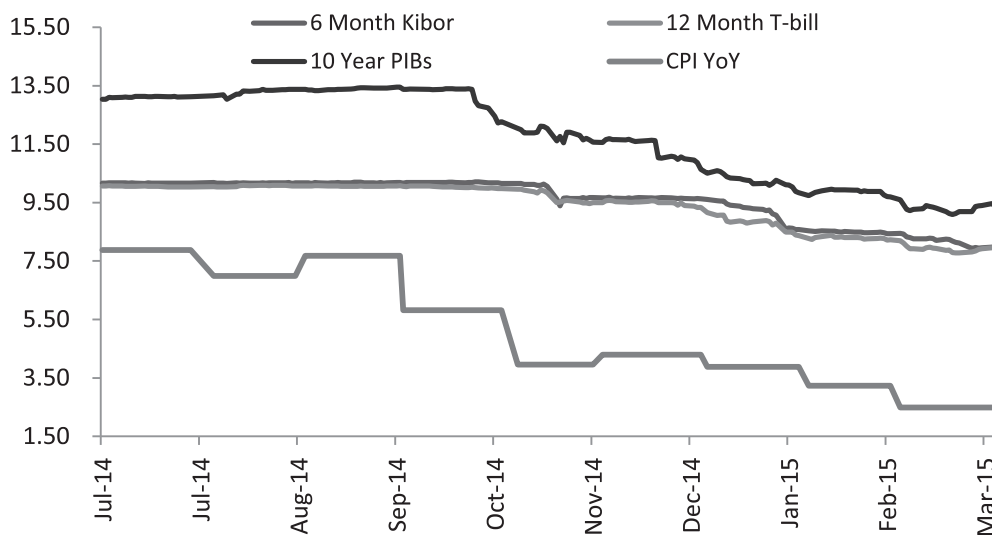
Alongside, nineteen T-bill auctions and nine PIB auctions were conducted during this period; cumulatively Rs. 2,580 billion was accepted against a participation of Rs. 4,214 billion in T-bills and Rs. 814 billion was accepted against a participation of Rs. 1,788 billion in PIBs. It is worth noting that participation in PIBs continued to remain heavy while participation in T-bills remained skewed towards the 12-months category which once again highlights that the market is expecting further monetary easing.

On the Shariah compliant end of the market, the introduction of an Islamic OMO facility to manage excess liquidity proved to be a lucrative tool for Islamic banks; during the period under review, SBP mopped up Rs. 180 billion worth of excess liquidity of Islamic players through this mechanism. Alongside, these OMOs were considerably effective in subsiding the demand pressures on the limited Ijarah supply in the secondary market.

On the forex front, the country's reserves position improved considerably mainly on the back of IMF's loan disbursements and a successful international Sukuks issue by the government. However, the rupee slightly weakened during the first half as it stayed under pressure mainly due to the strengthening dollar against other currencies. In the interbank market, it closed 3.1% lower at Rs. 101.94/\$ while in the open market, it also closed 3.1% lower at Rs. 102.50/\$.



Graphically, the overall interest rate, T-bill/PIB yield and inflation rate behaviors can be observed as under:



#### Equity Review:

The first nine months of FY15 saw a lackluster performance of the benchmark index (KMI-30), which closed 3.5% up at 49,363 points. During the same period, the KSE 100 index also continued its rising trend and closed 1.96% up at 30,233 points.

With the start of FY15, the KMI-30 index continued its upward momentum as improving macro-economic fundamentals such as receding inflation, falling oil prices and up gradation of the country's sovereign rating outweighed the drags caused by increased political noise. Post Ramadan, politics had emerged as a key strain with PTI and PAT initiating a planned protest march in Islamabad on August 14, 2014 against alleged rigging in the country's latest general elections, which resulted in increased volatility in the equity market and KMI-30 and KSE-100 index witnessed their largest single day drops of 1,730 (4.82%) and 1,209 pts. (4.46%) respectively. However, the protest lost its momentum and was called off in the wake of Army Public School massacre in Peshawar.

Subsequently, the equity market saw a gradual reduction in investors' sensitivity to the political overhang. The start of a monetary easing cycle in November 2014 significantly rejuvenated the investor sentiments in the market. The overwhelming interest both in the country's equity market (secondary public offerings of UBL, PPL and ABL) and fixed income instruments (International Sukuks) was reflective of the strengthening investors' confidence in the country. These developments took the KMI-30 index and KSE-100 to their all-time highest closings of 54,845 points and 34,827 points (on February 3, 2015) respectively from start of FY15 thereby showing an increase of 15.41% and 17.45%.

Later in February and March, 2015, KMI-30 and KSE-100 took considerable corrections of 17% and 20%. This massive decline can be attributed to a host of factors including foreign selling mainly due to liquidation of a foreign hedge fund, selling by local capital protected/preservation funds seeking to rebalance their portfolios in a declining equity market, amendments in capital gains tax regime for foreign investors and regulatory instructions to regularize market practices relating to segregation of clients' assets and regularization of in-house financing.

However, positive developments on macroeconomic front proved to be encouraging. Current account posted a surplus in February 2015 while continuously falling inflation kept the SBP on its monetary easing stance; CPI clocked in at 2.49% for March 2015. First week of April brought further positive news flow with Moody's upgrading Pakistan's rating outlook to Positive from Neutral and successful conclusion of IMF's sixth review under EFF program. Improving law and order situation in Karachi and formation of a judicial commission by the government to investigate rigging in 2013 elections got attention of investors and market recovered on the last day of March 2015. Eventually KMI-30 and KSE-100 posted returns of 3.5% and 1.56% for the period ended March 31, 2015.

Corporate profitability and major contributors to Index:

Overall, automobiles turned out to be the best performing sector during the period under review, up 63% mainly on the back of weakening yen and launch of new models (Toyota). Electricity was also up 47% up based on attractive yields due to falling oil prices. Chemicals increased by 25%, construction & material increased by 22% and pharmaceuticals increased by 4%.

Top contributors to KMI-30 index growth during the nine months of FY15 were primarily:

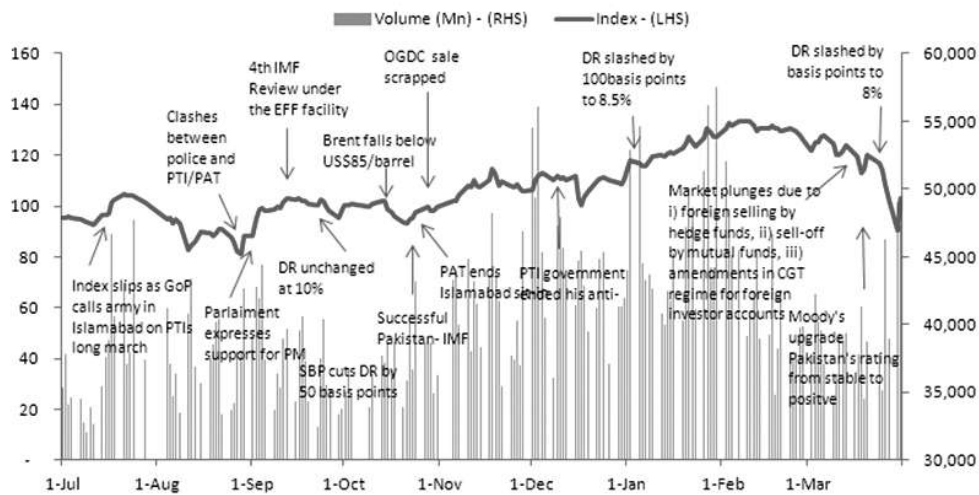
Company Name	KMI-30 Index Points	Total Return
The Hub Power Company	2,172	61.5%
Fauji Fertilizer Company	1,588	29.9%
Kot Addu Power Company	850	46.4%
Fauji Cement Company	584	58.7%
D.G. Khan Cement Company	466	32.9%

On the flip side, Oil and Gas sector was down 29% due to a massive decline in international oil prices, Telecom was down 17% mainly due to removal of ICH and a decline in incoming international minutes and Commercial banks were down by 13% due to declining interest rates.

Among stocks that pulled the KMI-30 index down were:

Company Name	KMI-30 Index Points	Total Return
Pakistan Oilfields	-1,548	-37.4%
Pakistan Petroleum	-1,459	-26.7%
Oil & Gas Development Company	-1,182	-28.2%
Abbot Laboratories	-391	-12.6%
Pakistan State Oil Company	-371	-10.4%

A graphical summary of the performance of KMI-30 index is as follows:



### Equity Flows

Stock market initially witnessed massive inflows of USD 113 million by foreign investors during Jul-Dec'14 while net outflows of USD 131 million were recorded in the last three months taking the combined foreign net outflow during the nine months period to USD 18 million. Highest outflows were recorded in Electricity sector (outflow of USD 61 million, mainly on account of KEL transaction of USD 65 million) followed by Chemicals (USD 44 million). On the other hand, the market witnessed sizeable net inflows in Banks USD 21 million, Textiles USD 18 million and other sectors USD 37 million.

Mutual funds increased their exposure with a net buy of USD 38 million while banks were seen to have reduced their exposure to the stock market with a net sell of USD 26 million. Average daily volume of shares traded declined to 196 million shares during the nine months ended March 31, 2015 in comparison to 208 million shares traded daily in the corresponding period last year.

### Mutual Fund Industry Review

During the first eight months of FY15, AUMs of the mutual fund industry witnessed an increase of 15.91% to Rs. 466 billion. Islamic funds increased by 7.9% during the period under review to Rs. 91 billion. This brings share of Islamic funds at 19.57% in the mutual fund industry. Al Meezan's share in the Mutual Funds industry stands at 12.3% and 62.8% in the Islamic Funds industry as of February 28, 2015 compared to 13.2% and 68.9% in the corresponding period last year.

In terms of net assets, open end sovereign, money market and income funds showed a growth in size during the eight months ended February 2015. The combined category showed a rise of 9.5% to reach Rs 259 billion at period end. While conventional funds in this category rose by 18.0%, Islamic funds declined by 30.9%. Open end Equity funds (including capital protected, balanced, index tracker, and asset allocation) increased by 26.2% to Rs. 192 billion as of February 28, 2015 compared to Rs. 153 billion as on June 30, 2014. Conventional funds in this category rose by 17.12% while Islamic equity based funds showed a reasonable growth of 58.3% in the period under review and stood at Rs. 53 billion.

Pension Funds showed significant growth of 34.3% during the period under review with their cumulative fund size clocking in over Rs. 11 billion mark, as at February 28, 2015. Islamic Pension Funds also witnessed a decent growth of 31.7% in the period under review to clock in at Rs 6.5 billion as of February end. Meezan Tahaffuz Pension Fund (MTPF) continues to lead the pension fund market with a 33.9% market share while in the Islamic mutual funds industry, MTPF holds a 57.1% share compared to 57.8% in the corresponding period last year.

#### Performance Review:

##### Meezan Islamic Fund

The net assets of Meezan Islamic Fund (MIF) as at March 31, 2015 increased to Rs. 21,354 million as compared to Rs. 16,622 million at end of June 2014, depicting a growth of 28%. The net asset value (NAV) per unit as at March 31, 2015 was Rs. 53.00 in comparison to Rs. 50.24 per unit as on June 30, 2014 providing a return of 5.49% to its investors as compared to benchmark KSE Meezan Index (KMI 30) which appreciated by 3.52%.

##### Al Meezan Mutual Fund

The net assets of Al Meezan Mutual Fund (AMMF) as at March 31, 2015 were Rs. 3,045 million as compared to Rs. 2,847 million at end of June 2014, depicting a growth of 7%. The net asset value per unit as at March 31, 2015 was Rs. 14.79 as compared to Rs. 13.90 per unit on June 30, 2014, providing a return of 6.38 % to its investors as compared to benchmark KSE Meezan Index (KMI 30) which appreciated by 3.52%.

##### KSE Meezan Index Fund

The net assets of KSE Meezan Index Fund (KMIF) as at March 31, 2015 were Rs. 1,095 million as compared to Rs. 1,176 million at June 30, 2014 showing a decrease of 7%. The net asset value per unit as at March 31, 2015 was Rs. 64.19 as compared to Rs. 62.83 per unit on June 30, 2014 providing a return of 2.17% to its investors showing under performance from its benchmark KSE Meezan Index (KMI 30) which appreciated by 3.52%.

##### Meezan Islamic Income Fund

The net assets of Meezan Islamic Income Fund (MIIF) as at March 31, 2015 were Rs. 7,922 million as compared to Rs. 4,918 million at June 30, 2014 showing an impressive growth of 61%. The net asset value per unit as at March 31, 2015 was Rs. 53.39 as compared to Rs. 50.17 per unit on June 30, 2014 providing an annualized return of 8.56% as compared to the benchmark return of 5.21%.

##### Meezan Sovereign Fund

The net assets of Meezan Sovereign Fund (MSF) as at March 31, 2015 were Rs. 14,281 million as compared to Rs. 20,281 million at June 30, 2014. The net asset value per unit as at March 31, 2015 was Rs. 53.00 as compared to Rs. 50.48 per unit on June 30, 2014, providing a return of 6.64% to the investors as compared to the benchmark return of 6.45%.

##### Meezan Cash Fund

The net assets of Meezan Cash Fund (MCF) at March 31, 2015 were Rs. 3,622 million as compared to Rs. 3,049 million at June 30, 2014 depicting a growth of 18.77%. The net asset value per unit as at March 31, 2015 was Rs. 52.95 as compared to Rs. 50.07 on June 30, 2014 providing a competitive return of 7.67% as compared to the benchmark return of 6.45% .

## Meezan Balanced Fund

The net assets of Meezan Balanced Fund (MBF) as at March 31, 2015 were Rs. 2,783 million as compared to Rs. 1,930 million at June 30, 2014, depicting a rise of 44%. The net asset value per unit as at March 31, 2015 was Rs. 14.13 as compared to Rs.13.35 per unit on June 30, 2014 providing a return of 5.81% to its investors as compared to bench mark return of 3.71%.

## Meezan Financial Planning Fund of Funds

### *Aggressive Allocation Plan*

The net assets of the Fund as at March 31, 2015 clocked in at Rs. 354 million as compared to Rs. 330 million at June 30, 2014. The plan provided a return of 4.97% during this period compared to the benchmark return of 3.98%.

### *Moderate Allocation Plan*

The net assets of the Fund were Rs. 346 million at March 31, 2015 as compared to Rs. 255 million at June 30, 2014. The plan provided a return of 4.86% during the period in comparison to a benchmark return of 4.18%.

### *Conservative Allocation Plan*

The net assets of the Fund as at March 31, 2015 were Rs. 409 million as compared to Rs. 341 million at June 30, 2014. The plan's return clocked in at 4.81% compared to a benchmark return of 4.57% during this period.

### *Meezan Capital Preservation Plan-I*

This plan was launched in September 2014 and its net assets clocked in at Rs. 1,479 million at March 31, 2015. It incurred a negative return of (0.81%) since its inception till the nine months ended March 31, 2015 as compared to its benchmark return of (0.35%).

### *Meezan Capital Preservation Plan-II*

This is a similar plan in continuation to MCPP-I and was opened for subscription on December 15, 2014 and closed it on March 15, 2015. The net assets of the Fund as at March 31, 2015 were Rs. 2,942. The net asset value of the plan as at March 31, 2015 was 47.76. The plan's return during the period remained (4.48%) as compared to its benchmark return of (2.77%).

## Meezan Capital Preservation Fund-II

The net assets of the Fund as at March 31, 2015 clocked in at Rs. 2,080 million and it provided a return of 2.52% compared to a benchmark return of 0.90%.

Meezan Capital Preservation Fund II posted a total income of Rs. 65 million during the period which mainly comprised of realized and unrealized gain on investments of Rs. 41 million and Rs. 20 million respectively. After accounting for expenses of Rs. 12 million, the fund posted a net profit of Rs. 51 million.

## Meezan Capital Preservation Fund-III

The net assets of the Fund clocked in at Rs. 3,093 million on March 31, 2015 as compared to Rs. 3,111 million at June 30, 2014. The net asset value of the Funds as at period end was Rs. 53.16 as compared to Rs. 52.27 as at June 30, 2014 showing a Fund return of 1.72% compared to a benchmark return of 1.25% during the period under review.

Meezan Capital Preservation Fund III posted a total income of Rs. 68 million during the period ended March 31, 2015. Total income comprised mainly of realized and unrealized gain on investments of Rs. 25 million and 39 million respectively. After accounting for expenses of Rs. 11.0 million, the fund posted a net profit of Rs. 52 million.

#### Meezan Tahaffuz Pension Fund (MTPF)

MTPF comprises of three sub funds namely Equity sub fund, Debt sub fund and Money Market sub fund. For the period ended March 31, 2015, the equity sub-fund provided a return of 8.65%, while the debt and money market sub-funds provided annualized returns of 6.36% and 6.93% respectively. Performance review for each sub fund is given as under:

##### *Equity Sub Fund*

The net assets of this sub fund stood at Rs. 2,038 million as at March 31, 2015, showing a growth of 32.60% during the period; the net asset value per unit increased from Rs. 329.21 to Rs. 357.67. For the period under review, the equity sub fund earned a gross income of Rs. 160 million, as compared to Rs. 227 million in corresponding period last year. The main contributors to the income were realized and unrealized gains of Rs. 16 million and Rs. 76 million respectively. The Fund also earned a dividend income of Rs. 64 million during this period. After accounting for expenses of Rs. 36 million, equity sub fund recorded a net profit of Rs. 162 million as compared to a net profit of Rs. 233 million in corresponding period last year.

##### *Debt Sub Fund*

The net assets of this sub fund stood at Rs. 1,249 million as at March 31, 2015, showing a growth of 19.29% during the period; the net asset value increased from Rs. 183.87 to Rs. 192.65. For the period under review, the debt sub fund earned a gross income of Rs. 76 million, as compared to Rs. 57 million in corresponding period last year. The main contributor to this income was profit on Sukuks certificates worth Rs. 71 million. After accounting for expenses of Rs. 20 million, the debt sub fund recorded a net profit of Rs. 58 million.

##### *Money Market Sub Fund*

The net assets of this sub fund stood at Rs. 318 million as at March 31, 2015, showing a growth of 6.35% during the period; the net asset value increased from Rs. 182.8 to Rs. 192.3. For the period under review, the money market sub fund earned a gross income of Rs. 22 million as compared to Rs. 20 million in corresponding period last year. The main contributors to the income were profit from Sukuks certificates of Rs. 18 million. After accounting for expenses of Rs. 6 million, money market sub fund recorded a net profit of Rs. 16 million as compared to a net profit of Rs. 15 million in corresponding period last year.

##### *Outlook*

Going forward, we expect the stock market to continue performing as the investors' sentiment will be driven by i) half year/annual financial results ii) further monetary softening, and iii) continued improvement on the macro front. SBP was seen to have continued on its monetary easing stance whereby the Discount Rate was slashed by another 100bps in January 2015 and with the expectation of FY15 CPI to clock in around 5.5%, further monetary softening during the second half of FY15 appears to be a likely event. Resultantly, the stock market is also expected to gain, following a positive economic outlook, expectations of a stable government with a focus on good governance and attractive valuations of fundamentally strong scripts.

In addition to strengthening macros, attractive valuations coupled with steady earnings growth, will continue to attract foreign investment in the market. The continuation of reforms in the economy aimed at alleviating the energy crisis will further improve investors' sentiment in the market. We also foresee a considerable improvement in Current Account position primarily due to the massive decline in global crude oil prices mentioned earlier, which is expected to ultimately drag down the overall trade deficit.



## Acknowledgement

We take this opportunity to thank our valued investors for reposing their faith in Al Meezan Investments making it the largest asset management company in the private sector in Pakistan. We also thank the regulator, Securities and Exchange Commission of Pakistan and our Trustee, The Central Depository Company of Pakistan for their support. Furthermore, we would like to thank the members of the Shariah Supervisory Board of Meezan Bank for their continued assistance and support on Shariah aspects of fund management.

Date: April 15, 2015

For and on behalf of the Board

Mohammad Shoab, CFA  
Chief Executive



Quarterly Report March 31, 2015



## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
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Fax: (9221) 35676143, 35630808  
Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoaib, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoaib, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh Sultan Trust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Allied Bank Limited	Askari Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	Bank Alfalah Limited
Bank Al Habib Limited - Islamic Banking	Burj Bank Limited
Bankislami Pakistan Limited	Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking	Habib Bank Limited - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking	MCB Bank Limited - Islamic Banking
Meezan Bank Limited	National Bank of Pakistan - Islamic Banking
Standard Chartered Bank (Pakistan) Limited - Islamic Banking	UBL Ameen - Islamic Banking

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
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Phone: (9221) 35156191-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited  
Standard Chartered Bank (Pakistan) Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
..... (Rupees in '000).....			
<b>Assets</b>			
Balances with banks		1,714,296	1,698,950
Investments	5	21,258,492	15,297,896
Receivable against sale of investments (net)		1,096,738	-
Dividend receivable		200,485	15,254
Deposits, Prepayments, and other receivables		35,929	27,335
<b>Total assets</b>		<b>24,305,940</b>	<b>17,039,435</b>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		174,758	82,432
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		2,226	1,405
Payable to Meezan Bank Limited (MBL)		-	2,804
Payable to Securities and Exchange Commission of Pakistan (SECP)		14,609	11,563
Payable on redemption and conversion of units		2,626,005	20,228
Payable against purchase of investments (net)		-	178,972
Accrued expenses and other liabilities		134,839	120,266
<b>Total liabilities</b>		<b>2,952,437</b>	<b>417,670</b>
<b>Net assets</b>		<b>21,353,503</b>	<b>16,621,765</b>
Contingencies and commitments	6		
<b>Unitholders' funds (as per statement attached)</b>		<b>21,353,503</b>	<b>16,621,765</b>
.....(Number of units).....			
Number of units in issue		402,931,088	330,854,335
..... (Rupees).....			
Net assets value per unit		53.00	50.24

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the nine months and quarter ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2015	2014	2015	2014
----- (Rupees in '000) -----					
<b>Income</b>					
Net realised (loss) / gain on sale of investments		(207,455)	121,126	(134,052)	97,886
Dividend income		741,449	513,629	245,619	181,731
Profit on saving accounts with banks		86,572	62,083	34,915	24,564
Other income		33,789	14,230	15,289	6,483
		<u>654,355</u>	<u>711,068</u>	<u>161,771</u>	<u>310,664</u>
Unrealised (loss) / gain on re-measurement of investments - 'at fair value through profit or loss' (net)	5.1.1 & 5.1.5	(105,916)	1,018,433	(1,236,643)	352,240
Impairment loss on 'available for sale' investments	5.2.2	(63,864)	-	-	-
		<u>(169,780)</u>	<u>1,018,433</u>	<u>(1,236,643)</u>	<u>352,240</u>
<b>Total income</b>		<u>484,575</u>	<u>1,729,501</u>	<u>(1,074,872)</u>	<u>662,904</u>
<b>Expenses</b>					
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company		307,559	168,173	121,498	61,594
Sindh Sales Tax and Federal Excise Duty on management fee		102,724	57,211	40,579	21,287
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		16,129	9,159	6,322	3,326
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		14,609	7,988	5,771	2,925
Auditors' remuneration		435	475	73	118
Charity expense		12,229	7,638	3,062	2,261
Fees and subscription		35	30	15	10
Legal and professional charges		158	139	52	46
Brokerage		22,722	9,408	11,532	3,555
Bank and settlement charges		6,656	3,335	3,228	1,149
Provision for Workers' Welfare Fund (WWF)	7	11,232	33,193	(15,747)	14,899
Printing charges		100	355	49	2
<b>Total expenses</b>		<u>494,588</u>	<u>297,104</u>	<u>176,434</u>	<u>111,172</u>
Net (loss) / income from operating activities		(10,013)	1,432,397	(1,251,306)	551,732
Element of income and capital gains included in prices of units issued less those in units redeemed (net)		<u>560,361</u>	<u>194,054</u>	<u>479,687</u>	<u>178,305</u>
<b>Net income / (loss) for the period before taxation</b>		<u>550,348</u>	<u>1,626,451</u>	<u>(771,619)</u>	<u>730,037</u>
<b>Taxation</b>		-	-	-	-
<b>Net income / (loss) for the period after taxation</b>		<u>550,348</u>	<u>1,626,451</u>	<u>(771,619)</u>	<u>730,037</u>
<b>Other comprehensive income for the period</b>					
<b>Items that can be reclassified to income statements in subsequent periods</b>					
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale'	5.2.2	413,787	550,174	(131,061)	104,194
<b>Total comprehensive income / (loss) for the period</b>		<u>964,135</u>	<u>2,176,625</u>	<u>(902,680)</u>	<u>834,231</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM DISTRIBUTION STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	.....(Rupees in '000) .....	
Undistributed income brought forward		
- Realised	89,236	1,838,271
- Unrealised	<u>1,085,071</u>	<u>536,167</u>
	1,174,307	2,374,438
Final distribution for the year ended June 30, 2014:		
- Bonus Units: June 30, 2014 Nil (June 30, 2013 @ 35% (Rs. 17.5 per unit)	-	(2,655,025)
- Cash Units: June, 30, 2014 Nil (June 30, 2013 @ 35% (Rs. 17.5 per unit)	-	(1,859)
Total distribution	-	(2,656,884)
Net income for the period	550,348	1,626,451
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments (net)	146,372	114,271
Undistributed income carried forward	<u>1,871,027</u>	<u>1,458,276</u>
Undistributed income carried forward		
- Realised	1,976,943	439,843
- Unrealised	<u>(105,916)</u>	<u>1,018,433</u>
	<u>1,871,027</u>	<u>1,458,276</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	.....(Rupees in '000) .....	
Net assets at beginning of the period	16,621,765	9,476,313
Issue of 253,898,549 units (March 31, 2014: 116,634,401 units)	13,551,319	5,849,516
Redemption of 181,821,796 units (March 31, 2014: 76,636,307 units)	(9,223,355)	(3,743,116)
	4,327,964	2,106,400
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(560,361)	(194,054)
Bonus units for the year ended June 30, 2014: Nil (June 30, 2013: 59,105,633)	-	2,655,025
Net realised (loss) / gain on sale of investments	(207,455)	121,126
Unrealised appreciation in the value of investments (net)	244,007	1,568,607
Net other income for the period	927,583	486,892
Total comprehensive income for the period	964,135	2,176,625
Distribution for the year ended June 30, 2014:		
Bonus units: June, 30 2014: Nil (June 30, 2013: 59,105,633)	-	(2,655,025)
- Cash dividend: June 30, 2014: Nil (June 30, 2013: Rs. 17.5 per unit)	-	(1,859)
Total distribution	-	(2,656,884)
Net assets at end of the period	21,353,503	13,563,425
	.....(Rupees) .....	
Net assets value per unit at beginning of the period	50.24	62.42
Net assets value per unit at end of the period	53.00	54.05

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	.....(Rupees in '000) .....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period	550,348	1,626,451
Adjustments for:		
Unrealised loss / (gain) on re-measurement of investments - 'at fair value through profit or loss' (net)	105,916	(1,018,433)
Impairment loss on 'available for sale' investments	63,864	-
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(560,361)	(194,054)
	159,767	413,964
Increase in assets		
Investments (net)	(5,716,589)	(2,043,574)
Receivable against sale of investments - net	(1,096,738)	-
Dividend receivable	(185,231)	(102,275)
Deposits and other receivables	(8,594)	(1,898)
	(7,007,152)	(2,147,747)
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	92,326	26,225
Payable to Central Depository Company of Pakistan Limited - Trustee	821	344
Payable to Meezan Bank Limited	(2,804)	321
Payable to Securities and Exchange Commission of Pakistan	3,046	1,302
Payable against purchase of investments	(178,972)	(98,325)
Accrued expenses and other liabilities	14,573	39,569
	(71,010)	(30,564)
Net cash used in operating activities	(6,918,395)	(1,764,347)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance of units	13,551,319	5,849,516
Dividend paid	-	(1,859)
Payment against redemption of units	(6,617,578)	(3,767,945)
Net cash generated from financing activities	6,933,741	2,079,712
Net increase in cash and cash equivalents during the period	15,346	315,365
Cash and cash equivalents at beginning of the period	1,698,950	786,424
Cash and cash equivalents at end of the period	1,714,296	1,101,789

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months ended March 31, 2015 (Unaudited)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Islamic Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on June 16, 2003 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 4, 2003 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations, 2008). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund has been formed to enable the unitholders to participate 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 Management Company has appointed Meezan Bank Limited (MBL) as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end fund listed on the Karachi Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The fund is categorised as Equity Scheme.
- 1.4 The Management Company of the Fund has been given a quality rating of AM2+ and the fund is ranked at 'MFR 3-Star' for one year, 'MFR 4-Star' for three years and 'MFR 3-Star' for five years weighted average performance ranking by JCR-VIS Credit Rating Company Limited.
- 1.5 Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund.

### 2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor 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

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the Trust Deed, the NBFC Rules and the NBFC Regulations and directives issued by SECP. In case where requirements differ, the provisions and directives issued under the Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations and directives issued by SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2014.

The accounting policies and method of computation adopted in the preparation of this condensed interim financial information and the significant judgments made by management in applying those 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, 2014.

The Fund's financial and unit holder's fund risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2014.

## 5. INVESTMENTS

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
(Rupees in '000)			
Investments - at fair value through profit or loss	5.1	16,941,862	10,611,206
Investments - 'available for sale'	5.2	4,316,630	4,686,690
		<u>21,258,492</u>	<u>15,297,896</u>
<b>5.1 Investments - 'at fair value through profit or loss'</b>			
Held for trading	5.1.1	16,692,480	10,366,703
Investments - 'at fair value through profit or loss upon initial recognition'	5.1.5	249,382	244,503
		<u>16,941,862</u>	<u>10,611,206</u>

### 5.1.1 Held for trading - shares of listed companies

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / right shares	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss) as at March 31, 2015	Percentage in relation to		
									Net assets of the Fund on the basis of market value (note 5.1.4)	Total Market value of investments	Paid-up-Capital of the investee company (with face value of investments)
Number of shares						(Rupees in '000)			%		
<b>Sectors / Companies</b>											
<b>Automobile and parts</b>											
Agrauto Industries Limited (note 5.1.2)	341,700	-	-	-	341,700	32,974	54,672	21,698	0.26	0.26	1.19
Honda Atlas Cars Pakistan Limited	-	2,504,900	-	262,000	2,242,900	369,080	411,415	42,335	1.93	1.94	1.57
Gandhara Industries Limited	-	76,500	-	76,500	-	-	-	-	-	-	-
Indus Motor Company Limited	392,744	355,450	-	53,000	695,194	505,008	705,650	200,642	3.30	3.32	0.88
Pakistan Suzuki Motor Company Limited	288,622	303,200	-	-	591,822	200,406	205,066	4,660	0.96	0.96	0.72
											4.36
<b>Chemicals</b>											
Engro Corporation Limited (note 5.1.3)	-	9,383,700	-	1,409,100	7,974,600	2,031,151	2,048,675	17,524	9.59	9.64	1.52
Fatima Fertilizer Company Limited	-	11,680,000	-	2,018,000	9,662,000	346,058	372,567	26,509	1.74	1.75	0.46
Fauji Fertilizer Bin Qasim Limited	1,924,749	50,000	-	1,915,000	59,749	2,577	2,777	200	0.01	0.01	0.01
Fauji Fertilizer Company Limited	2,958,959	3,149,900	-	5,911,300	197,559	23,946	26,323	2,377	0.12	0.12	0.02
ICI Pakistan Limited	473,200	359,150	-	10,300	822,050	345,122	316,185	(28,937)	1.48	1.49	0.89
Sitara Chemicals Industries Limited	500	-	-	-	500	148	153	5	0.00	0.00	0.00
											2.90
<b>Construction and Materials (Cement)</b>											
Attock Cement Pakistan Limited	1,037	808,200	-	-	809,237	169,500	146,431	(23,069)	0.69	0.69	0.71
Cheerat Cement Company Limited	1,338,400	820,000	804,712	155,000	2,808,112	159,746	192,693	32,947	0.90	0.91	1.59
D.G Khan Cement Company Limited	2,770,222	5,713,500	-	5,972,500	2,511,222	258,397	280,755	22,358	1.31	1.32	0.57
Fauji Cement Company Limited	26,936,000	6,386,500	-	12,220,000	21,102,500	427,356	600,788	173,432	2.81	2.83	1.59
Kohat Cement Company Limited	4,400	2,271,300	-	-	2,275,700	346,938	366,456	19,518	1.72	1.72	1.47
Lucky Cement Limited	3,559,879	2,163,100	-	1,287,600	4,435,379	1,868,112	1,977,913	109,801	9.26	9.30	1.37
Maple Leaf Cement Company Limited	-	4,450,000	-	2,900,000	1,550,000	80,096	74,462	(5,634)	0.35	0.35	0.29
Pioneer Cement Limited	1,713,000	3,171,000	-	-	4,884,000	277,981	383,882	105,901	1.80	1.81	2.15
											9.74
<b>General industrials</b>											
Packages Limited	172,379	1,480,300	-	42,100	1,610,579	988,718	893,887	(94,831)	4.19	4.20	1.84
Thal Limited (note 5.1.2)	126,307	100,400	-	30,000	196,707	41,022	50,227	9,205	0.24	0.24	0.24
											2.09
<b>Fixed Line Telecommunication</b>											
Pakistan Telecommunication Company Limited "A"	18,563,037	5,305,000	-	10,504,000	13,364,037	333,123	281,447	(51,676)	1.32	1.32	0.35
<b>Multitilities (Gas and Water)</b>											
Sui Northem Gas Pipelines Limited	3,951,000	3,642,500	-	1,350,000	6,243,500	157,559	144,287	(13,272)	0.68	0.68	0.98
<b>Health Care Equipment And Services</b>											
Shifa International Hospitals Limited	-	569,300	-	5,000	564,300	116,755	135,900	19,145	0.64	0.64	1.12
<b>Banks</b>											
Meezan Bank Limited (an associate of the Fund)	6,186,000	4,098,000	-	4,000	10,280,000	462,342	453,348	(8,994)	2.12	2.13	1.03
<b>Oil and gas</b>											
Attock Petroleum Limited	251,479	51,100	-	-	302,579	176,648	157,326	(19,322)	0.74	0.74	0.36
Attock Refinery Limited	69,500	70,000	-	139,500	-	-	-	-	-	-	-
Hascol Petroleum Limited	-	1,954,000	-	190,000	1,764,000	173,899	162,023	(11,876)	0.76	0.76	1.95
Pakistan Oilfields Limited	2,394,047	159,300	-	613,550	1,939,797	1,083,806	633,266	(450,540)	2.97	2.98	0.82
Pakistan Petroleum Limited	3,753,650	2,543,100	-	4,012,400	2,284,350	499,189	353,320	(145,869)	1.65	1.66	0.12
Pakistan State Oil Company Limited	2,969,323	2,075,200	-	1,625,400	3,419,123	1,306,264	1,177,546	(128,718)	5.51	5.54	1.26
Mart Petroleum Company Limited	467,500	1,439,350	179,980	140,000	1,946,830	883,242	1,004,331	121,089	4.70	4.72	1.77
National Refinery Limited	331,605	-	-	328,700	2,905	626	555	(71)	0.00	0.00	0.00
Oil and Gas Development Company Limited (note 5.1.3)	2,323,794	1,142,600	-	3,466,394	-	-	-	-	-	-	-
Shell Pakistan Limited	76,500	-	-	25,000	51,500	14,228	11,374	(2,854)	0.05	0.05	0.05
											6.32



Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / right shares	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss) as at March 31, 2015	Percentage in relation to		
									Net assets of the Fund on the basis of market value (note 5.1.4)	Total Market value of investments	Paid-up-Capital of the investee company (with face value of investments)
					-----Number of shares -----	----- (Rupees in '000) -----		----- % -----			
<b>Pharma and Bio Tech</b>											
Abbott Laboratories (Pakistan) Limited	415,100	38,150	-	5,000	448,250	255,105	222,933	(32,172)	1.04	1.05	0.46
Ferozsons Laboratories Limited	30,700	432,450	-	182,000	281,150	125,378	138,666	13,288	0.65	0.65	0.93
Glaxo Smithkline Pakistan Limited	58,520	-	-	55,000	3,520	584	617	33	0.00	0.00	0.00
The Searle Company Limited	-	975,500	-	122,700	852,800	218,122	179,890	(38,232)	0.84	0.85	0.99
<b>Electricity</b>											
The Hub Power Company Limited	4,549,716	7,414,000	-	1,926,000	10,037,716	703,832	857,020	153,188	4.01	4.03	0.87
K - Electric Limited (note 5.1.2)	8,757,000	32,944,500	-	22,200,500	19,501,000	162,577	138,652	(23,925)	0.65	0.65	0.07
Kohinoor Energy Limited	1,189,500	-	-	-	1,189,500	49,269	53,290	4,021	0.25	0.25	0.70
Kot Addu Power Company Limited	-	695,000	-	695,000	-	-	-	-	-	-	-
Lalpir Power Limited	-	6,296,000	-	1,220,000	5,076,000	119,352	151,620	32,268	0.71	0.71	-
Pakgen Power Limited	105,000	1,520,000	-	150,000	1,475,000	48,740	41,153	(7,587)	0.19	0.19	0.40
<b>Engineering</b>											
Millat Tractors Limited	2,700	123,500	-	-	126,200	79,598	67,694	(11,904)	0.32	0.32	0.28
<b>Food producers</b>											
Engro Foods Limited	2,694,421	2,658,400	-	1,732,200	3,620,621	430,436	400,441	(29,995)	1.88	1.88	0.47
<b>Personal Goods</b>											
Nishat Mills Limited	6,995,300	2,889,000	-	1,910,100	7,974,200	928,265	814,804	(113,461)	3.82	3.83	2.27
Grand total						<u>16,803,275</u>	<u>16,692,480</u>	<u>(110,795)</u>			
Total cost of investments							<u>15,882,329</u>				

5.1.2 All shares have a nominal value of Rs 10 each except for the shares of Agriauto Industries Limited and Thal Limited which have a face value of Rs 5 each, and K Electric which has face value of Rs 3.5.

5.1.3 619,000 shares (June 2014: 439,000 shares) of Oil and Gas Development Company Limited, having market value of Rs 112.367 million as at March 31, 2015 (June 2014: Rs 114.833 million) and 800,000 shares of Engro Corporation Limited having market value of Rs 205.520 million as at March 31, 2015 (June 2014: Nil) have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

5.1.4 Net assets are as defined in regulation 66 of NBFC Regulations, 2008

5.1.5 Investments - 'at fair value through profit or loss upon initial recognition'

#### Shares of listed companies

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / right shares	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss) as at March 31, 2015	Percentage in relation to		
									Net assets of the Fund on the basis of market value (note 5.1.4)	Total Market value of investments	Paid-up-Capital of the investee company (with face value of investments)
					-----Number of shares -----	----- (Rupees in '000) -----		----- % -----			
<b>Sectors / Companies</b>											
<b>Banks</b>											
Meezan Bank Limited (an associate of the Fund)	5,650,206	-	-	-	5,650,206	244,315	249,174	4,859	1.17	1.17	0.56
<b>General industrials</b>											
Packages Limited	374	-	-	-	374	188	208	20	0.00	0.00	0.00
Grand total						<u>244,503</u>	<u>249,382</u>	<u>4,879</u>			
Total cost of investments							<u>57,329</u>				

## 5.2 Investments categorised as 'available for sale'

### 5.2.1 Shares of listed companies

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss) as at March 31, 2015	Percentage in relation to		
									Net assets of the Fund on the basis of market value (note 5.1.4)	Total Market value of investments	Paid-up-Capital of the investee company (with face value of investments)
					Number of shares	Rupees in '000			%		
<b>Sectors / Companies</b>											
<b>Automobile and parts</b>											
Indus Motor Company Limited	53,068	-	-	-	53,068	12,165	53,866	41,701	0.25	0.25	0.07
Pakistan Suzuki Motor Company Limited	24,105	-	-	-	24,105	1,759	8,352	6,593	0.04	0.04	0.03
<b>Banks</b>											
Meezan Bank Limited (an associate of the Fund)	124,880	-	-	-	124,880	1,552	5,507	3,955	0.03	0.03	0.01
BankIslami Pakistan Limited	500	-	-	-	500	2	5	3	0.00	0.00	0.00
<b>Chemicals</b>											
ICI Pakistan Limited	59,975	-	-	-	59,975	7,795	23,068	15,273	0.11	0.11	0.06
<b>Construction and Materials (Cement)</b>											
D.G Khan Cement Company Limited	5,657,000	-	-	75,000	5,582,000	464,923	624,068	159,145	2.92	2.94	1.27
Lucky Cement Limited	179,000	-	-	-	179,000	68,002	79,823	11,821	0.37	0.38	0.06
<b>Electricity</b>											
Hub Power Company Limited	15,000,000	-	-	-	15,000,000	949,611	1,280,700	331,089	6.00	6.02	1.30
<b>General Industrials</b>											
Packages Limited	2,200,000	-	-	-	2,200,000	1,047,945	1,221,022	173,077	5.72	5.74	2.52
<b>Food Producers</b>											
Engro Foods Limited	3,600	-	-	-	3,600	377	398	21	0.00	0.00	0.00
<b>Oil and gas</b>											
National Refinery Limited	151	-	-	-	151	28	29	1	0.00	0.00	0.00
Oil and Gas Development Company Limited (note 5.1.3)	3,786,700	-	-	2,910,506	876,194	214,866	159,055	(55,811)	0.74	0.75	0.02
Pakistan Oilfields Limited	415,600	-	-	-	415,600	157,662	135,677	(21,985)	0.64	0.64	0.18
Pakistan Petroleum Limited	405,000	-	-	-	405,000	88,878	62,641	(26,237)	0.29	0.29	0.02
Pakistan Slate Oil Company Limited	1,914,500	-	-	-	1,914,500	519,035	659,354	140,319	3.09	3.10	0.70
<b>Personal Goods</b>											
Nishat Mills Limited	30,000	-	-	-	30,000	3,539	3,065	(474)	0.01	0.01	0.01
<b>Grand total</b>						<u>3,538,139</u>	<u>4,316,630</u>	<u>778,491</u>			
<b>Total cost of investments</b>							<u>3,538,139</u>				

### 5.2.2 Net unrealised appreciation on re-measurement of investment classified as 'available for sale'

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	----- (Rupees in '000) -----	
Market value of investment	4,316,630	4,686,690
Less: Cost of investments	<u>3,538,139</u>	<u>4,321,984</u>
	778,491	364,706
Less: Net unrealised diminution on re-measurement of investments classified as 'available for sale' at beginning of the period (net of impairment)	<u>364,706</u>	<u>62,620</u>
	413,785	302,086
Impairment loss on listed equity securities classified as 'available for sale' - transferred to income statement	<u>63,864</u>	-
	<u>477,649</u>	<u>302,086</u>

## 6. CONTINGENCIES AND COMMITMENTS

The Finance Act 2014 introduced amendments to Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. These shares will be released upon payments of tax by shareholders. The value of tax will be computed on the basis of day-end price on the first day of book closure.

In this regard, a constitution petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs, which is pending adjudication. The petition is based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. A stay order has been granted by the High Court of Sindh in favour of CISs.

In the current period, Mari Petroleum Company Limited issued bonus shares after withholding 5 percent of bonus shares. The Fund has also paid the tax amount aggregating to Rs. 4.14 million to Mari Petroleum. Mari Petroleum returned the pay order due to pending adjudication of the aforementioned constitution petition and the stay order. Furthermore, shares against withholding tax held with Mari Petroleum have not been deposited with the Government Treasury.

There were no other contingencies and commitments outstanding as at March 31, 2015 and June 30, 2014.

## 7. WORKERS' WELFARE FUND (WWF)

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of 2 percent of their accounting or taxable income, whichever is higher. In this regard, during the year ended June 30, 2010, a constitutional petition has been filed by certain CISs through their Trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

The Management Company believes that the aforementioned constitutional petition pending in the Court has strong grounds for decision in favour of the mutual funds. However, the management as a matter of abundant caution has recognised WWF charge effective from January 1, 2013 amounting to Rs. 116.680 million which includes Rs. 11.232 million pertaining to current period and Rs. 105.448 million pertaining to prior years. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs 0.29 (0.55%).

The Board of Directors of the management Company in its meeting held on October 25, 2013 have resolved that unrecorded accumulated WWF provision in the fund from the date of its application till December 31, 2012, in case is required to be paid, shall be borne by Al Meezan Investment Management Limited (Management Company of the fund). Therefore, the Fund not exposed to this unrecorded accumulated WWF provision. The unrecorded accumulated provision for WWF upto December 31, 2012 is Rs. 89.30 million.

## 8. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company and Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund – III, Meezan Capital Preservation Fund – II and Meezan Tahaffuz Pension Fund being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Staff Gratuity Fund and Unitholders holding 10 percent or more units of the fund.

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 Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations, 2008 and the Trust Deed respectively.

Details of transactions with connected persons and balances with them for the period ended March 31, 2015 and as of that date along with comparatives are as follows:

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	..... (Rupees in '000).....	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	42,858	26,449
Sindh Sales Tax and Federal Excise Duty on management fee payable	101,598	42,817
Sales load payable	13,169	4,718
Sindh Sales Tax and Federal Excise Duty on sales load payable	17,128	8,443
Certificate charges payable	5	5
Investment of 5,213,882 units (June 30, 2014: 200,089 units)	276,336	10,052
<b>Meezan Bank Limited</b>		
Bank balance	47,348	239,171
Sales load payable	-	2,804
Investment in 16,055,086 shares (June 30, 2014: 11,961,086 shares)	708,029	517,198
Investment of 15,675,049 units (June 30, 2014: 21,475,049 units)	830,778	1,078,883
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee payable	2,226	1,405
Deposits	100	100
<b>Al Meezan Investment Management Limited - Employees Gratuity Fund</b>		
Investment of 120,519 units (June 30, 2014 : 120,519 units)	6,388	6,075
<b>Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan</b>		
Investment of 4,684,911 units (June 30, 2014: 4,553,883 units)	248,300	228,787
<b>Meezan Financial Planning Fund of Funds - Moderate Allocation Plan</b>		
Investment of 3,259,040 units (June 30, 2014: 2,501,604 units)	172,729	125,681
<b>Meezan Financial Planning Fund of Funds - Conservative Allocation Plan</b>		
Investment of 1,930,996 units (June 30, 2014: 1,689,514 units)	102,343	84,881
<b>Meezan Financial Planning Fund of Funds - MCPP - I</b>		
Investment of 13,882,981 units (June 30, 2014: Nil units)	735,798	-
<b>Meezan Financial Planning Fund of Funds - MCPP - II</b>		
Investment of 12,509,345 units (June 30, 2014: Nil units)	662,995	-
<b>Meezan Capital Preservation Fund-III</b>		
Investment of 33,272,677 units (June 30, 2014: 43,353,018 units)	1,763,452	2,178,056
<b>Meezan Capital Preservation Fund-II</b>		
Investment in 12,697,301 units (June 30, 2014: 19,855 units)	672,958	998
<b>Directors and executives of the Management Company</b>		
Investment of 6,615,562 units (June 30, 2014: 3,884,134 units)	350,625	195,139

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	..... (Rupees in '000).....	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period	<u>307,559</u>	<u>168,173</u>
Sindh Sales Tax and Federal Excise Duty on management fee	<u>102,724</u>	<u>57,211</u>
Units Issued: 5,013,793 units (March 31, 2014: 4,690,954 units)	<u>239,860</u>	<u>213,488</u>
Disposal of units: Nil (March 31, 2014: 4,517,677 units)	<u>-</u>	<u>210,253</u>
	<b>Nine Months period ended</b>	
	March 31,	
	2015	2014
	..... (Rupees in '000).....	
<b>Meezan Bank Limited</b>		
Profit on saving accounts	<u>7,037</u>	<u>7,243</u>
Bonus units issued: Nil units (2014: 5,213,950 units)	<u>-</u>	<u>234,211</u>
Disposal of units: 5,800,000 (December 31, 2013: Nil units)	<u>318,791</u>	<u>-</u>
Shares purchased during the period: 4,098,000 shares (2014: 3,606,000 shares)	<u>195,039</u>	<u>138,434</u>
Shares disposed during the period: 4,000 shares (2014: 3,626,236 shares)	<u>220</u>	<u>140,585</u>
Dividend Income	<u>38,124</u>	<u>14,857</u>
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee	<u>16,129</u>	<u>9,159</u>
CDS charges	<u>858</u>	<u>626</u>
<b>Al Meezan Investment Management Limited - Staff Gratuity Fund</b>		
Bonus units issued: Nil units (2014: 29,261 units)	<u>-</u>	<u>1,314</u>
<b>Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan</b>		
Units Issued: 1,539,479 units (2014: 1,512,496 units)	<u>84,408</u>	<u>74,450</u>
Bonus units issued: Nil units (2014: 1,152,762 units)	<u>-</u>	<u>51,782</u>
Disposal of units: 1,408,450 units (2014: 1,678,259 units)	<u>74,186</u>	<u>83,344</u>
Transaction Cost Received	<u>212</u>	<u>187</u>
<b>Meezan Financial Planning Fund of Funds - Moderate Allocation Plan</b>		
Units Issued: 1,736,418 units (2014: 1,252,777 units)	<u>95,043</u>	<u>62,685</u>
Bonus units issued: Nil units (2014: 467,797 units)	<u>-</u>	<u>21,013</u>
Disposal of units: 978,981 units (2014: 1,116,245 units)	<u>53,213</u>	<u>55,001</u>
Transaction Cost Received	<u>238</u>	<u>157</u>
<b>Meezan Financial Planning Fund of Funds - Conservative Allocation Plan</b>		
Units Issued: 1,279,919 units (2014: 1,043,894 units)	<u>67,285</u>	<u>50,807</u>
Bonus units issued: Nil units (2014: 403,232 units)	<u>-</u>	<u>18,113</u>
Disposal of units: 1,038,436 units (2014: 954,334 units)	<u>56,418</u>	<u>47,743</u>
Transaction Cost Received	<u>169</u>	<u>127</u>
<b>Meezan Financial Planning Fund of Funds - MCPP - I</b>		
Units Issued: 24,863,414 units (2014: Nil units)	<u>1,341,638</u>	<u>-</u>
Disposal of units: 10,980,433 units (2014: Nil units)	<u>570,000</u>	<u>-</u>
Transaction Cost Received	<u>3,362</u>	<u>-</u>

	Nine Months period ended March 31,	
	2015	2014
	..... (Rupees in '000) .....	
Meezan Financial Planning Fund of Funds - MCPP - II		
Units Issued: 24,376,433 units (2014: Nil units)	1,443,981	-
Disposal of units: 11,867,089 units (2014: Nil units)	600,000	-
Transaction Cost Received	3,619	-
Meezan Capital Preservation Fund-III		
Units Issued: 22,829,553 units (2014: 20,600,726 units)	1,249,668	1,107,289
Bonus units issued: Nil units (2013: Nil units)	-	-
Disposal of units: 32,909,895 units (2014: Nil units)	1,682,700	-
Transaction Cost Received	3,132	2,775
Meezan Capital Preservation Fund-II		
Units Issued: 32,783,231 units (2014: Nil units)	1,726,772	-
Bonus units issued: Nil units (2014: Nil units)	-	-
Disposal of units: 20,085,930 units (2014: Nil units)	1,043,480	-
Transaction Cost Received	4,328	-
Directors and executives of the Management Company		
Units issued: 2,882,190 units (2014: 234,790 units)	162,519	12,024
Bonus units issued: Nil units (2014: 1,070,951 units)	-	48,107
Disposal of units: 150,762 units (2014: 773,014 units)	7,949	37,189

9. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director





Quarterly Report March 31, 2015



## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan.  
Phone: (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoaib, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoaib, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)	Habib Metropolitan Bank Limited - Islamic Banking
Askari Bank Limited - Islamic Banking	MCB Bank Limited - Islamic Banking
Bank Alfalah Limited - Islamic Banking	Meezan Bank Limited
BankIslami Pakistan Limited	National Bank of Pakistan - Islamic Banking
Burj Bank Limited	UBL Ameen - Islamic Banking
Dubai Islamic Bank	

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone: (9221) 35156191-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
..... (Rupees in '000) .....			
<b>Assets</b>			
Balances with banks		261,268	84,389
Investments	5	2,977,213	2,792,828
Receivable against sale of investments (net)		18,150	36,122
Dividend receivable		28,784	2,515
Deposits, prepayments and other receivables		6,388	6,075
<b>Total assets</b>		<b>3,291,803</b>	<b>2,921,929</b>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		26,591	14,339
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		372	310
Payable to Securities and Exchange Commission of Pakistan (SECP)		2,295	2,346
Payable on redemption and conversion of units		179,501	24,656
Accrued expenses and other liabilities		32,887	28,404
Unclaimed dividend		4,765	4,824
<b>Total liabilities</b>		<b>246,411</b>	<b>74,879</b>
<b>Net assets</b>		<b>3,045,392</b>	<b>2,847,050</b>
Contingencies and commitments	6		
<b>Unitholders' fund (as per statement attached)</b>		<b>3,045,392</b>	<b>2,847,050</b>
..... (Number of units) .....			
Number of units in issue		205,897,397	204,777,286
..... (Rupees) .....			
Net assets value per unit		14.79	13.90

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the nine months and quarter ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended		Quarter ended	
		March 31,		March 31,	
		2015	2014	2015	2014
----- (Rupees in '000) -----					
<b>Income</b>					
Net realised gain on sale of investments		42,177	54,757	62,703	25,764
Dividend income		121,874	106,591	35,781	34,274
Profit on saving accounts with banks		6,879	12,610	2,836	4,286
Other income		2,327	2,107	777	614
		<u>173,257</u>	<u>176,065</u>	<u>102,097</u>	<u>64,938</u>
Unrealised gain / (loss) on re-measurement of investments 'at fair value through profit or loss' (net)	5.2	21,805	249,439	(118,427)	63,109
<b>Total income</b>		<u>195,062</u>	<u>425,504</u>	<u>(16,330)</u>	<u>128,047</u>
<b>Expenses</b>					
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company		48,312	35,797	17,126	12,458
Sindh Sales Tax and Federal Excise Duty on management fee		16,137	12,172	5,721	4,306
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		3,166	2,549	1,103	870
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		2,295	1,700	814	591
Auditors' remuneration		551	833	123	222
Charity expense		1,932	1,791	389	490
Fees and subscription		113	113	37	37
Brokerage		2,512	2,193	1,247	664
Bank and settlement charges		1,048	737	378	198
Printing charges		-	176	-	-
Provision for Workers' Welfare Fund (WWF)	6	2,528	7,294	(785)	2,214
<b>Total expenses</b>		<u>78,594</u>	<u>65,355</u>	<u>26,153</u>	<u>22,050</u>
Net income from operating activities		116,468	360,149	(42,483)	105,997
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)		7,398	(2,744)	4,023	2,476
<b>Net income for the period before taxation</b>		<u>123,866</u>	<u>357,405</u>	<u>(38,460)</u>	<u>108,473</u>
Taxation		-	-	-	-
<b>Net income for the period after taxation</b>		<u>123,866</u>	<u>357,405</u>	<u>(38,460)</u>	<u>108,473</u>
<b>Other comprehensive income for the period</b>					
<b>Items can be reclassified to income statement in subsequent periods</b>					
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale' (net)	5.1.2	53,328	71,615	(109,731)	26,133
<b>Total comprehensive income for the period</b>		<u>177,194</u>	<u>429,020</u>	<u>(148,191)</u>	<u>134,606</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM DISTRIBUTION STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended	
		March 31,	
		2015	2014
		..... (Rupees in '000) .....	
Undistributed income brought forward			
- Realised		240,888	451,455
- Unrealised		198,627	230,105
		<u>439,515</u>	<u>681,560</u>
Less : Final distribution for the year ended:			
- Bonus units June 30, 2014: Nil (June 30 2013 @ Rs. 3.5 per unit)		-	476,445
- Cash dividend June 30, 2014: Nil (June 30, 2013 @ Rs. 3.5 per unit)		-	10
Total distribution		-	476,455
Net income for the period		123,866	357,405
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments (net)		5,654	(203)
Undistributed income carried forward		<u>569,035</u>	<u>562,307</u>
Undistributed income carried forward			
- Realised		547,230	312,868
- Unrealised	6	21,805	249,439
		<u>569,035</u>	<u>562,307</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	..... (Rupees in '000) .....	
Net assets at beginning of the period	2,847,050	2,190,127
Issue of 68,665,324 units (2014: 64,829,692 units)	1,024,019	891,573
Redemption of 67,545,213 units (2014: 64,604,651 units)	(995,473)	(891,692)
	28,546	(119)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(7,398)	2,744
Final Bonus units for the year ended: June 30, 2014: Nil (June 30, 2013: 37,842,839)	-	476,445
Net realised gain on sale of investments	42,177	54,757
Unrealised appreciation in the value of investments (net)	75,133	321,054
Net other income for the period	59,884	53,209
Total other comprehensive income for the period	177,194	429,020
Less: Final distribution for the year ended: - Bonus units June 30, 2014: Nil (June 30 2013: 37,842,839 units) - Cash dividend June 30, 2014: Nil (June 30, 2013 @ Rs. 3.5 per unit)	-	(476,445)
	-	(10)
	-	(476,455)
Total income less distribution	177,194	(47,435)
Net assets at end of the period	3,045,392	2,621,762
	..... (Rupees) .....	
Net assets value per unit at beginning of the period	13.90	16.09
Net assets value per unit at end of the period	14.79	15.05

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	..... (Rupees in '000) .....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period	123,866	357,405
Adjustments for		
Unrealised gain on re-measurement of investments 'at fair value through profit or loss' (net)	(21,805)	(249,439)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(7,398)	2,744
	<u>94,663</u>	<u>110,710</u>
(Increase) / decrease in assets		
Investments (net)	(109,252)	(73,153)
Receivable against sale of investments (net)	17,972	15
Dividend receivable	(26,269)	(19,654)
Deposits, prepayments and other receivables	(313)	(3,570)
	<u>(117,862)</u>	<u>(96,362)</u>
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	12,252	5,080
Payable to Central Depository Company of Pakistan Limited - Trustee	62	48
Payable to Securities and Exchange Commission of Pakistan	(51)	(42)
Payable against purchase of investments	-	(12,431)
Accrued expenses and other liabilities	4,483	9,270
	<u>16,746</u>	<u>1,925</u>
Net cash (used in) / generated from operating activities	<u>(6,453)</u>	<u>16,273</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance of units	1,024,019	891,573
Dividend paid	(59)	(17)
Payment against redemption and conversion of units	(840,628)	(892,333)
Net cash generated from / (used in) financing activities	<u>183,332</u>	<u>(777)</u>
Net increase in cash and cash equivalents during the period	176,879	15,496
Cash and cash equivalents at beginning of the period	<u>84,389</u>	<u>199,155</u>
Cash and cash equivalents at end of the period	<u><u>261,268</u></u>	<u><u>214,651</u></u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months ended March 31, 2015 (Unaudited)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al Meezan Mutual Fund (the Fund) was constituted by virtue of a scheme of arrangement for conversion of Al Meezan Mutual Fund Limited (AMMFL) into an Open End Scheme under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on June 17, 2011 in accordance with the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund has been formed to provide the unitholders safe and stable stream of halal income on their investments and to generate superior long-term risk adjusted returns. The Fund shall also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point of time. Under the Trust Deed, all conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end fund listed on the Islamabad Stock Exchange. Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as an equity scheme.
- 1.4 The Management Company of the Fund has been given quality rating of AM2+ whereas the fund has a ranking of MFR 3-Star by JCR-VIS Credit Rating Company Limited.
- 1.5 Title of the assets of the Fund is held in the name of CDC as a Trustee of the Fund.

### 2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and 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

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and directives issued by the SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2014.

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information 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, 2014.

The Fund's financial and unitholder's fund risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2014.

## 5. INVESTMENTS

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
----- (Rupees in '000) -----			
Investments - 'available for sale'	5.1	1,064,360	1,134,694
Investments - 'at fair value through profit or loss'			
- Held for trading	5.2	<u>1,912,852</u>	<u>1,658,134</u>
		<u>2,977,213</u>	<u>2,792,828</u>

### 5.1 Investments - available for sale

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain as at March 31, 2015	Percentage in relation to		
									Net Assets of the Fund on the basis of investments (note 5.3)	Total market value of investments	Paid-up Capital of the investee company (with face value of investments)
-----Number of shares -----						----- (Rupees in '000) -----			----- % -----		
Sector / Companies											
Commercial Banks											
Meezan Bank Limited (an associate of the Fund)	299,706	-	-	-	299,706	4,130	13,217	9,087	0.43	0.44	0.03
BankIslami Pakistan Limited	500	-	-	-	500	2	5	3	0.00	0.00	0.00
									0.43	0.44	0.03
Construction and materials (Cement)											
Lucky Cement Company Limited	680,127	-	-	60,000	620,127	217,162	276,539	59,377	9.08	9.29	0.19
D.G. Khan Cement Company Limited	1,177,500	-	-	206,000	971,500	80,145	108,614	28,469	3.57	3.65	0.22
									12.65	12.94	0.41
Electricity											
Hub Power Company Limited	2,580,500	-	-	-	2,580,500	157,902	220,323	62,421	7.23	7.40	0.22
Oil and gas											
Pakistan State Oil Company Limited	371,147	-	-	-	371,147	101,077	127,823	26,746	4.20	4.29	0.14
Oil & Gas Development Company Limited	571,663	-	-	570,000	1,663	238	302	64	0.01	0.01	0.00
Pakistan Oilfields Limited	31,340	-	-	-	31,340	8,089	10,231	2,142	0.34	0.34	0.01
Pakistan Petroleum Limited	43,112	-	-	-	43,112	4,271	6,668	2,397	0.22	0.22	0.00
Attock Petroleum Limited	240	-	-	-	240	83	125	42	0.00	0.00	0.00
									4.77	4.88	0.15
Automobile and parts											
Agriautos Industries Limited (note 5.1.1)	158,000	-	-	-	158,000	10,539	25,280	14,741	0.83	0.85	1.10
Indus Motor Company Limited	16,200	-	-	-	16,200	3,691	16,444	12,483	0.54	0.55	-
									1.37	1.40	1.10
Chemicals											
Fauji Fertilizer Company Limited	5,457	-	-	-	5,457	428	727	299	0.02	0.02	0.00
Fauji Fertilizer Bin Qasim Limited	110,500	-	-	108,815	1,685	63	78	15	0.00	0.00	0.00
ICI Pakistan Limited	91,557	-	-	-	91,557	34,618	35,216	597	1.16	1.18	0.10
									1.18	1.21	0.10
General Industries											
Packages Limited	401,378	-	-	-	401,378	206,029	222,769	16,740	7.31	7.48	0.46
Total						<u>824,775</u>	<u>1,064,360</u>	<u>239,585</u>			
Total cost of investments - 'available for sale'							<u>824,775</u>				

5.1.1 All shares have a nominal value of Rs.10 each except for the shares of Agriautos Industries Limited which has a nominal value of Rs. 5 each.



5.1.2 Net unrealised appreciation on re-measurement of investment classified as 'available for sale'

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	----- (Rupees in '000) -----	
Market value of investment	1,064,360	1,134,694
Less: Cost of investments	<u>824,775</u>	<u>952,398</u>
	239,585	182,296
Less: Net unrealised appreciation on re-measurement of investments classified as 'available for sale' at beginning of the period	<u>186,257</u>	<u>147,610</u>
	<u>53,328</u>	<u>34,686</u>

5.2 Held for trading - shares of listed companies

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / right shares	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss) as at March 31, 2015	Percentage in relation to		
									Net Assets of the Fund on the basis of investments (note 5.3)	Market value of investments	Paid-up- Capital of the investee company (with face value of investments)
	----- Number of shares -----				----- (Rupees in '000) -----			----- % -----			
<b>Sector / Companies</b>											
<b>Commercial Banks</b>											
Meezan Bank Limited (an associate of the Fund)	1,820,713	-	-	1,097,500	723,213	31,272	31,894	622	1.05	1.07	0.07
<b>Construction and materials (Cement)</b>											
Attock Cement Pakistan Limited	1,121	175,000	-	-	176,121	37,203	31,869	(5,333)	1.05	1.07	0.15
DG Khan Cement Company Limited	332,805	212,500	-	374,000	171,305	15,344	19,152	3,808	0.63	0.64	0.04
Fauji Cement Company Limited	3,046,000	650,000	-	546,500	3,149,500	61,008	89,666	28,659	2.94	3.01	0.24
Kohat Cement Company Limited	-	341,000	-	-	341,000	47,933	54,911	6,978	1.80	1.84	0.22
Cherat Cement Company Limited	358,000	-	243,440	-	601,440	29,521	41,271	11,750	1.36	1.39	0.34
Lucky Cement Company Limited	41,890	129,500	-	171,000	390	142	174	31	0.01	0.01	0.00
Maple Leaf Cement Ltd.	-	100,000	-	-	100,000	5,300	4,804	(496)	0.16	0.16	0.02
Pioneer Cement Limited	232,000	300,000	-	-	532,000	27,134	41,815	14,681	1.37	1.40	0.23
									9.31	9.53	1.24
<b>Oil &amp; gas</b>											
Attock Refinery Limited	500	10,000	-	10,500	-	-	-	-	-	-	-
Attock Petroleum Limited	12,000	34,500	-	-	46,500	26,410	24,178	(2,233)	0.79	0.81	0.06
National Refinery Limited	68,100	-	-	66,300	1,800	388	344	(44)	0.01	0.01	0.00
Pakistan State Oil Company Limited	447,120	105,000	-	205,000	347,120	133,633	119,548	(14,085)	3.93	4.02	0.13
Pakistan Oilfields Limited	445,751	-	-	121,600	324,151	186,160	105,822	(80,338)	3.47	3.55	0.14
Pakistan Petroleum Limited	893,421	240,000	-	456,300	677,121	152,856	104,730	(48,125)	3.44	3.52	0.03
<b>Oil and Gas Development Company Limited (note 5.2.2)</b>											
Hascol Petroleum Limited	409,700	266,600	-	674,000	2,300	601	418	(183)	0.01	0.01	0.00
Mari Petroleum Limited	-	205,000	-	-	205,000	20,539	18,829	(1,710)	0.62	0.63	0.23
Mari Petroleum Company Limited	75,000	86,700	28,000	15,000	174,700	67,648	90,124	22,477	2.96	3.03	0.16
									15.24	15.58	0.74
<b>Automobile and Parts</b>											
Indus Motor Company Limited	72,264	-	-	-	72,264	38,872	73,351	34,479	2.41	2.46	0.09
Honda Atlas Cars Pakistan Limited	-	308,500	-	41,000	267,500	37,889	49,068	11,178	1.61	1.65	0.19
Pak Suzuki Motor Company Limited	65,689	18,000	-	-	83,689	24,209	28,998	4,789	0.95	0.97	0.10
<b>Agriautos Industries Limited (note 5.2.1)</b>											
	6,460	-	-	-	6,460	623	1,034	410	0.03	0.03	0.02
									5.01	5.12	0.40
<b>Fixed Line and telecommunication</b>											
Pakistan Telecommunication Company Limited "A"	2,956,670	500,000	-	2,475,000	981,670	23,359	20,674	(2,685)	0.68	0.69	0.03
<b>Chemicals</b>											
Fauji Fertilizer Bin Qasim Limited	381,185	-	-	381,185	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	307,401	449,000	-	612,000	144,401	17,450	19,240	1,790	0.63	0.65	0.01
Sitara Chemical Industries Limited	500	-	-	-	500	148	153	5	0.01	0.01	0.00
Engro Corporation Limited	-	1,403,500	-	149,000	1,254,500	318,261	322,281	4,020	10.58	10.82	0.24
Fatima Fertilizer Company Limited	-	1,824,000	-	200,000	1,624,000	58,386	62,621	4,236	2.06	2.10	0.08
ICI Pakistan Limited	1,122	60,000	-	11,100	50,022	22,801	19,240	(3,561)	0.63	0.65	0.05
									13.91	14.23	0.38

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / right shares	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss) as at March 31, 2015	Percentage in relation to		
									Net Assets of the Fund on the basis of investments (note 5.3)	Market value of investments	Paid-up-Capital of the investee company (with face value of investments)
					Number of shares	(Rupees in '000)			%		
<b>General Industrials</b>											
Packages Limited	152,700	-	-	-	152,700	76,590	84,750	8,160	2.78	2.85	0.17
Thal Limited (note 5.2.1)	55,613	-	-	-	55,613	11,534	14,200	2,667	0.47	0.48	0.07
									3.25	3.32	0.24
<b>Food producers</b>											
Engro Foods Limited	432,500	175,000	-	360,000	247,500	29,056	27,374	(1,682)	0.90	0.92	0.03
<b>Electricity</b>											
Hub Power Company Limited	1,933,500	206,000	-	400,000	1,739,500	104,158	148,519	44,361	4.88	4.99	0.15
Pakgen Power Limited	105,000	100,000	-	75,000	130,000	3,289	3,627	338	0.12	0.12	0.03
Kohinoor Energy Limited	144,000	-	-	-	144,000	5,964	6,451	487	0.21	0.22	0.08
Lalpir Power Limited	-	1,037,000	-	250,000	787,000	19,472	23,508	4,036	0.77	0.79	0.21
K-Electric Limited (note 5.2.1)	3,453,500	2,941,500	-	3,900,000	2,495,000	21,221	17,739	(3,482)	0.58	0.60	0.01
									6.56	6.71	0.49
<b>Pharma and Bio Tech</b>											
Abbott Laboratories Limited	96,200	-	-	45,000	51,200	29,303	25,464	(3,839)	0.84	0.86	0.05
The Searle Company	-	188,800	-	-	188,800	49,031	39,825	(9,206)	1.31	1.34	0.22
Ferozsons Laboratories Limited	5,500	25,000	-	11,000	19,500	7,194	9,618	2,423	0.32	0.32	0.06
									2.46	2.52	0.34
<b>Multitiilities (Gas and Water)</b>											
Sui Northern Gas Pipeline Limited	600,000	400,000	-	50,000	950,000	24,168	21,955	(2,213)	0.72	0.74	0.15
<b>Personal Goods</b>											
Nishat Mills Limited	1,041,200	25,000	-	189,400	876,800	97,945	89,591	(8,353)	2.94	3.01	0.25
<b>Engineering</b>											
Millat Tractors Co. Ltd.	-	16,500	-	-	16,500	10,024	8,851	(1,173)	0.29	0.30	0.04
<b>Health care Equipment and Services</b>											
Shifa Int. Hosp	-	63,000	-	-	63,000	17,010	15,172	(1,838)	0.50	0.51	0.12
<b>Total</b>						<u>1,891,048</u>	<u>1,912,852</u>	<u>21,805</u>			
Total cost of investments - 'held for trading'							<u>1,696,591</u>				

5.2.1 All shares have a nominal value of Rs. 10 each except for the shares of Agriautos Industries Limited and Thal Limited which have a nominal value of Rs. 5 each and K-electric having nominal value of Rs.3.5.

5.2.2 150,000 shares (June 2014: 280,000 shares of Oil and Gas Development Company Limited) of Engro Foods Limited, having market value of Rs 16.59 million (June 2014: Rs 52.25 million of Oil and Gas Development Company Limited) as at March 31, 2015, have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

5.3 Net assets are as defined in regulation 66 of NBFC Regulations, 2008.

## 6. CONTINGENCIES AND COMMITMENTS

The Finance Act 2014 introduced amendments to Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. These shares will be released upon payments of tax by shareholders. The value of tax will be computed on the basis of day-end price on the first day of book closure.

In this regard, a constitution petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs, which is pending adjudication. The petition is based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. A stay order has been granted by the High Court of Sindh in favour of CISs.

In the current period, Mari Petroleum Company Limited issued bonus shares after withholding 5 percent of bonus shares. The Fund has also paid the tax amount aggregating to Rs. 0.64 million to Mari Petroleum. Mari Petroleum returned the pay order due to pending adjudication of the aforementioned constitution petition and the stay order. Furthermore, shares against withholding tax held with Mari Petroleum have not been deposited with the Government Treasury.

There were no other contingencies and commitments outstanding as at March 31, 2015

#### 7. WORKERS' WELFARE FUND (WWF)

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, during the year ended June 30, 2010, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

The Management Company believes that the aforementioned constitutional petition pending in the Court has strong grounds for decision in favour of the mutual funds. However, the management as a matter of abundant caution has recognised WWF charge effective from January 1, 2013 amounting to Rs. 25.89 million which includes Rs. 2.52 million pertaining to current period and Rs. 23.37 million pertaining to prior year. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.13 (0.85%).

The Board of Directors of the management company in its meeting held on October 25, 2013 have resolved that unrecorded accumulated WWF provision in the fund from the date of its application till December 31, 2012, in case is required to be paid, shall be borne by Al Meezan Investment Management Limited (Management Company of the Fund). Therefore, the Fund is not exposed to this unrecorded accumulated WWF provision. The unrecorded accumulated provision for WWF upto December 31, 2012 is Rs. 24.534 million.

#### 8. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, directors and officers (executives) of the Management Company, Meezan Islamic Fund, Meezan Tahaffuz Pension Fund, Meezan Islamic Income Fund, Meezan Balanced Fund, KSE Meezan Index Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund - III and Meezan Capital Preservation Fund - II being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Staff Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons / related parties 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 Trustee is determined in accordance with the provision of NBFC Rules, 2003, NBFC Regulations, 2008 and the Trust Deed respectively.

Transactions and balances with related parties other than those disclosed elsewhere are as follows:

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	..... (Rupees in '000).....	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	5,733	4,563
Sindh Sales Tax and Federal Excise Duty on management fee payable	17,493	8,472
Sales load payable	1,562	306
Sindh Sales Tax and Federal Excise Duty on sales load payable	1,803	998
Investment of 34,052,779 units (June 30, 2014: 34,052,779 units)	503,641	473,334
<b>Meezan Bank Limited</b>		
Balances with banks	22,934	60,089
Profit receivable on saving accounts	32	364
Investment in 1,022,919 shares (June 30, 2014: 2,120,419 shares)	45,111	91,687
Investment of 9,921,033 units (June 30, 2014: 9,921,033 units)	146,732	137,902
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee payable	372	310
Deposit	238	238
<b>Pakistan Kuwait Investment Company (Private) Limited</b>		
Investment of 16,895,690 units (June 30, 2014 : 16,895,690 units)	249,887	234,850
<b>Al Meezan Investment Management Limited - Staff Gratuity Fund</b>		
Investment of 517,741 units (June 30, 2014 : 517,741 units)	7,657	7,197
<b>Meezan Capital Preservation Fund - II</b>		
Investment of nil units (June 30, 2014 : 2,870,504 units)	-	39,900
<b>Meezan Capital Preservation Fund - III</b>		
Investment of nil units (June 30, 2014 : Nil units)	-	-
<b>Directors and Executives of the Management Company</b>		
Investment of 8,028,475 units (June 30, 2014 : 7,657,744 units)	118,741	106,443
Unitholders holding 10 percent or more units of the Fund's net assets	845,043	320,859

	For the nine months period ended March 31,	
	2015	2014
	.....(Rupees in '000).....	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period	48,312	35,797
Sindh Sales Tax and Federal Excise Duty on management fee	16,137	12,172
Bonus units issued: Nil (2014: 7,883,190 units)	-	99,249
Units issued: Nil (2014: 6,476,891 units)	-	86,026
Redemption / conversion of units: Nil (2014: 13,756,270 units)	-	190,854
<b>Al Meezan Investment Management Limited - Staff Gratuity Fund</b>		
Bonus units issued: Nil (2014: 95,782 units)	-	1,206
<b>Meezan Bank Limited</b>		
Profit on saving accounts with banks	1,360	271
Dividend income	4,459	2,185
Gain on sale of investments	15,241	3,846
Purchase of shares: Nil (2014: 1,150,000 shares)	-	44,579
Sale of shares: 1,097,500 (2014: 900,000shares)	52,958	34,720
Bonus units issued: Nil (2014: 1,835,382 units)	-	23,107
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee	3,166	2,549
CDS charges	153	112
<b>Meezan Capital Preservation Fund - II</b>		
Units issued: 12,650,739 units (2014: Nil units)	178,000	-
Redemption / conversion of units:15,521,243 units (2014: Nil units)	229,426	-
<b>Meezan Capital Preservation Fund - III</b>		
Units issued: 4,130,435 units (2014: Nil units)	60,000	-
Redemption / conversion of units:4,130,435 units (2014: Nil units)	58,404	-
<b>Directors and Executives of the Management Company</b>		
Units issued: 511,521 units (2014: 3,910,677 units)	7,728	50,218
Bonus units issued: Nil (2014: 584,733 units)	-	7,362
Redemption / conversion of units: 140,790 units (2014: 44,137 units)	2,256	85

9. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



Quarterly Report March 31, 2015

## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan.  
Phone: (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoab, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoab, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)  
Habib Metropolitan Bank Limited - Islamic Banking  
Meezan Bank Limited  
National Bank of Pakistan - Islamic Banking

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone: (9221) 35156191-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
..... (Rupees in '000).....			
<b>Assets</b>			
Balances with banks		5,334	248,684
Investments	5	1,088,653	1,175,875
Dividend receivable		21,656	1,078
Deposits, prepayments and other receivables		2,686	2,655
Preliminary expenses and floatation costs		890	1,167
<b>Total assets</b>		<b>1,119,219</b>	<b>1,429,459</b>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited (Al Meezan)			
- Management Company		5,035	2,738
Payable to Central Depository Company of Pakistan Limited (CDC)			
- Trustee		193	150
Payable to Securities and Exchange Commission of Pakistan (SECP)		903	925
Payable to Meezan Bank Limited (MBL)		-	14
Payable against purchase of investments (net)		3,197	238,282
Payable on redemption and conversion of units		1,860	164
Accrued expenses and other liabilities		13,369	11,159
<b>Total liabilities</b>		<b>24,557</b>	<b>253,432</b>
<b>Net assets</b>		<b>1,094,662</b>	<b>1,176,027</b>
<b>Contingencies and commitments</b>	6		
<b>Unitholders' fund (as per statement attached)</b>		<b>1,094,662</b>	<b>1,176,027</b>
..... (Number of units).....			
<b>Number of units in issue</b>		<b>17,052,607</b>	<b>18,716,122</b>
..... (Rupees).....			
<b>Net assets value per unit</b>		<b>64.19</b>	<b>62.83</b>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



## CONDENSED INTERIM INCOME STATEMENT

For the nine months and quarter ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2015	2014	2015	2014
----- (Rupees in '000) -----					
<b>Income</b>					
Net realised (loss) / gain on sale of investments		(16,586)	29,854	10,405	13,306
Dividend income		68,245	50,934	25,107	17,804
Profit on saving accounts with banks		624	524	183	148
Other income		530	590	94	311
		<u>52,813</u>	<u>81,902</u>	<u>35,789</u>	<u>31,569</u>
Unrealised (loss) / gain on re-measurement of investments at 'fair value through profit or loss' (net)	5.1	<u>(5,367)</u>	<u>104,445</u>	<u>(58,277)</u>	<u>18,847</u>
Total income		<u>47,446</u>	<u>186,347</u>	<u>(22,488)</u>	<u>50,416</u>
<b>Expenses</b>					
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company		9,510	7,371	3,226	2,550
Sindh Sales Tax and Federal Excise Duty on management fee		3,177	2,504	1,079	881
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		1,702	1,463	569	501
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		903	700	306	242
Auditors' remuneration		237	339	22	63
Charity expense		1,520	829	566	228
Fees and subscription		94	94	31	31
Brokerage		1,054	771	236	264
Bank and settlement charges		496	372	143	135
Amortisation of preliminary expenses and floatation costs		302	302	99	99
Provision for Workers' Welfare Fund (WWF)	7	473	3,298	(732)	753
Printing charges		30	35	10	8
Total expenses		<u>19,498</u>	<u>18,078</u>	<u>5,555</u>	<u>5,755</u>
Net income / (loss) from operating activities		27,948	168,269	(28,043)	44,661
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)		<u>(4,795)</u>	<u>(6,679)</u>	<u>(7,840)</u>	<u>(7,783)</u>
Net income / (loss) for the period before taxation		<u>23,153</u>	<u>161,590</u>	<u>(35,883)</u>	<u>36,878</u>
Taxation	-	-	-	-	-
Net income / (loss) for the period after taxation		<u>23,153</u>	<u>161,590</u>	<u>(35,883)</u>	<u>36,878</u>
Other comprehensive income for the period		-	-	-	-
Total comprehensive income / (loss) for the period		<u>23,153</u>	<u>161,590</u>	<u>(35,883)</u>	<u>36,878</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM DISTRIBUTION STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	.....(Rupees in '000).....	
Undistributed income brought forward		
- Realised	77,379	184,682
- Unrealised	122,114	107,332
	199,493	292,014
Less: Final distribution for the year ended:		
Bonus Units June, 30 2014: Nil (June 30, 2013: @ 31% (Rs. 15.50 per unit)	-	(191,240)
Net income for the period	23,153	161,590
Undistributed income carried forward	<u>222,646</u>	<u>262,364</u>
Undistributed income / accumulated (loss) carried forward		
- Realised	228,013	157,919
- Unrealised	(5,367)	104,445
	<u>222,646</u>	<u>262,364</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	..... (Rupees in '000) .....	
Net assets at beginning of the period	1,176,027	901,404
Issue of 3,344,251 units (March 31, 2014: 3,600,614 units)	215,299	234,574
Redemption of 5,007,766 units (March 31, 2014: 4,555,106 units)	(324,612)	(296,193)
	(109,313)	(61,619)
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)	4,795	6,679
Bonus units for the year ended June 30, 2014: Nil (June 30, 2013: 3,322,448)	-	191,240
Net realised (loss) / gain on sale of investments	(16,586)	29,854
Unrealised (diminution) / appreciation in the value of investments (net)	(5,367)	104,445
Net other income for the period	45,106	27,291
Total comprehensive income for the period	23,153	161,590
Distribution for the year ended Bonus units: June, 30 2014: Nil (June 30, 2013: 3,322,448 )	-	(191,240)
Net assets at end of the period	<u>1,094,662</u>	<u>1,008,054</u>
	..... (Rupees) .....	
Net asset value per unit at beginning of the period	<u>62.83</u>	<u>73.06</u>
Net asset value per unit at end of the period	<u>64.19</u>	<u>68.55</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	.....(Rupees in '000).....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period	23,153	161,590
Adjustments for:		
Unrealised loss / (gain) on re-measurement of investments at 'fair value through profit or loss' (net)	5,367	(104,445)
Amortisation of preliminary expenses and floatation costs	302	302
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)	4,795	6,679
	<u>33,617</u>	<u>64,126</u>
Decrease / (increase) in assets		
Investments (net)	81,855	(3,284)
Dividend receivable	(20,578)	(8,457)
Deposits, prepayments and other receivables	(31)	544
	<u>61,246</u>	<u>(11,197)</u>
(Decrease) / increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	2,297	306
Payable to Central Depository Company of Pakistan Limited - Trustee	43	23
Payable to Meezan Bank Limited	(14)	-
Payable to Securities and Exchange Commission of Pakistan	(22)	315
Payable against purchase of investments (net)	(235,085)	3,691
Accrued expenses and other liabilities	2,185	3,266
	<u>(230,596)</u>	<u>7,601</u>
Net cash (used in) / generated from operating activities	<u>(135,733)</u>	<u>60,530</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipt against issuance of units	215,299	234,574
Payment against redemption of units	(322,916)	(299,362)
Net cash used in financing activities	<u>(107,617)</u>	<u>(64,788)</u>
Net decrease in cash and cash equivalents during the period	<u>(243,350)</u>	<u>(4,258)</u>
Cash and cash equivalents at beginning of the period	248,684	15,240
Cash and cash equivalents at end of the period	<u>5,334</u>	<u>10,982</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months ended March 31, 2015 (Unaudited)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 KSE Meezan Index Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was executed on March 13, 2012 and was approved by Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund is a Shariah Compliant Index Fund that aims to provide investors an opportunity to track closely the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the index in proportion to their weightages. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Management Company has appointed Meezan Bank Limited (MBL) as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end fund listed on Islamabad Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an Equity Scheme.
- 1.4 The Management Company of the Fund has been given quality rating of AM2+ by JCR-VIS Credit Rating Company Limited.
- 1.5 Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund.

### 2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor 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

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and directives issued by the SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2014.

The accounting policies and method of computation adopted in the preparation of this condensed interim financial information and the significant judgments 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, 2014.

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2014.

		(Unaudited) March 31, 2015	(Audited) June 30, 2014
	Note	(Rupees in '000)	
5. INVESTMENTS			
Investments at 'fair value through profit or loss' - Held for trading	5.1	<u>1,088,653</u>	<u>1,175,875</u>

5.1 Held for trading - shares of listed companies

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / right shares	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss) as at March 31, 2015	Percentage in relation to			
									Net assets of the Fund on the basis of market value (note 5.1.1)	Paid-up-Capital of the investee company (with face value of investments)	Market value of investments	
----- Number of shares -----						----- (Rupees in '000) -----			----- % -----			
Sectors/ Companies												
Chemicals												
Fauji Fertilizer Bin Qasim Limited	549,920	154,500	-	137,000	567,420	22,988	26,374	3,386	2.41	0.06	2.42	
Fauji Fertilizer Company Limited	1,177,401	275,500	-	288,300	1,164,601	132,274	155,171	22,897	14.18	0.09	14.25	
ICI Pakistan Limited	23,300	3,400	-	26,700	-	-	-	-	-	-	-	
									16.58	0.15	16.68	
Construction and Materials (Cement)												
Cherat Cement Company Limited	127,040	29,500	91,487	132,500	115,527	6,023	7,927	1,904	0.72	0.07	0.73	
D.G. Khan Cement Company Limited	405,653	130,200	-	118,184	417,669	38,276	46,695	8,419	4.27	0.10	4.29	
Fauji Cement Company Limited	1,231,694	346,000	-	309,000	1,268,694	25,707	36,120	10,413	3.30	0.10	3.32	
Kohat Cement Company Limited	77,940	24,300	-	21,800	80,440	10,992	12,953	1,961	1.18	0.05	1.19	
Lafarge Pakistan Cement Limited	-	746,500	-	737,000	9,500	165	145	(20)	0.01	0.00	0.01	
Lucky Cement Limited	212,690	64,200	-	52,600	224,290	93,973	100,020	6,047	9.14	0.07	9.19	
Maple Leaf Cement Factory Limited	310,700	185,500	-	91,000	405,200	13,809	19,466	5,657	1.78	0.08	1.79	
Pioneer Cement Limited	114,500	95,000	-	55,000	154,500	9,506	12,144	2,638	1.11	0.07	1.12	
									21.51	0.52	21.63	
Electricity												
Hub Power Company Limited	1,460,462	548,000	-	503,500	1,504,962	94,810	128,494	33,684	11.74	0.13	11.80	
Kot Addu Power Company Limited	763,753	283,500	-	260,500	786,753	49,660	61,194	11,534	5.59	0.09	5.62	
K-Electric Limited (note 5.1.3)	4,646,653	1,404,000	-	1,268,000	4,782,653	40,131	34,005	(6,126)	3.11	0.02	3.12	
									20.43	0.24	20.55	
Engineering												
Milat Tractors Limited	29,806	10,200	-	9,400	30,606	16,050	16,417	367	1.50	0.07	1.51	
Fixed Line Telecommunication												
Pakistan Telecommunication Company Limited	989,323	289,000	-	277,500	1,000,823	25,107	21,077	(4,030)	1.93	0.03	1.94	
Food Producers												
Engro Foods Limited	193,181	27,500	-	220,681	-	-	-	-	-	-	-	
National Foods Limited (note 5.1.3)	-	83,850	-	43,400	40,450	14,282	15,517	1,235	1.42	0.04	1.43	
									1.42	0.04	1.43	
General Industrials												
Packages Limited	49,700	22,500	-	20,300	51,900	28,154	28,805	651	2.63	0.06	2.65	
Multiutilities (Gas and Water)												
Sui Northern Gas Pipeline Limited	266,837	39,500	-	306,337	-	-	-	-	-	-	-	
Oil and Gas												
Attock Petroleum Limited	27,889	7,800	-	7,000	28,689	16,679	14,917	(1,762)	1.36	0.03	1.37	
Attock Refinery Limited	50,185	15,800	-	15,500	50,485	10,510	7,765	(2,745)	0.71	0.06	0.71	
Mari Petroleum Company Limited	30,895	9,300	6,599	8,500	38,294	13,034	19,755	6,721	1.80	0.03	1.81	
National Refinery Limited	42,951	17,100	-	15,400	44,651	9,408	8,524	(884)	0.78	0.06	0.78	
Oil and Gas Development Company Limited (note 5.1.2)	553,694	79,600	-	633,294	-	-	-	-	-	-	-	
Pakistan Oilfields Limited	181,964	52,600	-	47,000	187,564	102,746	61,232	(41,514)	5.59	0.08	5.62	
Pakistan Petroleum Limited (note 5.1.2)	596,678	132,500	-	144,700	584,478	129,090	90,401	(38,689)	8.26	0.03	8.30	
Pakistan State Oil Company Limited	211,988	72,600	-	65,400	219,188	84,388	75,488	(8,900)	6.90	0.08	6.93	
Shell Pakistan Limited	36,022	17,200	-	16,200	37,022	9,990	8,177	(1,813)	0.75	0.03	0.75	
									26.15	0.41	26.29	
Personal Goods (Textile)												
Nishat Mills Limited	295,850	91,500	-	82,300	305,050	34,569	31,170	(3,399)	2.85	0.09	2.86	
Treet Corporation Limited	-	22,400	-	3,700	18,700	2,478	1,869	(609)	0.17	0.03	0.17	
									3.02	0.12	3.03	
Pharma and Bio Tech												
Abbott Laboratories (Pakistan) Limited	-	40,600	-	5,200	35,400	26,400	17,606	(8,794)	1.61	0.04	1.62	
Glaxo Smithkline Pakistan Limited	84,432	36,000	-	34,400	86,032	15,521	15,092	(429)	1.38	0.03	1.39	
The Searle Company Limited	-	98,700	-	31,700	67,000	17,300	14,133	(3,167)	1.29	0.08	1.30	
									4.28	0.14	4.30	
Software and Computer Services												
Netsol Technologies Limited	52,189	7,500	-	59,689	-	-	-	-	-	-	-	
Grand total						<u>1,094,020</u>	<u>1,088,653</u>	<u>(5,367)</u>				
Total cost of investments - 'held for trading'							<u>969,240</u>					

- 5.1.1 Net assets are as defined in regulation 66 of NBFC Regulations, 2008.
- 5.1.2 267,000 shares of Pakistan Petroleum Limited, having market value of Rs 41.30 million as at March 31, 2015 (June 30, 2014: 140,100 shares of Oil and Gas Development Company Limited, having market value of Rs. 36.605 million), have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.
- 5.1.3 All shares have a nominal value of Rs.10 each except for the shares of K-Electric Limited and National Foods Limited which have nominal value of Rs. 3.50 and Rs. 5 each respectively.

## 6. CONTINGENCIES AND COMMITMENTS

The Finance Act 2014 introduced amendments to Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. These shares will be released upon payments of tax by shareholders. The value of tax will be computed on the basis of day-end price on the first day of book closure.

In this regard, a constitution petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs, which is pending adjudication. The petition is based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. A stay order has been granted by the High Court of Sindh in favour of CISs.

In the current period, Mari Petroleum Company Limited issued bonus shares after withholding 5 percent of bonus shares. The Fund has also paid the tax amount aggregating to Rs. 0.15 million to Mari Petroleum. Mari Petroleum returned the pay order due to pending adjudication of the aforementioned constitution petition and the stay order. Furthermore, shares against withholding tax held with Mari Petroleum have not been deposited with the Government Treasury.

There were no other contingencies and commitments outstanding as at March 31, 2015.

## 7. WORKERS' WELFARE FUND (WWF)

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, during the year ended June 30, 2010, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

The Management Company believes that the aforementioned constitutional petition pending in the Court has strong grounds for decision in favour of the mutual funds. However, the management as a matter of abundant caution has recognised WWF charge effective from January 1, 2013 amounting to Rs.9.92 million which includes Rs. 0.47 million pertaining to current period and Rs. 9.45 million pertaining to prior year. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.58 (0.91%).

The Board of Directors of the management company in its meeting held on October 25, 2013 have resolved that unrecorded accumulated WWF provision in the fund from the date of its application till December 31, 2012, in case is required to be paid, shall be borne by Al Meezan Investment Management Limited (Management Company of the Fund). Therefore, the Fund is not exposed to this unrecorded accumulated WWF provision. The unrecorded accumulated provision for WWF upto December 31, 2012 is Rs. 1.03 million.

## 8. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include Al Meezan Investment Management Limited (Al Meezan) being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, Meezan Bank Limited (MBL) being the holding company of the Management Company, Directors and Officers of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund – III, Meezan Capital Preservation Fund – II and Meezan Tahaffuz Pension Fund being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Staff Gratuity Fund and Unitholders holding 10 percent or more of the Fund's net assets.

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 Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations, 2008 and the Trust Deed respectively.

Details of transactions with connected persons and balances with them for the period ended March 31, 2015 and as of that date along with comparatives are as follows:

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	----- (Rupees in '000) -----	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	<u>1,080</u>	<u>754</u>
Sindh Sales Tax and Federal Excise Duty on management fee payable	<u>3,409</u>	<u>1,618</u>
Sales load payable	<u>219</u>	<u>135</u>
Sindh Sales Tax and Federal Excise Duty on sales load payable	<u>327</u>	<u>231</u>
Investment of 5,120,366 units (June 30, 2014: 5,120,366 units)	<u>328,676</u>	<u>321,713</u>
<b>Meezan Bank Limited</b>		
Sales load payable	<u>-</u>	<u>14</u>
Bank balance	<u>1,351</u>	<u>243,284</u>
Investment of 2,113,224 units (June 30, 2014: 2,113,224 units)	<u>135,648</u>	<u>132,774</u>
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee payable	<u>193</u>	<u>150</u>
Deposit	<u>103</u>	<u>103</u>
<b>Meezan Capital Preservation Fund - III</b>		
Investments of 1,532,729 units (June 30, 2014: nil units)	<u>98,386</u>	<u>-</u>
<b>Meezan Capital Preservation Fund - II</b>		
Investments of 1,734,306 units (June 30, 2014: 3,826,158 units)	<u>111,325</u>	<u>240,398</u>
<b>Directors and Executives of the Management Company</b>		
Investment of 1,281,057 units (June 30, 2014: 1,283,972 units)	<u>82,231</u>	<u>80,672</u>
	<u>Nine months period ended March 31,</u>	
	2015	2014
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period	<u>9,510</u>	<u>7,371</u>
Sindh Sales Tax and Federal Excise Duty on management fee	<u>3,177</u>	<u>2,504</u>
Units issued: Nil (2014: 420,989 units)	<u>-</u>	<u>27,300</u>
Bonus units issued: Nil (2014: 866,556 units)	<u>-</u>	<u>49,879</u>
Redemption of units: Nil (2014: 86,987 units)	<u>-</u>	<u>5,222</u>



	<u>Nine months period ended March 31</u>	
	<u>2015</u>	<u>2014</u>
	..... (Rupees in '000) .....	
<b>Meezan Bank Limited</b>		
Profit on savings account	<u>95</u>	<u>102</u>
Bonus units issued: Nil (2014: 386,880 units)	<u>-</u>	<u>22,269</u>
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee	<u>1,702</u>	<u>1,463</u>
CDS charges	<u>61</u>	<u>44</u>
<b>Meezan Capital Preservation Fund - III</b>		
Units issued: 1,532,729 units (2014: Nil)	<u>99,750</u>	<u>-</u>
Transaction cost received	<u>250</u>	<u>-</u>
<b>Meezan Capital Preservation Fund - II</b>		
Units issued: 215,039 units (2014: Nil)	<u>13,540</u>	<u>-</u>
Transaction cost received	<u>34</u>	<u>-</u>
Redemption of units: 2,306,891 (2014: Nil)	<u>155,000</u>	<u>-</u>
<b>Directors and Executives of the Management Company</b>		
Units issued: 1,530 units (2014: 625 units)	<u>104</u>	<u>43</u>
Bonus units issued: nil units (2014: 245,769 units)	<u>-</u>	<u>14,146</u>
Redemption of units: 4,445 units (2014: 54,680 units)	<u>293</u>	<u>3,275</u>

9. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



Quarterly Report March 31, 2015

## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan.  
Phone: (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoaib, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoaib, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)	Allied Bank Limited - Islamic Banking
Askari Bank Limited - Islamic Banking	Bank Alfalah Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking	BankIslami Pakistan Limited
Burj Bank Limited	Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking	Habib Metropolitan Bank Limited - Islamic Banking
Habib Bank Limited - Islamic Banking	Meezan Bank Limited
MCB Bank Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
UBL Ameen	

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone: (9221) 35156191-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

	Note	(Unaudited) March 31, 2015 ..... (Rupees in '000) .....	(Audited) June 30, 2014 ..... (Rupees in '000) .....
<b>Assets</b>			
Balances with banks	5	4,265,274	3,298,683
Investments	6	3,634,585	1,616,111
Deposits, prepayments and other receivables		<u>107,932</u>	<u>70,975</u>
Total assets		<u>8,007,791</u>	<u>4,985,769</u>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		31,928	15,890
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		508	399
Payable to Securities and Exchange Commission of Pakistan (SECP)		3,505	2,701
Payable to Meezan Bank Limited (MBL)		-	112
Payable on redemption and conversion of units		292	7,139
Dividend payable		-	983
Accrued expenses and other liabilities		<u>49,820</u>	<u>40,190</u>
Total liabilities		<u>86,053</u>	<u>67,414</u>
Net assets		<u>7,921,738</u>	<u>4,918,355</u>
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		<u>7,921,738</u>	<u>4,918,355</u>
		..... (Number of units) .....	
Number of units in issue		<u>148,380,858</u>	<u>98,043,044</u>
		..... (Rupees) .....	
Net asset value per unit		<u>53.39</u>	<u>50.17</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the nine months and quarter ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2015	2014	2015	2014
		(Rupees in '000)			
<b>Income</b>					
Profit on saving accounts with banks		230,239	122,980	42,390	56,003
Profit on sukuk certificates		186,967	138,659	63,466	42,691
Profit on term deposit receipts		31,611	-	31,611	-
Realised gain / (loss) on sale of sukuk certificates (net)		21,007	184,224	17,951	(7)
Other income		1,620	2,232	1,414	1,041
		<u>471,444</u>	<u>448,095</u>	<u>156,832</u>	<u>99,728</u>
Unrealised gain on re-measurement of investments 'at fair value through profit or loss' (net)	6.1.1 & 6.1.3	24,814	7,756	15,842	6,486
Reversal / (provision) against sukuk certificates (net)		169	(163,021)	-	5,947
		<u>24,983</u>	<u>(155,265)</u>	<u>15,842</u>	<u>12,433</u>
<b>Total income</b>		<u>496,427</u>	<u>292,830</u>	<u>172,674</u>	<u>112,161</u>
<b>Expenses</b>					
Remuneration to Al Meezan Investment Management Limited - Management Company		70,095	35,113	21,750	13,330
Sindh Sales Tax and Federal Excise Duty on management fee		23,412	11,952	7,265	4,607
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		4,472	2,628	1,409	965
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		3,505	1,756	1,088	667
Auditors' remuneration		410	401	63	103
Fees and subscription		223	197	72	64
Amortisation of premium on 'available for sale' investments		-	18	-	-
Brokerage		402	51	163	-
Bank and settlement charges		70	94	27	27
Provision for Workers' Welfare Fund (WWF)	8	9,754	6,396	4,878	3,426
Printing expense		-	113	-	-
<b>Total expenses</b>		<u>112,343</u>	<u>58,719</u>	<u>36,715</u>	<u>23,189</u>
<b>Net income from operating activities</b>		<u>384,084</u>	<u>234,111</u>	<u>135,959</u>	<u>88,972</u>
Element of income and capital gains included in prices of units sold less those in units redeemed (net)		93,851	79,279	103,046	78,910
<b>Net income for the period before taxation</b>		<u>477,935</u>	<u>313,390</u>	<u>239,005</u>	<u>167,882</u>
<b>Taxation</b>		-	-	-	-
<b>Net income for the period after taxation</b>		<u>477,935</u>	<u>313,390</u>	<u>239,005</u>	<u>167,882</u>
<b>Other comprehensive income for the period</b>					
<b>Items that can be reclassified to income statement in subsequent periods</b>					
Net unrealised appreciation on re-measurement of investments classified as 'available for sale'		-	260	-	(18)
<b>Total comprehensive income for the period</b>		<u>477,935</u>	<u>313,650</u>	<u>239,005</u>	<u>167,864</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM DISTRIBUTION STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	.....(Rupees in '000).....	
Undistributed income / accumulated (loss) brought forward		
- Realised	88,966	181,397
- Unrealised	(79,179)	15,680
	9,787	197,077
Final distribution for the year ended:		
Bonus units June 30, 2014: Nil (June 30, 2013 @ 7.5% Rs. 3.75 per unit)	-	(178,637)
Cash dividend June 30, 2014: Nil (June 30, 2013: @ 7.5% Rs. 3.75 per unit)	-	(5,187)
Interim distribution for the period ended:		
Bonus units December 31, 2014: Nil (December 31, 2013 @ 4% Rs. 2.00 per unit)	-	(110,267)
Cash dividend December 31, 2014: Nil (December 31, 2013 @ 4% Rs. 2.00 per unit)	-	(2,775)
Interim distribution for the period ended:		
Bonus units March 31, 2015: Nil (March 31, 2014 @ 3% Rs. 1.50 per unit)	-	(163,360)
Cash dividend March 31, 2015: Nil (March 31, 2014 @ 3% Rs. 1.50 per unit)	-	(1,493)
Total distribution	-	(461,719)
Net income for the period	477,935	313,390
Undistributed income carried forward	487,722	48,748
Undistributed income / accumulated (loss) carried forward		
- Realised	462,739	204,013
- Unrealised	24,983	(155,265)
	487,722	48,748

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	(Rupees in '000)	
Net assets at beginning of the period	4,918,355	2,644,680
Issue of 164,698,832 units (March 31, 2014: 81,078,050 units)	8,534,936	4,176,900
Redemption of 114,361,018 units (March 31, 2014: 35,504,362 units)	(5,915,637)	(1,811,421)
	2,619,299	2,365,479
Element of income and capital gains included in prices of units sold less those in units redeemed (net)	(93,851)	(79,279)
Bonus units for the year ended: June 30, 2014: Nil (June 30, 2013: 8,977,498 units)	-	452,264
Realised gain on sale of sukuk certificates	21,007	184,224
Unrealised appreciation / (diminution) in the value of investments (net)	24,983	(155,265)
Net other income for the period	431,945	284,691
Total comprehensive income for the period	477,935	313,650
Distribution for the year ended		
- Bonus units June 30, 2014: Nil (June 30, 2013: 3,558,522)	-	(178,637)
- Cash dividend June 30, 2014: Nil (June 30, 2013: Rs. 3.75 per unit)	-	(5,187)
Distribution for the period ended		
- Bonus units December 31, 2014: Nil (December 31, 2013: 2,180,921)	-	(110,267)
- Cash dividend December 31, 2014: Nil (December 31, 2013: Rs. 2.00 per unit)	-	(2,775)
Distribution for the period ended		
- Bonus units March 31, 2015: Nil (March 31, 2014: 3,238,055)	-	(163,360)
- Cash dividend March 31, 2015: Nil (March 31, 2014: Rs. 1.50 per unit)	-	(1,493)
Total distribution	-	(461,719)
Net income for the period less distribution	477,935	(148,069)
Net assets at end of the period	7,921,738	5,235,075
	(Rupees)	
Net asset value per unit at beginning of the period	50.17	53.95
Net asset value per unit at end of the period	53.39	50.55

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended	
		March 31,	
		2015	2014
		.....(Rupees in '000) .....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period		477,935	313,390
Adjustments for:			
Unrealised gain on re-measurement of investments			
'at fair value through profit or loss' (net)		(24,814)	(7,756)
(Reversal) / provision against sukuk certificates (net)		(169)	163,021
Amortisation of premium on 'available for sale' investments		-	18
Element of income and capital gains included			
in prices of units sold less those in units redeemed (net)		(93,851)	(79,279)
		<u>359,101</u>	<u>389,394</u>
(Increase) / decrease in assets			
Investments (net)		(1,643,491)	468,741
Deposits, prepayments and other receivables		(36,957)	(23,877)
		<u>(1,680,448)</u>	<u>444,864</u>
Increase / (decrease) in liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		16,038	5,233
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		109	202
Payable to Securities and Exchange Commission of Pakistan (SECP)		804	470
Payable to Meezan Bank Limited		(112)	(97)
Accrued expenses and other liabilities		9,630	6,595
		<u>26,469</u>	<u>12,403</u>
Net cash (used in) / generated from operating activities		<u>(1,294,878)</u>	<u>846,661</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts against issuance of units		8,534,936	4,176,900
Payments against redemption of units		(5,922,484)	(1,358,083)
Dividend paid		(983)	(7,981)
Net cash generated from financing activities		<u>2,611,469</u>	<u>2,810,836</u>
Net increase in cash and cash equivalents during the period		<u>1,316,591</u>	<u>3,657,497</u>
Cash and cash equivalents at the beginning of the period		3,298,683	1,158,459
Cash and cash equivalents at the end of the period	5.2	<u>4,615,274</u>	<u>4,815,956</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months ended March 31, 2015 (Unaudited)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Islamic Income Fund (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on September 13, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) notified through S.R.O. 1203 (I) / 2008 on November 21, 2008. The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund has been formed to provide the unitholders safe and stable stream of halal income on their investments and to generate superior long-term risk adjusted returns. The Fund shall also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalize on exceptional returns if available at any given point of time. Under the trust deed all conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end fund listed on the Karachi Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an Income Scheme.
- 1.4 The Fund has been given a stability rating of A-(f) and the Management Company of the Fund has been given quality rating of AM2+ by JCR - VIS Credit Rating Company Limited.
- 1.5 Title to the assets of the Fund are in the name of CDC as a trustee of the Fund.

### 2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor 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 the approved accounting standards as applicable in Pakistan.

### 3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and directives issued by the SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2014.

The accounting policies and method of computation adopted in the preparation of this condensed interim financial information and the significant judgments 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, 2014.

The Fund's financial and unitholders' fund risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2014.

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
		(Rupees in '000)	
<b>5. BALANCES WITH BANKS</b>			
On saving accounts	5.1	4,261,512	3,293,438
On current accounts		3,762	5,245
		<u>4,265,274</u>	<u>3,298,683</u>
5.1 The balance in saving accounts bears expected profit which ranges from 3.77% to 9.00% per annum (June 30, 2014: 3.72% to 9.20% per annum).			
5.2 Cash and cash equivalents			
Balances with banks		4,265,274	3,298,683
Term deposit receipts - having original maturity of 3 months or less	6.2	350,000	-
		<u>4,615,274</u>	<u>3,298,683</u>
<b>6. INVESTMENTS</b>			
Investments at 'fair value through profit or loss'	6.1	2,089,585	1,616,111
Loans and receivables	6.2	1,545,000	-
		<u>3,634,585</u>	<u>1,616,111</u>
6.1 Investments at 'fair value through profit or loss'			
- Held for trading	6.1.1	420,701	1,249,006
- Investments at 'fair value through profit or loss upon initial recognition'	6.1.3	1,668,884	367,105
		<u>2,089,585</u>	<u>1,616,111</u>

#### 6.1.1 Held for trading - Sukuk certificates

Name of the security	Maturity date	Profit rate	As at July 1, 2014	Purchases during the period	Sales / Maturity during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss)	Percentage in relation to	
			Number of certificates	(Rupees in '000)		%					
GoP Ijarah Sukuk Certificates - IX (note 6.1.2 & 6.1.2.1)	November 21, 2015	Weighted average 6 months T-Bills	1,700	9,070	7,600	3,170	317,859	319,821	1,962	4.04	8.80
GoP Ijarah Sukuk Certificates - XI (note 6.1.2 & 6.1.2.1)	November 21, 2015	Weighted average 6 months T-Bills	-	3,900	3,900	-	-	-	-	-	0.00
GoP Ijarah Sukuk Certificates - XII (note 6.1.2 & 6.1.2.1)	November 21, 2015	Weighted average 6 months T-Bills	1,000	-	-	1,000	102,830	100,880	(1,950)	1.27	2.78
GoP Ijarah Sukuk Certificates - XV (note 6.1.2)	June 25, 2017	Weighted average 6 months T-Bills	9,740	-	9,740	-	-	-	-	-	-
Grand Total							<u>420,689</u>	<u>420,701</u>	<u>12</u>		
Total cost of investments							<u>417,219</u>				

6.1.2 The nominal value of the GoP Ijarah sukuk certificates is Rs 100,000 each.

6.1.2.1 On December 12, 2014, the GoP extended the maturity of these sukuks to November 21, 2015 through a resolution passed in the Extra Ordinary General Meeting of Sukuk holders held on 10 November 2014.

### 6.1.3 Investments 'at fair value through profit or loss upon initial recognition' - Sukuk certificates

Name of the investee company	Maturity date	Profit rate	As at July 1, 2014	Purchases during the period	Sales/redemptions during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain/(loss)	Percentage in relation to		
										Net Assets of the Fund on the basis of market value	Total issue (with face value of investment)	Total market value of investments
-----Number of certificates-----							----- (Rupees in '000) -----			----- % -----		
Arzoo Textile Mills Limited (note 6.1.4 & 6.1.5)	April 15, 2014	6 months Kibor plus base rate of 2%	14,000	-	-	14,000	-	-	-	-	9.46	-
Eden Housing Limited (note 6.1.4.2 & 6.1.5)	September 29, 2014	6 months Kibor plus base rate of 2.5%	59,400	-	-	59,400	-	-	-	-	12.32	-
Engro Fertilizer Limited (note 6.1.4) (A+, PACRA, non-traded)	September 1, 2015	6 months Kibor plus base rate of 1.5%	35,500	-	17,750	17,750	88,674	88,440	(234)	1.12	5.92	2.43
Engro Fertilizer Limited (note 6.1.4) (A+, PACRA)	July 09, 2019	6 months Kibor plus base rate of 1.75%	-	80,000	2,000	78,000	390,000	401,241	11,241	5.07	12.50	11.04
K-Electric Limited (SUKUK 1) (note 6.1.4) (AA, JCR-VIS, traded)	April 19, 2015	1 month Kibor plus base rate of 1.00%	-	14,500	-	14,500	72,871	72,461	(410)	0.91	9.67	1.99
K-Electric Limited (SUKUK 2) (note 6.1.4) (AA, JCR-VIS, traded)	March 19, 2017	3 months Kibor plus base rate of 2.25%	-	35,600	-	35,600	181,560	183,205	1,645	2.31	4.75	5.04
K-Electric Limited (SUKUK 4) (note 6.1.4) (AA+, JCR-VIS)	February 13, 2022	3 months Kibor plus base rate of 1.25%	-	160,000	-	160,000	800,000	800,000	-	10.10	3.64	22.01
Lalpir Power Limited CP Sukuk (note 6.1.4 & 6.1.4.1)	February 18, 2015	6 months Kibor plus base rate of 0.30%	-	53,400	53,400	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited (note 6.1.4) (A-, PACRA)	December 3, 2018	3 months Kibor plus base rate of 1.7%	51,064	-	21,200	29,864	110,977	123,536	12,559	1.56	4.00	3.40
Security Leasing Corporation Limited II (note 6.1.4 & 6.1.5)	January 19, 2022	Nil	3,115	-	34	3,081	-	-	-	-	6.67	-
Grand Total							1,644,082	1,668,884	24,802			
Total cost of investments							1,802,076					

6.1.4 The nominal value of the sukuk certificates is Rs 5,000 each.

6.1.41 The securities are carried at face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity of upto six months.

6.1.42 The nominal value of the sukuk certificate of Eden Housing Limited is Rs. 984. 375 each.

6.1.5 The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. Al Meezan Investment Management Limited (Management Company) classified Meezan Islamic Income Fund (the Fund) as 'Income Scheme' in accordance with the said circular. As at March 31, 2015, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires the rating of any security in the portfolio shall not be lower than the investment grade.

Following investments of the Fund are in the sukuk which are below 'investment grade' securities:

Name of Non-Compliant Investment	Type of investments	Value of investment before provision	Provision held	Value of investment after provision	Percentage of net assets	Percentage of total assets
Arzoo Textile Mills Limited	Non-traded sukuk certificates	70,000	70,000	-	-	-
Eden Housing Limited	Non-traded sukuk certificates	58,472	58,472	-	-	-
Security Leasing Corporation Limited II	Non-traded sukuk certificates	15,403	15,403	-	-	-
		143,875	143,875	-	-	-

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	..... (Rupees in '000) .....	
6.1.6 Provision on sukuk certificates		
Opening	144,044	125,755
(Reversal) / Provision for the period (net)	(169)	18,289
Closing	<u>143,875</u>	<u>144,044</u>
6.2 Loans and receivables		
Term deposit receipts		
- having original maturity of 3 months or less	350,000	-
- having original maturity of more than 3 months	<u>1,195,000</u>	-
	<u>1,545,000</u>	<u>-</u>

6.2.1 These term deposit receipts (TDRs) carry profit at rates ranging between 9.00% and 9.40% per annum (June 30, 2014: Nil).

#### 7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2015 and June 30, 2014.

#### 8. WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, during the year ended June 30, 2010, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

In view of above stated facts and considering the uncertainty on the applicability of WWF to mutual funds due to show cause notices issued to a number of mutual funds, the management company as a matter of abundant caution has decided to continue to maintain the provision for WWF for the year ending June 30, 2015. The Fund has recognised WWF charge upto March 31, 2015 amounting to Rs 48.660 million which includes Rs 9.754 million pertaining to the current period and Rs 38.906 million pertained to prior years. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.33 (0.61%).

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

The connected persons include Al Meezan Investment Management Limited (Al Meezan) being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, Meezan Bank Limited (MBL) being the holding company of the Management Company, Directors and Officers of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund – III, Meezan Capital Preservation Fund – II and Meezan Tahaffuz Pension Fund being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Staff Gratuity Fund and unit holders holding 10 percent or more of the Funds net assets.

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 trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations, 2008 and the Trust Deed respectively.

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

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	..... (Rupees in '000) .....	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	7,970	5,801
Sales load payable	563	277
Certificate charges payable	1	1
Sindh Sales Tax and Federal Excise Duty on management fee	22,813	9,648
Sindh Sales Tax and Federal Excise Duty on sales load	581	163
Investments as at March 31, 2015: 13,518,866 units (June 30, 2014: 16,183,639 units)	721,772	811,933
<b>Meezan Bank Limited</b>		
Sales load payable	-	112
Balances with bank	19,363	63,581
Profit receivable on saving account	101	336
<b>Central Depository Company of Pakistan Limited (CDC) - Trustee</b>		
Trustee fee payable	508	399
Deposit	100	100
<b>Meezan Capital Preservation Fund - III</b>		
Investments as at March 31, 2015: 23,355,936 units (June 30, 2014: 18,713,377 units)	1,246,973	938,850
<b>Meezan Capital Preservation Fund - II</b>		
Investments as at March 31, 2015: 24,347,543 units (June 30, 2014: nil units)	1,299,915	-
<b>Al Meezan Investment Management Limited - Staff Gratuity Fund</b>		
Investments as at March 31, 2015: 38,330 units (June 30, 2014: 38,330 units)	2,046	1,923
<b>Directors and Executives of the Management Company</b>		
Investments as at March 31, 2015: 1,152,489 units (June 30, 2014: 4,092,708 units)	61,531	205,331
	<b>Nine Months period ended March 31,</b>	
	2015	2014
	..... (Rupees in '000) .....	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period	70,095	35,113
Sindh Sales Tax and Federal Excise Duty on management fee	23,412	11,952
Units issued: 4,495,021 units (March 31, 2014: 10,639,809 units)	235,000	551,000
Redemptions: 7,159,794 units (March 31, 2014: nil units)	366,104	-
Bonus units issued: nil units (March 31, 2014: 1,012,191 units)	-	51,008

	Nine Months period ended March 31,	
	2015	2014
	.....(Rupees in '000).....	
<b>Meezan Bank Limited</b>		
Profit on saving account	<u>2,759</u>	<u>16,666</u>
<b>Central Depository Company of Pakistan Limited (CDC) - Trustee</b>		
Remuneration for the period	<u>4,472</u>	<u>2,628</u>
CDS Charges for the period	<u>15</u>	<u>5</u>
<b>Meezan Capital Preservation Fund - III</b>		
Units issued: 33,300,956 units (March 31, 2014: 29,064,135 units)	<u>1,740,404</u>	<u>1,500,000</u>
Redemptions: 28,658,397 units (March 31, 2014: nil units)	<u>1,480,980</u>	<u>-</u>
Bonus units issued: nil units (March 31, 2014: 864,147 units)	<u>-</u>	<u>43,596</u>
<b>Meezan Capital Preservation Fund - II</b>		
Units issued: 59,546,575 units (March 31, 2014: nil units)	<u>3,055,461</u>	<u>-</u>
Redemptions: 35,199,032 units (March 31, 2014: nil units)	<u>1,802,944</u>	<u>-</u>
<b>Al Meezan Investment Management Limited - Staff Gratuity Fund</b>		
Bonus units issued: nil units (March 31, 2014: 4,791 units)	<u>-</u>	<u>241</u>
<b>Directors and Executives of the Management Company</b>		
Units issued: 154,315 units (March 31, 2014: 2,851,407 units)	<u>8,099</u>	<u>146,945</u>
Redemptions: 3,094,534 units (March 31, 2014: 421,529 units)	<u>161,678</u>	<u>21,775</u>
Bonus units issued: nil units (March 31, 2014: 208,288 units)	<u>-</u>	<u>10,501</u>

10. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director





Quarterly Report March 31, 2015



## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan.  
Phone: (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoaib, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoaib, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh Sultan Trust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Askari Bank Limited - Islamic Banking	MCB Bank Limited - Islamic Banking
Bank Alfalah Limited - Islamic Banking	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
Faysal Bank Limited - Islamic Banking	UBL Ameen
Habib Metropolitan Bank Limited - Islamic Banking	
Habib Bank Limited - Islamic Banking	

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone: (9221) 35156191-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
.....(Rupees in '000).....			
<b>Assets</b>			
Balances with banks	5	6,368,886	6,690,140
Investments	6	7,904,316	13,724,316
Deposits, prepayments and other receivables		246,596	285,931
Preliminary expenses and floatation costs		-	312
<b>Total assets</b>		<b>14,519,798</b>	<b>20,700,699</b>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		65,477	54,698
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		798	1,225
Payable to Securities and Exchange Commission of Pakistan (SECP)		7,878	15,287
Payable to Meezan Bank Limited (MBL)		-	270
Payable on redemption and conversion of units		24,948	225,016
Accrued expenses and other liabilities		139,477	123,518
<b>Total liabilities</b>		<b>238,578</b>	<b>420,014</b>
<b>Net assets</b>		<b>14,281,220</b>	<b>20,280,685</b>
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		14,281,220	20,280,685
.....(Number of units).....			
Number of units in issue		269,471,583	401,746,086
.....(Rupees).....			
Net assets value per unit		53.00	50.48

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the nine months and quarter ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2015	2014	2015	2014
(Rupees in '000)					
Income					
Profit on saving accounts with banks		245,018	377,657	67,170	151,151
Profit on sukuk certificates		728,304	995,741	184,148	334,998
Net realised (loss)/gain on sale of sukuk certificates		(63,753)	(4,282)	2,609	-
		<u>909,569</u>	<u>1,369,116</u>	<u>253,927</u>	<u>486,149</u>
Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss (net)	6.1	(67,313)	178,055	42,005	96,255
Total income		<u>842,256</u>	<u>1,547,171</u>	<u>295,932</u>	<u>582,404</u>
Expenses					
Remuneration to Al Meezan Investment Management Limited					
-Management Company		105,042	151,417	27,432	52,702
Sindh Sales Tax and Federal Excise Duty on management fee		35,156	51,482	9,234	18,213
Remuneration to Central Depository Company of Pakistan Limited					
- Trustee		7,992	10,774	2,201	3,716
Annual fee to Securities and Exchange Commission of Pakistan		7,878	11,357	2,057	3,953
Auditors' remuneration		393	433	73	95
Fees and subscription		193	186	65	63
Amortisation of premium on investments held as 'available for sale'		-	2,999	-	-
Amortisation of preliminary expenses and floatation costs		312	384	54	126
Brokerage		746	1,256	30	32
Bank and settlement charges		185	146	85	33
Provision for Workers' Welfare Fund (WWF)	8	14,158	26,308	8,219	10,149
Printing expenses		563	952	185	184
Total expenses		<u>172,618</u>	<u>257,694</u>	<u>49,635</u>	<u>89,266</u>
Net income from operating activities		<u>669,638</u>	<u>1,289,477</u>	<u>246,297</u>	<u>493,138</u>
Element of gain/(loss) and capital gains/(losses) included in prices of units sold less those in units redeemed (net)		24,115	(406)	156,462	4,149
Net income for the period before taxation		<u>693,753</u>	<u>1,289,071</u>	<u>402,759</u>	<u>497,287</u>
Taxation		-	-	-	-
Net income for the period after taxation		<u>693,753</u>	<u>1,289,071</u>	<u>402,759</u>	<u>497,287</u>
Other comprehensive income for the period					
Items that can be reclassified to income statement in subsequent periods					
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'available for sale'		(23,433)	36,735	6,616	15,464
Total comprehensive income for the period		<u>670,320</u>	<u>1,325,806</u>	<u>409,375</u>	<u>512,751</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM DISTRIBUTION STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	..... (Rupees in '000) .....	
Undistributed income/(accumulated loss) brought forward		
- Realised	15,835	410,650
- Unrealised	147,842	(1,919)
	<u>163,677</u>	<u>408,731</u>
Less: Final distribution for the year ended June 30, 2014: Nil		
- June 30, 2013 : bonus units @ 2.06%	-	(396,261)
- June 30, 2013 : cash dividend @ 2.06%	-	(181)
Less: Interim distribution for the period ended March 31, 2015: Nil		
- March 31, 2014 : bonus units @ 5.28%	-	(1,044,131)
- March 31, 2014 : cash dividend @ 5.28%	-	(332)
Total distribution	-	<u>(1,440,905)</u>
Net income for the period	<u>693,753</u>	<u>1,289,071</u>
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments	7,249	(1,651)
Undistributed income carried forward	<u>864,679</u>	<u>255,246</u>
Undistributed income carried forward		
- Realised	931,992	77,191
- Unrealised	(67,313)	178,055
	<u>864,679</u>	<u>255,246</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	.....(Rupees in '000).....	
Net assets at the beginning of the period	20,280,685	19,654,233
Issuance of 290,723,552 units (2014: 370,110,645 units)	15,050,312	18,795,689
Redemption of 422,998,055 units (2014: 363,419,099 units)	(21,695,982)	(18,465,136)
	(6,645,670)	330,553
Element of (gain)/loss and capital (gains)/losses included in prices of units issued less those in units redeemed (net) for the period	(24,115)	406
Bonus units distribution for the period ended March 31, 2015: Nil - Bonus units for the period ended March 31, 2014: 36,061,196	-	1,440,392
Realised loss on sale of sukuk certificates	(63,753)	(4,282)
Unrealised (diminution) / appreciation in the value of investments (net)	(90,746)	214,790
Net other income for the period	824,819	1,115,298
Total other comprehensive income for the period	670,320	1,325,806
Less: Distribution for the period ended March 31, 2015: Nil Issue of 28,674,179 bonus units for the period ended March 31, 2014 Cash distribution	-	(1,440,392)
	-	(513)
Net income/(loss) for the period less distribution	-	(1,440,905)
Net assets at the end of the period	<u>14,281,220</u>	<u>21,310,485</u>
	..... (Rupees) .....	
Net assets value per unit at beginning of the period	<u>50.48</u>	<u>51.07</u>
Net assets value per unit at end of the period	<u>53.00</u>	<u>50.71</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended March 31,	
		2015	2014
..... (Rupees in '000) .....			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period		693,753	1,289,071
Adjustments for :			
Unrealised loss / (gain) on re-measurement of investments at fair value through profit or loss (net)		67,313	(178,055)
Amortisation of preliminary expenses and floatation costs		312	384
Amortisation of premium on investments held as 'available for sale'		-	(2,999)
Element of (gain) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)		(24,115)	406
		<u>737,263</u>	<u>1,108,807</u>
Decrease / (Increase) in assets			
Investments (net)		5,729,254	57,884
Deposits, prepayments and other receivables		39,335	(90,876)
		<u>5,768,589</u>	<u>(32,992)</u>
Increase / (Decrease) in liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		10,779	22,783
Payable to Central Depository Company of Pakistan Limited - Trustee		(427)	127
Payable to Securities and Exchange Commission of Pakistan		(7,409)	(3,363)
Payable against purchase of investments		-	156,037
Payable to Meezan Bank Limited		(270)	(307)
Accrued expenses and other liabilities		15,959	23,524
		<u>18,632</u>	<u>198,801</u>
Net cash generated from operating activities		<u>6,524,484</u>	<u>1,274,616</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts against issuance of units		15,050,312	18,795,689
Payments against redemption of units		(21,896,050)	(18,626,735)
Dividend paid		-	(477)
Net cash (used in) / generated from financing activities		<u>(6,845,738)</u>	<u>168,477</u>
Net (decrease)/increase in cash and cash equivalents during the period		<u>(321,254)</u>	<u>1,443,093</u>
Cash and cash equivalents at beginning of the period		<u>6,690,140</u>	<u>5,259,781</u>
Cash and cash equivalents at end of the period	5	<u>6,368,886</u>	<u>6,702,874</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months ended March 31, 2015 (Unaudited)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Sovereign Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund has been formed to provide the unitholders maximum possible preservation of capital along with Halal and reasonable returns by investing primarily in a portfolio of Shariah compliant government securities thus minimising the credit risk of investments. The Fund shall also keep an exposure in short-term near cash instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point of time. Under the Trust Deed all conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open end Shariah Compliant (Islamic) Income Scheme, listed on the Islamabad Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4 The Management Company of the Fund has been given quality rating of AM2+ and the stability rating of the Fund is AA(f) given by JCR-VIS Credit Rating Company Limited.
- 1.5 Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund.

### 2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor 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

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the Trust Deed, the NBFC Rules, the NBFC Regulations and directives issued by the SECP. In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and directives issued by the SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2014.

The accounting policies and method of computation adopted in the preparation of this condensed interim financial information 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, 2014.

The Fund's financial and unit holder's fund risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2014.

		(Unaudited) March 31, 2015	(Audited) June 30, 2014
5	BALANCES WITH BANKS	Note	(Rupees in '000)
	On saving accounts	5.1	6,362,323
	On current accounts		6,563
			<u>6,368,886</u>
			<u>6,679,679</u>
			<u>10,461</u>
			<u>6,690,140</u>

5.1 The balance in saving accounts bears expected profit which ranges from 3.75% to 9.27% per annum (June 30, 2014: 5% to 8.25% per annum).

## 6 INVESTMENTS

		6.1	6,522,233
	Investments at - 'fair value through profit & loss'		1,382,083
	Investments - 'available for sale'	6.2	<u>1,382,083</u>
			<u>7,904,316</u>
			<u>13,724,316</u>

### 6.1 Investments - 'At Fair Value Through Profit & Loss'

Name of the Securities	Maturity date	Profit rate	As at July 1, 2014	Purchases during the period	Sales/redemptions during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised Loss	Percentage in relation to	
			Number of certificates	(Rupees in '000)		%	Total market value of investments				
GoP Ijarah Sukuk Certificates - IX (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	46,450	1,000	18,030	29,420	2,979,058	2,968,184	(10,874)	20.78	37.55
GoP Ijarah Sukuk Certificates - X (note 6.2.1)	November 21, 2015	.....do.....	35,530	-	20,000	15,530	1,583,439	1,563,250	(20,189)	10.95	19.78
GoP Ijarah Sukuk Certificates - XII (note 6.2.1)	November 21, 2015	.....do.....	17,604	1,381	-	18,985	1,949,837	1,915,206	(34,631)	13.41	24.23
GoP Ijarah Sukuk Certificates - XIII (note 6.2.1)	November 21, 2015	.....do.....	1,000	-	250	750	77,212	75,593	(1,619)	0.53	0.96
							<u>6,589,546</u>	<u>6,522,233</u>	<u>(67,313)</u>		
Total cost of investments							<u>6,589,546</u>				

### 6.2 Investments - 'Available for Sale'

Name of the Securities	Maturity date	Profit rate	As at July 1, 2014	Purchases during the period	Sales/redemptions during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised (Loss)/ Gain	Percentage in relation to	
			Number of certificates	(Rupees in '000)		%	Total market value of investments				
GoP Ijarah Sukuk Certificates - X (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	13,500	-	-	13,500	1,354,629	1,358,910	4,281	9.52	17.19
GoP Ijarah Sukuk Certificates - XI (note 6.2.1)	November 21, 2015	.....do.....	3,010	-	2,780	230	23,044	23,173	129	0.16	0.29
							<u>1,377,673</u>	<u>1,382,083</u>	<u>4,410</u>		
Total cost of investments							<u>1,377,673</u>				

6.2.1 The nominal value of the sukuk certificates is Rs 100,000 each.

## 7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2015 and June 30, 2014.

## 8 WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, during the year ended June 30, 2010, a constitutional petition has been filed by certain CISs through their Trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.



In view of above stated facts and considering the uncertainty on the applicability of WWF to mutual funds due to show cause notices issued to a number of mutual funds, the management company as a matter of abundant caution has decided to continue to maintain the provision for WWF for the year ending June 30, 2015. The Fund has recognised WWF charge upto March 1, 2015 amounting to Rs 136.627 million which includes Rs 14.158 million pertaining to the current period and Rs 122.469 million pertained to prior years. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.51 (0.96%).

#### 9 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, directors and officers (executives) of the Management Company, Al Meezan Mutual Fund, Meezan Islamic Fund, Meezan Tahaffuz Pension Fund, Meezan Islamic Income Fund, Meezan Balanced Fund, KSE Meezan Index Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund - II and Meezan Capital Preservation Fund - III being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Staff Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

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 trustee is determined in accordance with the provisions of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

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

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	..... (Rupees in '000) .....	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	10,085	17,298
Sindh Sales Tax and Federal Excise Duty payable on management fee	52,513	34,440
Sales load payable	1,157	1,535
Sindh Sales Tax and Federal Excise Duty payable on sales load	1,722	1,425
Investments as at March 31, 2015: nil units (June 30, 2014: 619,702 units)	-	31,823
<b>Meezan Bank Limited</b>		
Sales load payable	-	270
Balances with bank	55,696	167,608
Profit receivable on savings account	1,121	18,464
Investments as at March 31, 2015: 60,203,032 units (June 30, 2014: 129,875,189 units)	3,190,761	6,556,100
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee fee payable	798	1,225
Deposits	100	100
<b>Al Meezan Investment Management Limited - Staff Gratuity Fund</b>		
Investments as at March 31, 2015: 44,826 units (June 30, 2014: 44,826 units)	2,376	2,263
<b>Meezan Financial Planning Fund of Funds</b>		
Investments as at March 31, 2015: 2,007,925 units		
- Aggressive Allocation Plan (June 30, 2014: 1,942,386 units)	106,420	98,052
Investments as at March 31, 2015: 3,259,317 units		
- Moderate Allocation Plan (June 30, 2014: 2,489,711 units)	172,744	254,644

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	----- (Rupees in '000) -----	
Investments as at March 31, 2015: 5,793,619 units		
- Conservative Allocation Plan (June 30, 2014: 5,044,442 units)	307,062	125,681
Investments as at March 31, 2015: 10,765,750 units		
- Meezan Capital Preservation Plan I (June 30, 2014: Nil units)	570,585	-
Investments as at March 31, 2015: 42,993,816 units		
- Meezan Capital Preservation Plan II (June 30, 2014: Nil units)	2,278,672	-
<b>Meezan Capital Preservation Fund II</b>		
Investments as at March 31, 2015: 99 units		
- Meezan Capital Preservation Fund II (June 30, 2014 99 Units)	5	5
<b>Directors and officers (key executives) of the Management Company</b>		
Investments as at March 31, 2015: 320,366 units		
(June 30, 2014: 1,419,337 units)	16,979	71,648
	Nine Months period ended March 31,	
	2015	2014
	----- (Rupees in '000) -----	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period	105,042	151,417
Sindh Sales Tax and Federal Excise Duty on management fee	35,156	51,482
Units issued Nil units ( March 31, 2014: 12,585,098 units)	-	637,563
Units redeemed 619,702 units ( March 31, 2014: 22,325,452 units)	31,481	1,134,102
Bonus units issued Nil units ( March 31, 2014: 839,964 units)	-	42,121
<b>Meezan Bank Limited</b>		
Profit on saving accounts	3,687	78,367
Units issued Nil units ( March 31, 2014: 78,400,627 units)	-	4,000,000
Units redeemed 69,672,157 units ( March 31, 2014: 109,828,451 units)	3,558,117	5,590,439
Bonus units issued Nil units ( March 31, 2014: 9,815,885 units)	-	492,905
<b>Central Depository Company of Pakistan Limited- Trustee</b>		
Remuneration for the period	7,992	10,774
<b>Al Meezan Investment Management Limited - Staff Gratuity Fund</b>		
Bonus units issued Nil units (March 31, 2014: 3,067 units)	-	154
<b>Meezan Financial Planning Fund of Funds</b>		
Units issued 744,980 units - Aggressive Allocation Plan ( March 31, 2014: units 964,396 )	38,584	48,754
Units issued 1,820,025 units - Moderate Allocation Plan ( March 31, 2014: units 1,334,738 )	93,941	67,529
Units issued 3,791,760 units - Conservative Allocation Plan ( March 31, 2014: units 3,065,549 )	194,570	155,180

	Nine Months period ended March 31,	
	2015	2014
	(Rupees in '000)	
Units issued 10,765,750 units - Meezan Capital Preservation Plan I ( March 31, 2014: Nil units )	570,010	-
Units issued 58,123,228 units - Meezan Capital Preservation Plan II ( March 31, 2014: Nil units )	3,055,200	-
Units redeemed 679,440 units - Aggressive Allocation Plan (March 31, 2014: units 469,159 )	35,091	23,783
Units redeemed 1,050,420 units - Moderate Allocation Plan ( March 31, 2014: units 994,623 )	54,553	50,314
Units redeemed 3,042,584 units - Conservative Allocation Plan (March 31, 2014: units 2,310,792 )	156,869	117,122
Units redeemed 15,129,412 units - Meezan Capital Preservation Plan II ( March 31, 2014: Nil units )	794,800	-
Bonus units issued Nil units - Aggressive Allocation Plan ( March 31, 2014: units 100,849 )	-	5,069
Bonus units issued Nil units - Moderate Allocation Plan ( March 31, 2014: units 115,145 )	-	5,786
Bonus units issued Nil units - Conservative Allocation Plan (March 31, 2014: units 332,439 )	-	16,701
Directors and officers (key executives) of the Management Company		
Units issued 122,951 units ( March 31, 2014: 745,321 units)	5,747	37,863
Units redeemed 1,221,922 units ( March 31, 2014: 4,097,380 units)	62,483	209,035
Bonus units issued Nil units ( March 31, 2014: 248,241 units)	-	12,450

10. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



Quarterly Report March 31, 2015

## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan.  
Phone: (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoaib, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoaib, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Askari Bank Limited - Islamic Banking	MCB Bank Limited - Islamic Banking
Bank Alfalah Limited - Islamic Banking	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
Faysal Bank Limited - Islamic Banking	UBL Ameen
Habib Bank Limited - Islamic Banking	
Habib Metropolitan Bank Limited - Islamic Banking	

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone: (9221) 35156191-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
..... (Rupees in '000) .....			
<b>Assets</b>			
Balances with banks	5	1,769,574	2,544,117
Investments	6	1,885,645	-
Receivable against Bai Muajjal		-	530,078
Profit receivable		91,458	63,959
Deposits and prepayments		344	318
<b>Total assets</b>		<b>3,747,021</b>	<b>3,138,472</b>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		16,860	11,668
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		280	282
Payable to Securities and Exchange Commission of Pakistan (SECP)		2,151	4,199
Payable on redemption and conversion of units		45,774	18,367
Accrued expenses and other liabilities		59,957	54,590
<b>Total liabilities</b>		<b>125,022</b>	<b>89,106</b>
<b>Net assets</b>		<b>3,621,999</b>	<b>3,049,366</b>
Contingencies and commitments	7		
<b>Unitholders' fund (as per statement attached)</b>		<b>3,621,999</b>	<b>3,049,366</b>
..... (Number of units) .....			
<b>Number of units in issue</b>		<b>68,404,612</b>	<b>60,905,742</b>
..... (Rupees) .....			
<b>Net assets value per unit</b>		<b>52.95</b>	<b>50.07</b>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the nine months and quarter ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2015	2014	2015	2014
..... (Rupees in '000) .....					
<b>Income</b>					
Profit on saving accounts with banks		146,933	258,302	39,003	110,160
Profit on placements		43,570	26,205	18,358	-
Profit on sukuk certificates		70,007	118,337	26,547	7,328
Net realised loss on sale of sukuk certificates		-	(562)	-	-
		<u>260,510</u>	<u>402,282</u>	<u>83,908</u>	<u>117,488</u>
Unrealised gain on re-measurement of investments 'at fair value through profit or loss' (net)	6.2	<u>3,292</u>	<u>-</u>	<u>7,425</u>	<u>-</u>
<b>Total income</b>		<u>263,802</u>	<u>402,282</u>	<u>91,333</u>	<u>117,488</u>
<b>Expenses</b>					
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company		28,676	45,746	9,354	13,316
Sindh Sales Tax and Federal Excise Duty on management fee		9,577	15,512	3,124	4,602
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		2,714	3,993	887	1,183
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		2,151	3,430	702	998
Auditors' remuneration		409	400	160	90
Fees and subscription		199	200	65	67
Amortisation of preliminary expenses and floatation costs		-	451	-	148
Amortisation of premium on investments held as 'available for sale'		-	698	-	-
Bank and settlement charges		130	92	38	20
Provision for Workers' Welfare Fund (WWF)	7	4,024	6,530	882	1,889
Printing expense		-	95	-	-
<b>Total expenses</b>		<u>47,880</u>	<u>77,147</u>	<u>15,212</u>	<u>22,313</u>
<b>Net income from operating activities</b>		<u>215,922</u>	<u>325,135</u>	<u>76,121</u>	<u>95,175</u>
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed (net)		<u>(18,757)</u>	<u>(5,180)</u>	<u>(32,909)</u>	<u>(2,623)</u>
<b>Net income for the period before taxation</b>		<u>197,165</u>	<u>319,955</u>	<u>43,212</u>	<u>92,552</u>
<b>Taxation</b>		-	-	-	-
<b>Net income for the period after taxation</b>		<u>197,165</u>	<u>319,955</u>	<u>43,212</u>	<u>92,552</u>
<b>Other comprehensive income for the period</b>		-	-	-	-
<b>Total comprehensive income for the period</b>		<u>197,165</u>	<u>319,955</u>	<u>43,212</u>	<u>92,552</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM DISTRIBUTION STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended March 31,	
		2015	2014
		..... (Rupees in '000) .....	
Undistributed income / accumulated (loss) brought forward			
- Realised		8,803	10,169
- Unrealised		-	(1,982)
		8,803	8,187
Interim distribution for the period ended March 31, 2015:			
- Bonus units: Nil		-	-
- Cash dividend: Nil		-	-
Interim Distribution on July 23, 2013			
- Bonus units @ 0.54% (Rs.0.27 per unit)		-	(35,505)
- Cash dividend @ 0.54% (Rs.0.27 per unit)		-	(15)
Interim Distribution on August 22, 2013			
- Bonus units @ 0.60% (Rs.0.30 per unit)		-	(40,046)
- Cash dividend @ 0.60% (Rs.0.30 per unit)		-	(17)
Interim Distribution on September 20, 2013			
- Bonus units @ 0.60% (Rs.0.30 per unit)		-	(38,550)
- Cash dividend @ 0.60% (Rs.0.30 per unit)		-	(14)
Interim Distribution on October 23, 2013			
- Bonus units @ 0.64% (Rs.0.32 per unit)		-	(40,276)
- Cash dividend @ 0.64% (Rs.0.32 per unit)		-	(13)
Interim Distribution on November 21, 2013			
- Bonus units @ 0.54% (Rs.0.27 per unit)		-	(34,727)
- Cash dividend @ 0.54% (Rs.0.27 per unit)		-	(11)
Interim Distribution on December 24, 2013			
- Bonus units @ 0.60% (Rs.0.30 per unit)		-	(34,751)
- Cash dividend @ 0.60% (Rs.0.30 per unit)		-	(13)
Interim Distribution on January 24, 2014			
- bonus units @ 0.60% (Rs.0.30 per unit)		-	(33,621)
- cash dividend @ 0.60% (Rs.0.30 per unit)		-	(13)
Interim Distribution on February 24, 2014			
- bonus units @ 0.60% (Rs.0.30 per unit)		-	(32,897)
- cash dividend @ 0.60% (Rs.0.30 per unit)		-	(13)
Interim Distribution on March 24, 2014			
- bonus units @ 0.60% (Rs.0.30 per unit)		-	(28,135)
- cash dividend @ 0.60% (Rs.0.30 per unit)		-	(13)
Total distribution		-	(318,630)
Net income for the period		197,165	319,955
Undistributed income carried forward		205,968	9,512
Undistributed income / accumulated (loss) carried forward			
- Realised		202,676	9,512
- Unrealised	6.2	3,292	-
		205,968	9,512

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	..... (Rupees in '000) .....	
Net assets at beginning of the period	3,049,366	6,510,774
Issue of 137,399,978 units (2014: 128,343,071 units)	7,048,535	6,437,627
Redemption of 129,901,108 units (2014: 161,595,243 units)	(6,691,824)	(8,106,948)
	356,711	(1,669,321)
Element of loss and capital losses included in prices of units sold less those in units redeemed (net)	18,757	5,180
Bonus units for the period ended March 31, 2015 : Nil (March 31, 2014: 6,371,736)	-	318,508
Realised loss on sale of sukuk certificates	-	(562)
Unrealised diminution in the value of investments (net)	3,292	-
Net other income for the period	193,873	320,517
Total comprehensive income for the period	197,165	319,955
Distribution for the period ended March 31, 2015 - Bonus units and cash distribution: Nil	-	-
Issue of 709,882 bonus units and cash distribution on July 23, 2013	-	(35,520)
Issue of 800,874 bonus units and cash distribution on August 22, 2013	-	(40,063)
Issue of 771,881 bonus units and cash distribution on September 20, 2013	-	(38,564)
Issue of 806,314 bonus units and cash distribution on October 23, 2013	-	(40,289)
Issue of 694,674 bonus units and cash distribution on November 21, 2013	-	(34,738)
Issue of 694,883 bonus units and cash distribution on December 24, 2013	-	(34,764)
Issue of 672,296 bonus units and cash distribution on January 23, 2014	-	(33,634)
Issue of 658,014 bonus units and cash distribution on February 21, 2014	-	(32,910)
Issue of 562,918 bonus units and cash distribution on March 24, 2014	-	(28,148)
Total distribution for the period	-	(318,630)
Net income for the period less distribution	197,165	1,325
Net assets at end of the period	<u>3,621,999</u>	<u>5,166,466</u>
	..... (Rupees) .....	
Net assets value per unit at beginning of the period	<u>50.07</u>	<u>50.06</u>
Net assets value per unit at end of the period	<u>52.95</u>	<u>50.07</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended March 31,	
		2015	2014
..... (Rupees in '000) .....			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period		197,165	319,955
Adjustments for :			
Unrealised (gain) on re-measurement of investments at fair value through profit or loss (net)		(3,292)	-
Amortisation of preliminary expenses and floatation costs		-	451
Amortisation of premium on investments held as 'available for sale'		-	698
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)		18,757	5,180
		<u>212,630</u>	<u>326,284</u>
(Increase) / Decrease in assets			
Deposits and prepayments		(26)	174
Profit receivable		(27,499)	39,915
Receivable against Bai Muajjal		530,078	-
Investments (net)		(982,353)	3,616,802
		<u>(479,800)</u>	<u>3,656,891</u>
Increase / (Decrease) in liabilities			
Payable to Al Meezan Investment Management Limited - Management Company		5,192	4,547
Payable to Central Depository Company of Pakistan Limited - Trustee		(2)	(83)
Payable to Securities and Exchange Commission of Pakistan		(2,048)	(1,593)
Brokerage payable		-	(129)
Accrued expenses and other liabilities		5,367	5,689
		<u>8,509</u>	<u>8,431</u>
Net cash (used in) / generated from operating activities		<u>(258,661)</u>	<u>3,991,606</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts against issuance of units		7,048,535	6,437,627
Payments against redemption of units		(6,664,417)	(8,122,702)
Dividend paid		-	(135)
Net cash generated from / (used in) financing activities		<u>384,118</u>	<u>(1,685,210)</u>
Net increase in cash and cash equivalents during the period		125,457	2,306,396
Cash and cash equivalents at beginning of the period		2,544,117	2,620,449
Cash and cash equivalents at end of the period	5.2	<u>2,669,574</u>	<u>4,926,845</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months ended March 31, 2015 (Unaudited)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Cash Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Limited (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was executed on May 14, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund has been formed to provide the unit holders' safe and stable stream of halal income on their investments and to generate superior long term risk adjusted returns. The Fund shall also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point in time. Under the Trust Deed all the conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end Shariah compliant (Islamic) Money Market Scheme listed on the Islamabad Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4 The Management Company has been given a quality rating of AM2+ and the stability rating of the Fund is AA(f) given by JCR-VIS Credit Rating Company Limited.
- 1.5 Title to the assets of the Fund are held in the name of CDC as a Trustee.

### 2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor 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

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and directives issued by the SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures require in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2014.

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information 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, 2014.

The Fund's financial unit holders' fund risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2014.

5. BALANCES WITH BANKS

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
..... (Rupees in '000) .....			
On saving accounts	5.1	1,759,677	2,541,500
On current accounts		9,897	2,617
		<u>1,769,574</u>	<u>2,544,117</u>

5.1 The balances in saving accounts have an expected profit ranging from 3.77% to 9.27% per annum (June 30, 2014 : 3.72% to 8.25% per annum).

5.2 Cash and cash equivalents

Balances with banks	1,769,574	2,544,117
Term deposit receipts - having original maturity of 3 months or less	900,000	-
	<u>2,669,574</u>	<u>2,544,117</u>

6. INVESTMENTS

		(Unaudited) March 31, 2015	(Audited) June 30, 2014
..... (Rupees in '000) .....			
Investments - 'loans and receivables'	6.1	900,000	-
Investments - 'fair value through profit or loss'			
Held for trading	6.2	<u>985,645</u>	<u>-</u>
		<u>1,885,645</u>	<u>-</u>

6.1 Loans and receivables

Term deposit receipts			
- having original maturity of 3 months or less		<u>900,000</u>	<u>-</u>

6.1.1 This Term Deposit Receipt (TDR) carry profit at the rate of 9.00% per annum. (June 30, 2014: Nil)

6.2 Held for trading - Sukuk certificate

Name of the Security	Maturity date	Profit rate	As at July 1, 2014	Purchases during the period	Sales / redemptions during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain	Percentage in relation to	
										Net Assets of the Fund on the basis of market value	Total market value of investments
							..... (Rupees in '000) .....		..... % .....		
GoP Ijarah Sukuk - IX (Note 6.2.1 & 6.2.2)	November 21, 2015	Weighted Average 6 months T-Bills	-	9,770	-	9,770	982,353	985,645	3,292	27.21	52.27
Total							<u>982,353</u>	<u>985,645</u>	<u>3,292</u>		
Total cost of investment								<u>982,353</u>			

6.2.1 The nominal value of the sukuk certificates of GoP Ijarah is Rs 100,000 each.

6.2.2 On December 12, 2014, the GoP extended the maturity of these sukuks to November 21, 2015 through a resolution passed in the Extra Ordinary General Meeting of Sukuk holders held on 10 November 2014.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2015 and June 30, 2014.

#### 8. WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, during the year ended June 30, 2010, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

In view of above stated facts and considering the uncertainty on the applicability of WWF to mutual funds due to show cause notices issued to a number of mutual funds, the management company as a matter of abundant caution has decided to continue to maintain the provision for WWF. The Fund has recognised WWF charge upto March 31, 2015 amounting to Rs. 57.79 million which includes Rs 4.02 million pertaining to the current period and Rs. 53.77 million pertained to prior years. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs 0.84 (1.60%)

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

The connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, directors and officers of the Management Company, Al Meezan Mutual Fund, Meezan Islamic Fund, Meezan Tahaffuz Pension Fund, Meezan Islamic Income Fund, Meezan Balanced Fund, KSE Meezan Index Fund, Meezan Sovereign Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund - III and Meezan Capital Preservation Fund - II being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Staff Gratuity Fund and unit holders holding 10 percent or more of the Funds net assets .

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 Trustee is determined in accordance with the provisions of NBFC Regulations, 2008 and the Trust Deed respectively.

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

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
Al Meezan Investment Management Limited - Management Company	..... (Rupees in '000) .....	
Remuneration payable	2,888	2,935
Sindh Sales Tax and Federal Excise Duty payable on management fee	13,972	8,733
Meezan Bank Limited		
Balances with bank	169,574	23,240
Profit receivable on saving accounts	436	9,781
Central Depository Company of Pakistan Limited (CDC) - Trustee		
Trustee fee payable	280	282
Deposits	100	100
Al Meezan Investment Management Limited - Staff Gratuity Fund		
Investments as at March 31, 2015: 43,913 units (June 30, 2014: 43,913 units)	2,325	2,199
Meezan Financial Planning Fund of Funds - Meezan Capital Preservation Plan-I		
Investments as at March 31, 2015: 3,168,750 units (June 30, 2014: nil units)	167,785	-

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	..... (Rupees in '000).....	
Meezan Financial Planning Fund of Funds - Meezan Capital Preservation Plan-II Investments as at March 31, 2015: 15,918 units (June 30, 2014: nil units)	<u>843</u>	<u>-</u>
Directors and officers of the Management Company Investments as at March 31, 2015: 35,234 units (June 30, 2014: 25,694 units)	<u>1,866</u>	<u>1,286</u>
	For the nine months period ended March 31,	
	2015	2014
	..... (Rupees in '000).....	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	<u>28,676</u>	<u>45,746</u>
Sindh Sales Tax and Federal Excise Duty on management fee	<u>9,577</u>	<u>15,512</u>
Units issued: 1,577,909 units (2014 : nil units)	<u>80,000</u>	<u>-</u>
Units redeemed: 1,577,909 units (2014: nil units)	<u>80,679</u>	<u>-</u>
Meezan Bank Limited Profit on saving accounts	<u>3,503</u>	<u>70,258</u>
Central Depository Company of Pakistan Limited (CDC) - Trustee Trustee fee for the period	<u>2,714</u>	<u>3,993</u>
CDS Charges	<u>4</u>	<u>5</u>
Al Meezan Investment Management Limited - Staff Gratuity Fund Bonus units issued : nil (2014: 2,234 units)	<u>-</u>	<u>112</u>
Meezan Financial Planning Fund of Funds - Meezan Capital Preservation Plan-I Units issued: 29,294,459 units (2014 : nil units)	<u>1,492,000</u>	<u>-</u>
Units redeemed: 26,125,709 units (2014: nil units)	<u>1,345,010</u>	<u>-</u>
Meezan Financial Planning Fund of Funds - Meezan Capital Preservation Plan-II Units issued: 3,865,119 units (2014 : nil units)	<u>210,000</u>	<u>-</u>
Units redeemed: 3,849,201 units (2014: nil units)	<u>201,000</u>	<u>-</u>
Directors and officers of the Management Company Units issued: 73,458 units (2014 : 124,757 units)	<u>3,838</u>	<u>6,250</u>
Units redeemed: 63,918 units (2014: 576,944 units)	<u>3,286</u>	<u>28,957</u>
Bonus units issued: Nil units (2014: 9,886 units)	<u>-</u>	<u>496</u>

10. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director





Quarterly Report March 31, 2015



## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan.  
Phone: (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoab, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoab, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Meezan Bank Limited

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone: (9221) 35156191-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

	Note	(Unaudited) March 31, 2015 (Rupees in '000)
<b>Assets</b>		
Balances with banks		1,084
Investments	5	2,084,203
Deposit and other receivables		160
Preliminary expenses and floatation costs		3,103
<b>Total assets</b>		<u>2,088,550</u>
<b>Liabilities</b>		
Payable to Al Meezan Investment Management Limited (Al Meezan)		
- Management Company		6,187
Payable to Central Depository Company of Pakistan Limited (CDC)		
- Trustee		160
Payable to Securities and Exchange Commission of Pakistan (SECP)		1,220
Accrued expenses and other liabilities		1,206
<b>Total liabilities</b>		<u>8,773</u>
<b>Net assets</b>		<u>2,079,777</u>
<b>Unitholders' fund (as per statement attached)</b>		<u>2,079,777</u>
<b>Contingencies and Commitments</b>	7	
		(Number of units)
<b>Number of units in issue</b>		<u>40,574,311</u>
		(Rupees)
<b>Net assets value per unit</b>		<u>51.26</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the period from June 28, 2014 to March 31, 2015 and quarter ended March 31, 2015 (Unaudited)

	Note	For the period from June 28, 2014 to March 31, 2014	Quarter ended March 31, 2015
----- (Rupees in '000) -----			
<b>Income</b>			
Net realised gain on sale of investments		41,211	44,665
Profit on saving accounts with banks		1,670	80
Back end load		1,895	754
		<u>44,776</u>	<u>45,499</u>
Unrealised gain / (loss) on re-measurement of investments - fair value through profit or loss' (net)	5.1	<u>20,246</u>	<u>(119,026)</u>
Total income		65,022	(73,527)
<b>Expenses</b>			
Remuneration to Al Meezan Investment Management Limited - Management Company		270	6
Sindh Sales Tax and Federal Excise Duty on management fee		92	2
Remuneration to Central Depository Company - Trustee		1,409	474
Annual fee to Securities and Exchange Commission of Pakistan		1,220	413
Auditors' remuneration		209	33
Fees and subscription		98	32
Amortisation of preliminary expenses and floatation costs		1,897	616
Bank and settlement charges		5,516	1,256
Provision for Workers' Welfare Fund (WWF)	6	1,042	(1,549)
Total expenses		<u>11,753</u>	<u>1,283</u>
Net income from operating activities		53,269	(74,810)
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)		<u>(2,208)</u>	<u>(1,113)</u>
Net income for the period before taxation		51,061	(75,923)
Taxation		-	-
Net income for the period after taxation		<u>51,061</u>	<u>(75,923)</u>
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>51,061</u>	<u>(75,923)</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM DISTRIBUTION STATEMENT

For the period from June 28, 2014 to March 31, 2015 (Unaudited)

For the period  
from June  
28, 2014 to  
March 31, 2015  
(Rupees in '000)

Undistributed income / Accumulated (loss) brought forward	
- Realised	-
- Unrealised	-
	<hr/>
	-
Net income for the period	51,061
Undistributed income carried forward	<u>51,061</u>
Undistributed income carried forward	
- Realised	30,815
- Unrealised	<u>20,246</u>
	<u>51,061</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND

For the period from June 28, 2014 to March 31, 2015 (Unaudited)

	For the period from June 28, 2014 to March 31, 2015 (Rupees in '000)
Net assets at beginning of the period	-
Issue of 41,295,834 units	2,064,792
Redemption of 721,523 units	(38,284)
	2,026,508
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)	2,208
Net realised gain on sale of investments	41,211
Unrealised appreciation in value of investments	20,246
Net other loss for the period	(10,396)
Total comprehensive income for the period	51,061
Net assets at end of the period	2,079,777
	(Rupees)
Net assets value per unit at beginning of the period	50.00
Net assets value per unit at end of the period	51.26

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the period from June 28, 2014 to March 31, 2015 (Unaudited)

	For the period from June 28, 2014 to March 31, 2015 (Rupees in '000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net income for the period	51,061
Adjustments for:	
Unrealised gain on re-measurement of investments - 'at fair value through profit or loss' (net)	(20,246)
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)	2,208
Amortisation of preliminary expenses and floatation costs	1,897
	<u>34,920</u>
Increase in assets	
Investments - net	(2,063,957)
Deposits and other receivables	(160)
Preliminary expense and floatation cost	(5,000)
	<u>(2,069,117)</u>
Increase in liabilities	
Payable to Al Meezan Investment Management Limited - Management Company	6,187
Payable to Central Depository Company - Trustee	160
Payable to Securities and Exchange Commission of Pakistan	1,220
Accrued expenses and other liabilities	1,206
	<u>8,773</u>
Net cash used in operating activities	<u>(2,025,424)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Receipt against issuance of units	2,064,792
Payments against redemption of units	(38,284)
Net cash inflow from financing activities	<u>2,026,508</u>
Net increase in cash and cash equivalents during the period	1,084
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at end of the period	<u><u>1,084</u></u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## NOTES TO THE FINANCIAL INFORMATION

For the period from June 28, 2014 to March 31, 2015 (Unaudited)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Capital Preservation Fund - II (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on March 28, 2014 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund is registered as a Notified Entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) issued through S.R.O.1203(I)/2008 on November 21, 2008. The IPO date was June 27, 2014 therefore the Fund started its operations and accordingly the financial statements have been prepared from June 28, 2014. SECP granted exemption for preparation of accounts as at June 30, 2014 via its letter no. SCD/AMCW/MCPF-II/004/2014. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan. The Management Company has been licensed by the Securities and Exchange Commission of Pakistan to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP.
- 1.2 The Fund is an open ended mutual fund listed on Islamabad Stock Exchange. Units were offered for public subscription up to the end of the public offering period. After initial offering period, the offer of units was discontinued. However the subscription in the units may be re-opened for fresh issuance by the management company with prior approval of the Commission under intimation to the Trustee and by providing notice to investors in order to protect the interests of the Unit Holders of the Fund. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders subject to the applicability of back end load @ 5% if transferred / redeemed before maturity of the Fund. The units of the Fund were initially offered to the public (IPO) on June 27, 2014. The Fund commenced its operations from June 28, 2014 and the duration of the Fund is perpetual. However, the Initial Maturity of the Fund shall be two (2) years from the commencement of the Life of the Fund. However, SECP or the Management Company may wind it up or revoke it on the occurrence of certain events, as specified in the Regulations or clause 10.4 of offering document. The Fund is categorized as Fund of Fund Scheme in accordance with Circular No.7 issued by Securities and Exchange Commission of Pakistan.
- 1.3 The objective of the Fund is to earn a potentially high return through dynamic asset allocation between Shariah Compliant Equities and Shariah Compliant Income / Money Market based Collective Investment Schemes, while providing capital preservation of the principal investment at completion of the duration of fund.
- 1.4 The Management Company has been given a quality rating of AM2+ by JCR - VIS.
- 1.5 Title to the assets of the Fund are held in the name of Central Depository Company Limited of Pakistan as a Trustee.

### 2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor 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

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the Trust Deed, the NBFC Rules and the NBFC Regulations and directives issued by SECP. In case where requirements differ, the provisions and directives issued under the Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations and directives issued by SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial information of the Fund for the half year ended December 31, 2014.

The accounting policies and method of computation adopted in the preparation of this condensed interim financial information and the significant judgments made by management in applying those accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial information for the half year ended December 31, 2014.

The Fund's financial and unit holder's fund risk management objectives and policies are consistent with those disclosed in the financial information for the half year ended December 31, 2014.

	(Unaudited) March 31, 2015 (Rupees in '000)
5 INVESTMENTS	Note
Investments 'at fair value through profit or loss' - Held for trading	5.1
	<u>2,084,203</u>

#### 5.1 Held for trading - Units of mutual funds

Name of the investee fund	Opening Balance	Purchases during the period	Bonus Issue	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain as at March 31, 2015	Percentage in relation to	
									Net assets of the fund on the basis of market value	Market value of investments
	Number of units					(Rupees in '000)		%		
Al-Meezan Mutual Fund	-	15,521,243	-	15,521,243	-	-	-	-	-	-
Meezan Islamic Fund	-	32,783,231	-	20,085,930	12,697,301	672,887	672,958	71	32.36	32.29
Meezan Islamic Income Fund	-	59,545,891	-	35,198,348	24,347,343	1,282,086	1,299,915	17,829	62.50	62.37
Meezan Sovereign Fund	-	99	-	-	99	5	5	-	-	-
KSE Meezan Index Fund	-	4,041,197	-	2,306,891	1,734,306	108,979	111,325	2,346	5.35	5.34
						<u>2,063,957</u>	<u>2,084,203</u>	<u>20,246</u>	<u>100.21</u>	<u>100.00</u>
Total cost of investments							<u>2,063,957</u>			

#### 6. WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes (CISs) / mutual funds whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, during the year ended June 30, 2010, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

In view of above stated facts and considering the uncertainty on the applicability of WWF to mutual funds due to show cause notices issued to a number of mutual funds, the management company as a matter of abundant caution has decided to maintain the provision for WWF for 2015. The Fund has recognised WWF charge upto March 31, 2015 amounting to Rs 1.042 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs 0.03 (0.05%).

#### 7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding at March 31, 2015.

#### 8. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company and Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund - III and Meezan Tahaffuz Pension Fund being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Staff Gratuity Fund and Unitholders holding 10% or more units of the fund.

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 trustee is determined in accordance with the provisions of NBFC Rules, NBFC Regulations, 2008 and the Trust Deed respectively.



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

	(Unaudited) March 31, 2015 (Rupees in '000)
Al Meezan Investment Management Limited - Management Company	
Remuneration payable	<u>2</u>
Sindh Sales Tax and Federal Excise Duty payable on management fee	<u>51</u>
Sindh Sales Tax and Federal Excise Duty payable on sales load	<u>6,123</u>
Sales Load	<u>11</u>
Investments as at March 31, 2015: 3,259,889 units	<u>167,102</u>
 Meezan Bank Limited	
Balances with bank	<u>1,084</u>
Profit receivable on savings account	<u>23</u>
 Unitholders holding 10 percent or more of the Fund's net assets	
Investments as at March 31, 2015: 5,308,575 units	<u>272,118</u>
 Meezan Bank Limited - Staff Gratuity Fund Fund	
Investments as at March 31, 2015: 4,408,035 units	<u>225,956</u>
 Central Depository Company of Pakistan Limited- Trustee	
Trustee fee payable	<u>160</u>
 Meezan Islamic Fund	
Investment of 12,697,301 units	<u>672,958</u>
 KSE Meezan Index Fund	
Investment of 1,734,306 units	<u>111,325</u>
 Meezan Islamic Income Fund	
Investment of 24,347,543 units	<u>1,299,915</u>
 Meezan Sovereign Fund	
Investment of 99 units	<u>5</u>
 Directors and officers of the Management Company	
Investments as at March 31, 2015: 200,284 units	<u>10,267</u>

For the period  
from June  
28, 2014 to  
March 31, 2015  
(Rupees in '000)

Al Meezan Investment Management Limited - Management Company	
Remuneration for the period	270
Sindh Sales Tax and Federal Excise Duty on management fee	92
Units issued 3,259,889 units	162,994
Meezan Bank Limited	
Profit on saving accounts	1,670
Central Depository Company of Pakistan Limited- Trustee	
Remuneration for the period	1,409
Unitholders holding 10 percent or more of the Fund's net assets	
Units issued 5,308,575 units	265,429
Meezan Islamic Fund	
Purchase of 32,783,231 units	1,726,772
Sale of 20,085,930 units	1,043,480
Transaction cost paid	4,328
Al-Meezan Mutual Fund	
Purchase of 15,521,243 units	217,455
Sale of 15,521,243 units	229,426
Transaction cost paid	545
KSE Meezan Index Fund	
Purchase of 4,041,197 units	253,937
Sale of 2,306,891 units	155,000
Transaction cost paid	636
Meezan Islamic Income Fund	
Purchase of 59,545,891 units	3,055,426
Sale of 35,198,348 units	1,802,944
Meezan Sovereign Fund	
Purchase of 99 units	5
Directors and executive of the Management Company	
Units issued 200,284 units	10,014

9. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management company.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



Quarterly Report March 31, 2015

## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan.  
Phone: (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoab, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoab, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Bank Alfalah - Islamic Banking Branch  
Meezan Bank Limited

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone: (9221) 35156191-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
..... (Rupees in '000).....			
<b>Assets</b>			
Balances with banks		603	5,877
Investments	5	3,108,811	3,116,906
Prepayments and other receivables		125	220
Preliminary expenses and floatation costs		2,103	3,973
<b>Total assets</b>		<u>3,111,642</u>	<u>3,126,976</u>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		10,922	10,924
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		230	210
Payable to Securities and Exchange Commission of Pakistan (SECP)		1,824	928
Payable on redemption of units		988	145
Accrued expenses and other liabilities		4,687	3,492
<b>Total liabilities</b>		<u>18,651</u>	<u>15,699</u>
<b>Net assets</b>		<u>3,092,991</u>	<u>3,111,277</u>
Contingencies and commitments	6		
Unitholders' fund (as per statement attached)		3,092,991	3,111,277
..... (Number of units).....			
Number of units in issue		<u>58,177,306</u>	<u>59,526,458</u>
..... (Rupees).....			
Net assets value per unit		<u>53.16</u>	<u>52.27</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the nine months and quarter ended March 31, 2015 (Unaudited)

Note	Nine Months period ended March 31, 2015	Quarter ended March 31, 2015	For the period from January 31, 2014 to March 31, 2014
	.....(Rupees in '000).....		
<b>Income</b>			
	25,687	38,452	13,018
	103	23	2,877
	3,795	2,274	21
	<u>29,585</u>	<u>40,749</u>	<u>15,916</u>
	Unrealised gain/(loss) on re-measurement of investments - at 'fair value through profit or loss' (net) 5.1		
	<u>38,631</u>	<u>(190,012)</u>	<u>24,901</u>
	<u>68,216</u>	<u>(149,263)</u>	<u>40,817</u>
<b>Expenses</b>			
Remuneration to Al Meezan Investment Management Limited - Management Company	15	4	290
Sindh Sales Tax and Federal Excise Duty on Management Fee	5	1	100
Remuneration to Central Depository Company of Pakistan Limited - Trustee	2,012	686	399
Annual fee to Securities and Exchange Commission of Pakistan	1,824	624	359
Auditors' remuneration	171	36	69
Fees and subscription	97	32	19
Amortisation of preliminary expenses and floatation costs	1,870	616	404
Bank and settlement charges	3,547	1,734	2,775
Printing expenses	12	-	5
Provision for Workers' Welfare Fund (WWF) 7	1,066	(3,152)	728
Total expenses	<u>10,619</u>	<u>581</u>	<u>5,148</u>
Net income from operating activities	<u>57,597</u>	<u>(149,844)</u>	<u>35,669</u>
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)	<u>(5,361)</u>	<u>(4,620)</u>	<u>(2)</u>
Net income for the period before taxation	<u>52,236</u>	<u>(154,464)</u>	<u>35,667</u>
Taxation	-	-	-
Net income for the period after taxation	<u>52,236</u>	<u>(154,464)</u>	<u>35,667</u>
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	<u>52,236</u>	<u>(154,464)</u>	<u>35,667</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM DISTRIBUTION STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended March 31, 2015	For the period from January 31, 2014 to March 31, 2014
.....(Rupees in '000).....			
Accumulated (loss) / Undistributed income brought forward			
- Realised		(906)	-
- Unrealised		135,860	-
		<u>134,954</u>	<u>-</u>
Net income for the period		52,236	35,667
Undistributed income carried forward		<u>187,190</u>	<u>35,667</u>
Undistributed income carried forward			
- Realised		148,559	10,766
- Unrealised	5.1	38,631	24,901
		<u>187,190</u>	<u>35,667</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For the nine months ended March 31, 2015 (Unaudited)

Note	Nine Months period ended March 31, 2015	For the period from January 31, 2014 to March 31, 2014
	..... (Rupees in '000) .....	
Net assets at beginning of the period	3,111,277	-
Issue of NIL units (2014: 59,026,899 units)	-	2,951,347
Redemption of 1,349,152 units and 8,602 units	(75,883)	(434)
	(75,883)	2,950,913
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)	5,361	2
Unrealised appreciation in the value of investments (net)	38,631	24,901
Net realised gain on sale of investments	25,687	13,018
Net other income for the period	(12,082)	(2,252)
Total comprehensive income for the period	52,236	35,667
Net assets at end of the period	<u>3,092,991</u>	<u>2,986,582</u>
	..... Rupees .....	
Net assets value per unit at beginning of the period	<u>52.27</u>	<u>50.00</u>
Net assets value per unit at end of the period	<u>53.16</u>	<u>50.60</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

Note	Nine Months period ended March 31, 2015	For the period from January 31, 2014 to March 31, 2014
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period	52,236	35,667
Adjustments for		
Unrealised gain on re-measurement of investments - 'at fair value through profit or loss' (net)	(38,631)	(24,901)
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)	5,361	2
Amortisation of preliminary expenses and floatation costs	1,870	404
	<u>20,836</u>	<u>11,172</u>
Decrease /(increase) in assets		
Investments - net	46,726	(2,961,042)
Prepayments and other receivables	95	(352)
Preliminary expenses and floatation costs	-	(5,000)
	<u>46,821</u>	<u>(2,966,394)</u>
(Decrease) / increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	(2)	16,038
Payable to Central Depository Company of Pakistan Limited - Trustee	20	399
Payable to Securities and Exchange Commission of Pakistan	896	358
Accrued expenses and other liabilities	1,195	797
	<u>2,109</u>	<u>17,592</u>
Net cash generated from / (used in) operating activities	<u>69,766</u>	<u>(2,937,630)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipt against issuance of units	-	2,951,347
Payments against redemption of units	(75,040)	(434)
Net cash (used in)/ generated from financing activities	<u>(75,040)</u>	<u>2,950,913</u>
Net (decrease)/ increase in cash and cash equivalents during the period	<u>(5,274)</u>	<u>13,283</u>
Cash and cash equivalents at beginning of the period	<u>5,877</u>	<u>-</u>
Cash and cash equivalents at end of the period	<u>603</u>	<u>13,283</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months ended March 31, 2015 (Unaudited)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Capital Preservation Fund III (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on November 12, 2013 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 11, 2013 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund is registered as a Notified Entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) issued through S.R.O.1203(I)/2008 on November 21, 2008. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan. The Management Company has been licensed by the Securities and Exchange Commission of Pakistan to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP.
- 1.2 The Fund is an open end mutual fund listed on Islamabad Stock Exchange. Units were offered for public subscription up to the end of the public offering period. After initial offering period, the offer of units was discontinued. However the subscription in the units may be re-opened for fresh issuance by the management company with prior approval of the Commission after intimation to the Trustee and by providing notice to investors in order to protect the interests of the unitholders of the Fund. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unitholders subject to the applicability of back end load at the rate of 5 percent if transferred / redeemed before maturity of the Fund. The units of the Fund were initially offered to the public (IPO) on January 31, 2014. The duration of the Fund is twenty four (24) months after which it shall stand automatically dissolved after thirty (30) business days of the life of the Fund.
- 1.3 The objective of the Fund is to earn a potentially high return through dynamic asset allocation between Shariah compliant equities and Shariah compliant income/money market based Collective Investment Schemes, while providing capital preservation of the principal investment at completion of the duration of fund. The Management Company has appointed Meezan Bank Limited (MBL) as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah. The Fund is categorized as fund of funds scheme.
- 1.4 The Management Company of the Fund has been given quality rating of AM2+ by JCR-VIS Credit Rating Company Limited.
- 1.5 Title to the assets of the Fund are held in the name of Central Depository Company Limited of Pakistan as a Trustee.

### 2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor 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

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and directives issued by the SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2014.

The accounting policies and method of computation adopted in the preparation of this condensed interim financial information and the significant judgments 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, 2014.

The Fund's financial and unitholder's fund risk management objective and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2014.

5. INVESTMENTS	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
		..... (Rupees in '000).....	
Investments 'at fair value through profit or loss' - Held for trading	5.1	3,108,811	3,116,906

#### 5.1 Held for trading - units of mutual funds

Name of the investee fund	As at July 1, 2014	Purchases during the period	Bonus Issue	Redemption during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain as at March 31, 2015	Percentage in relation to	
									Net assets of the fund on the basis of market value (see note 5.2 below)	Market value of investments
						..... (Rupees in '000).....			... % ...	... % ...
Meezan Islamic Fund	43,353,018	22,829,553	-	32,909,895	33,272,676	1,736,931	1,763,452	26,521	57.01	56.72
Meezan Islamic Income Fund	18,713,377	33,300,956	-	28,658,397	23,355,936	1,233,499	1,246,973	13,474	40.32	40.11
KSE Meezan Index Fund	-	1,532,729	-	-	1,532,729	99,750	98,386	(1,364)	3.18	3.16
Al Meezan Mutual Fund	-	4,130,435	-	4,130,435	-	-	-	-	-	-
Total						3,070,180	3,108,811	38,631		
Total cost of investments							3,022,880			

5.2 Net assets are as defined in regulation 66 of NBFC Regulations, 2008.

#### 6. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2015 and June 30, 2014.

#### 7. WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, during the year ended June 30, 2010, a constitutional petition has been filed by certain CISs through their Trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

In view of above stated facts and considering the uncertainty on the applicability of WWF to mutual funds due to show cause notices issued to a number of mutual funds, the management company as a matter of abundant caution has decided to continue to maintain the provision for WWF for the year ending June 30, 2015. The Fund has recognised WWF charge upto March 31, 2015 amounting to Rs 4.45 million which includes Rs 1.07 million pertaining to the current period and Rs 3.39 million pertained to prior period. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.08 (0.14%).

#### 8. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include Al Meezan Investment Management Limited (Al Meezan) being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, Meezan Bank Limited (MBL) being the holding company of the Management Company, directors and officers of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund II and Meezan Tahaffuz Pension Fund being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company and Al Meezan Investment Management Limited - Staff Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons / related parties 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 trustee is determined in accordance with the provisions of NBFC Rules, NBFC Regulations, 2008 and the Trust Deed respectively.

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

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	..... (Rupees in '000).....	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	1	5
Sindh Sales Tax and Federal Excise Duty payable on management fee	60	59
Sindh Sales Tax and Federal Excise Duty payable on sales load	10,861	10,860
Investments as at March 31, 2015: 2,101,382 units (June 30, 2014: 2,101,382 units)	111,709	109,839
<b>Meezan Bank Limited</b>		
Balances with bank	592	5,867
Profit receivable on savings account	11	34
<b>Central Depository Company of Pakistan Limited- Trustee</b>		
Trustee fee payable	230	210
<b>Meezan Islamic Fund</b>		
Investments as at March 31, 2015: 33,272,677 units (June 30, 2014: 43,353,018 units)	1,763,452	2,178,056
<b>Meezan Islamic Income Fund</b>		
Investments as at March 31, 2015: 23,355,936 units (June 30, 2014: 18,713,377 units)	1,246,973	938,850
<b>KSE Meezan Index Fund</b>		
Investments as at March 31, 2015: 1,532,729 units (June 30, 2014: Nil)	98,386	-
<b>Directors and officers of the Management Company</b>		
Investments as at March 31, 2015: 16,939 units (June 30, 2014: 6,835 units)	900	357
	Nine months period ended March 31, 2015	For the period from January 31, 2014 to March 31, 2015
	..... (Rupees in '000).....	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period	15	290
Sindh Sales Tax and Federal Excise Duty on management fee	5	100
Units issued: NIL units (2014: 2,079,947 units)	-	103,997
<b>Meezan Bank Limited</b>		
Profit on saving accounts	102	2,877
<b>Central Depository Company of Pakistan Limited- Trustee</b>		
Remuneration for the period	2,012	399
<b>Meezan Islamic Fund</b>		
Issuance of 22,829,553 units (2014: 20,600,726 units)	1,249,668	1,107,289
Redemption of 32,909,895 units (2014: NIL units)	1,682,700	-
Transaction cost	3,132	-

	Nine months period ended March 31, 2015	For the period from January 31, 2014 to March 31, 2015
	..... (Rupees in '000).....	
<b>Meezan Islamic Income Fund</b>		
Issuance of 33,300,956 units (2014: 29,064,135 units)	1,740,404	1,500,000
Redemption of 28,658,397 units (2014: NIL units)	1,480,980	
Bonus of NIL units (2014: 864,147 units)	-	43,596
<b>KSE Meezan Index Fund</b>		
Issuance of 1,532,729 units (2014: NIL units)	99,750	-
Transaction cost	250	-
<b>Al Meezan Mutual Fund</b>		
Issuance of 4,130,435 units (2014: NIL units)	59,850	-
Redemption of 4,130,435 units (2014: NIL units)	58,404	-
Transaction cost	150	-
<b>Meezan Sovereign Fund</b>		
Issuance of NIL units (2014: 43,920,901 units)	-	2,230,000
Redemption of NIL units (2014: 36,953,557 units)	-	1,889,264
Bonus of NIL units (2014: 123,950 units)	-	6,271
<b>Directors and executive of the Management Company</b>		
Units issued: NIL units (2014: 16,766 units)	-	838

9. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director





Quarterly Report March 31, 2015



## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan.  
Phone: (9221) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoaib, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoaib, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Meezan Bank Limited  
Habib Metropolitan Bank Limited - Islamic Banking

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone: (9221) 35156191-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 38103538 Fax: 36406017  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

	Note	(Unaudited) As at March 31, 2015					Total	(Audited) June 30, 2014
		Aggressive	Moderate	Conservative	MCPP-I	MCPP-II		
----- (Rupees in '000) -----								
<b>Assets</b>								
Balances with banks		12,118	4,353	6,933	10,558	57,022	90,984	16,477
Investments	5	354,720	345,473	409,405	1,474,168	2,942,510	5,526,276	917,725
Prepayment and other receivables		37	26	27	60	358	508	53
Preliminary expenses and floatation costs		-	-	607	-	-	607	757
<b>Total assets</b>		<b>366,875</b>	<b>349,852</b>	<b>416,972</b>	<b>1,484,786</b>	<b>2,999,890</b>	<b>5,618,375</b>	<b>935,012</b>
<b>Liabilities</b>								
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		384	487	538	4,540	57,675	63,624	991
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		29	24	36	106	198	393	87
Payable to Meezan Bank Limited (MBL)		-	-	-	-	-	-	2
Payable to Securities and Exchange Commission of Pakistan (SECP)		241	221	287	745	412	1,906	761
Payable on redemption and conversion of units		9,957	2,152	5,235	-	-	17,344	2,565
Accrued expenses and other liabilities		2,121	1,416	1,477	66	19	5,099	3,941
<b>Total liabilities</b>		<b>12,732</b>	<b>4,300</b>	<b>7,573</b>	<b>5,457</b>	<b>58,304</b>	<b>88,366</b>	<b>8,347</b>
<b>Net assets</b>		<b>354,143</b>	<b>345,552</b>	<b>409,399</b>	<b>1,479,329</b>	<b>2,941,586</b>	<b>5,530,009</b>	<b>926,665</b>
Contingency and Commitments	7	-	-	-	-	-	-	-
<b>Unitholders' fund (as per statement attached)</b>		<b>354,143</b>	<b>345,552</b>	<b>409,399</b>	<b>1,479,329</b>	<b>2,941,586</b>	<b>5,530,009</b>	<b>926,665</b>
----- (Number of units) -----								
Number of units in issue		5,608,079	5,820,836	7,015,534	29,827,041	61,591,417		
----- (Rupees) -----								
Net assets value per unit		63.15	59.36	58.36	49.60	47.76		

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31, 2015						Nine Months period ended March 31, 2014 Total
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	Total	
	Note						
	----- (Rupees in '000) -----						
Income							
Net realised gain on sale of investments	3,737	4,316	6,562	(8,074)	(99,230)	(92,689)	19,353
Profit on saving accounts with banks	186	170	255	929	1,388	2,928	1,061
Other income	-	-	-	148	108	256	-
	<u>3,923</u>	<u>4,486</u>	<u>6,817</u>	<u>(6,997)</u>	<u>(97,734)</u>	<u>(89,505)</u>	<u>20,414</u>
Unrealised gain on re-measurement of investments at 'fair value through profit or loss' (net)	5.1 10,429	8,577	14,750	(6,396)	(62,640)	(35,280)	73,831
Total income	<u>14,352</u>	<u>13,063</u>	<u>21,567</u>	<u>(13,393)</u>	<u>(160,374)</u>	<u>(124,785)</u>	<u>94,245</u>
Expenses							
Remuneration to Al Meezan Investment Management Limited - Management Company	38	32	36	109	121	336	127
Sindh Sales Tax and Federal Excise Duty on Management Fee	13	11	12	37	46	119	43
Remuneration to Central Depository Company of Pakistan Limited	222	203	266	652	347	1,690	584
Annual fee to Securities and Exchange Commission of Pakistan	241	221	287	745	412	1,906	554
Auditors' remuneration	50	42	58	83	17	250	274
Fees and subscription	7	5	7	-	-	19	46
Formation cost	-	-	150	-	-	150	149
Bank and settlement charges	214	241	170	3,364	3,624	7,613	497
Printing charges	12	11	12	6	2	43	19
Provision for Workers' Welfare Fund (WWF)	6 342	326	384	-	-	1,052	1,879
Total expenses	<u>1,139</u>	<u>1,092</u>	<u>1,382</u>	<u>4,996</u>	<u>4,569</u>	<u>13,178</u>	<u>4,172</u>
Net income from operating activities	<u>13,213</u>	<u>11,971</u>	<u>20,185</u>	<u>(18,389)</u>	<u>(164,943)</u>	<u>(137,963)</u>	<u>90,073</u>
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)	3,567	4,026	(1,386)	6,366	26,958	39,531	1,999
Net income for the period before taxation	<u>16,780</u>	<u>15,997</u>	<u>18,799</u>	<u>(12,023)</u>	<u>(137,985)</u>	<u>(98,432)</u>	<u>92,072</u>
Taxation	-	-	-	-	-	-	-
Net income for the period after taxation	<u>16,780</u>	<u>15,997</u>	<u>18,799</u>	<u>(12,023)</u>	<u>(137,985)</u>	<u>(98,432)</u>	<u>92,072</u>
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>16,780</u>	<u>15,997</u>	<u>18,799</u>	<u>(12,023)</u>	<u>(137,985)</u>	<u>(98,432)</u>	<u>92,072</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the quarter ended March 31, 2015 (Unaudited)

	Quarter ended March 31, 2015						Quarter ended March 31, 2014
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	Total	
	Note						
	----- (Rupees in '000) -----						
Income							
Net realised gain / (loss) on sale of investments	2,065	3,144	4,321	(14,138)	(99,230)	(103,838)	7,914
Profit on saving accounts with banks	53	62	76	191	1,341	1,723	138
Other income	-	-	-	129	108	237	-
	<u>2,118</u>	<u>3,206</u>	<u>4,397</u>	<u>(13,818)</u>	<u>(97,781)</u>	<u>(101,878)</u>	<u>8,052</u>
Unrealised loss on re-measurement of investments at 'fair value through profit or loss' (net)	5.1 (11,470)	(6,594)	(547)	(64,871)	(62,640)	(146,122)	23,039
Total income	<u>(9,352)</u>	<u>(3,388)</u>	<u>3,850</u>	<u>(78,689)</u>	<u>(160,421)</u>	<u>(248,000)</u>	<u>31,091</u>
Expenses							
Remuneration to Al Meezan Investment Management Limited - Management Company	11	11	12	30	113	177	23
Sindh Sales Tax and Federal Excise Duty on Management Fee	4	4	4	9	43	64	7
Remuneration to Central Depository Company of Pakistan Limited	71	73	85	321	346	896	196
Annual fee to Securities and Exchange Commission of Pakistan	84	85	98	377	411	1,055	186
Auditors' remuneration	5	4	5	19	17	50	54
Fees and subscription	3	2	2	-	-	7	20
Formation cost	-	-	49	-	-	49	49
Bank and settlement charges	99	91	40	910	3,624	4,764	148
Printing charges	1	-	1	2	2	6	6
Provision for Workers' Welfare Fund (WWF)	6 (135)	(47)	41	(1,370)	(2)	(1,513)	673
Total expenses	<u>143</u>	<u>223</u>	<u>337</u>	<u>298</u>	<u>4,554</u>	<u>5,555</u>	<u>1,362</u>
Net income from operating activities	<u>(9,495)</u>	<u>(3,611)</u>	<u>3,513</u>	<u>(78,987)</u>	<u>(164,975)</u>	<u>(253,555)</u>	<u>29,729</u>
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)	<u>2,908</u>	<u>1,333</u>	<u>(1,544)</u>	<u>(177)</u>	<u>26,893</u>	<u>29,413</u>	<u>3,250</u>
Net income for the period before taxation	<u>(6,587)</u>	<u>(2,278)</u>	<u>1,969</u>	<u>(79,164)</u>	<u>(138,082)</u>	<u>(224,142)</u>	<u>32,979</u>
Taxation	-	-	-	-	-	-	-
Net income for the period after taxation	<u>(6,587)</u>	<u>(2,278)</u>	<u>1,969</u>	<u>(79,164)</u>	<u>(138,082)</u>	<u>(224,142)</u>	<u>32,979</u>
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>(6,587)</u>	<u>(2,278)</u>	<u>1,969</u>	<u>(79,164)</u>	<u>(138,082)</u>	<u>(224,142)</u>	<u>32,979</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM DISTRIBUTION STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31, 2015					Total	Nine Months period ended March 31, 2014 Total
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II		
Note	----- (Rupees in '000) -----						
Undistributed income / accumulated (loss) broughtforward							
- Realised	5,850	3,638	2,433	-	-	11,921	17,670
- Unrealised	47,622	23,730	31,555	-	-	102,907	23,410
	<u>53,472</u>	<u>27,368</u>	<u>33,988</u>	<u>-</u>	<u>-</u>	<u>114,828</u>	<u>41,080</u>
Final distribution for the year ended June 30, 2014: Nil (June 30, 2013: Aggressive @ 3.4%; Moderate @ 3.3%; Conservative @ 1.2%)	-	-	-	-	-	-	(16,165)
Net income for the period	16,780	15,997	18,799	(12,023)	(137,985)	(98,432)	92,072
Undistributed income carried forward	<u>70,252</u>	<u>43,365</u>	<u>52,787</u>	<u>(12,023)</u>	<u>(137,985)</u>	<u>16,396</u>	<u>116,987</u>
Undistributed income carried forward							
- Realised	59,823	34,789	38,038	(5,627)	(75,345)	51,678	43,156
- Unrealised	10,429	8,577	14,750	(6,396)	(62,640)	(35,280)	73,831
	<u>70,252</u>	<u>43,366</u>	<u>52,788</u>	<u>(12,023)</u>	<u>(137,985)</u>	<u>16,398</u>	<u>116,987</u>

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31, 2015						Nine Months period ended March 31, 2014 Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	Total	
	----- (Rupees in '000) -----						
Net assets at beginning of the period	330,020	255,369	341,276	-	-	926,665	698,865
Issue of units:							
Aggressive: 2,473,045 (2014 : 2,556,098),	158,483	227,378	323,161	1,608,693	3,191,748	5,509,463	526,141
Moderate: 3,821,109 (2014 : 2,999,347),							
Conservative: 5,675,530 (2014 : 4,088,986),							
MCPP-I: 32,012,747 (2014 : Nil),							
MCPP-II: 63,242,069 (2014 : Nil)							
Redemption of units:							
Aggressive: 2,351,007 (2014 : 2,413,273),							
Moderate: 2,510,895 (2014 : 2,692,392),							
Conservative: 4,789,704 (2014 : 3,756,549),							
MCPP-I: 2,185,705 (2014 : Nil),							
MCPP-II: 1,650,652 (2014 : Nil)	(147,572)	(149,166)	(275,223)	(110,975)	(85,219)	(768,156)	(483,720)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	10,910	78,212	47,938	1,497,718	3,106,529	4,741,307	42,421
Issue of bonus units during the period	-	-	-	-	-	-	16,165
Net realised gain/(loss) on sale of investments	3,737	4,316	6,562	(8,074)	(99,230)	(92,689)	19,353
Unrealised gain/(loss) on re-measurement of investments at fair value through profit or loss	10,429	8,577	14,750	(6,396)	(62,640)	(35,280)	73,831
Net other income for the period	2,614	3,104	(2,513)	2,447	23,885	29,537	(1,112)
Total comprehensive income for the period	16,780	15,997	18,799	(12,023)	(137,985)	(98,432)	92,072
Distribution for the year ended: Bonus units June 30, 2014: Nil (June 30, 2013: Aggressive 150,712, Moderate 95,104, Conservative 64,363)	-	-	-	-	-	-	(16,165)
Net income for the period less distribution	16,780	15,997	18,799	(12,023)	(137,985)	(98,432)	75,907
Net assets at end of the period	<u>354,143</u>	<u>345,552</u>	<u>409,399</u>	<u>1,479,329</u>	<u>2,941,586</u>	<u>5,530,009</u>	<u>831,359</u>
	----- (Rupees) -----						
Net assets value per unit at beginning of the period	<u>60.16</u>	<u>56.62</u>	<u>55.68</u>				
Net assets value per unit at end of the period	<u>63.15</u>	<u>59.36</u>	<u>58.36</u>	<u>49.60</u>	<u>47.76</u>		

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31, 2015					Nine Months period ended March 31, 2014	
	Aggressive	Moderate	Conservative	MCPPI	MCPPII	Total	Total
----- (Rupees in '000) -----							
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Net income for the period	16,780	15,997	18,799	(12,023)	(137,985)	(98,432)	92,072
Adjustments for:							
Unrealised gain on re-measurement of investments at fair value through profit or loss (net)	(10,429)	(8,577)	(14,750)	6,396	62,640	35,280	(73,831)
Element of (income) /loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(3,567)	(4,026)	1,386	(6,366)	(26,958)	(39,531)	(1,999)
	2,784	3,394	5,435	(11,993)	(102,303)	(102,683)	16,242
Decrease / (increase) in assets							
Investments (net)	(17,452)	(85,535)	(55,130)	(1,480,564)	(3,005,150)	(4,643,831)	(101,450)
Preliminary expenses and floatation costs	-	-	150	-	-	150	(807)
Prepayment and other receivables	(9)	(12)	(16)	(60)	(358)	(455)	132
	(17,461)	(85,547)	(54,996)	(1,480,624)	(3,005,508)	(4,644,136)	(102,125)
(Decrease) / Increase in liabilities							
Payable to Al Meezan Investment Management Limited - Management Company	(72)	199	291	4,540	57,675	62,633	(2,433)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(2)	4	-	106	198	306	24
Payable to Meezan Bank Limited	-	(2)	-	-	-	(2)	(94)
Payable to Securities and Exchange Commission of Pakistan	(34)	48	(26)	745	412	1,145	456
Accrued expenses and other liabilities	325	378	370	66	19	1,158	1,629
	217	627	635	5,457	58,304	65,240	(418)
Net cash (used in) operating activities	(14,460)	(81,526)	(48,926)	(1,487,160)	(3,049,507)	(4,681,579)	(86,301)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Receipts against issuance of units	158,483	227,378	323,161	1,608,693	3,191,748	5,509,463	526,141
Payments against redemption of units	(137,874)	(148,151)	(271,157)	(110,975)	(85,219)	(753,377)	(488,853)
Net cash generated from financing activities	20,608	79,227	52,004	1,497,718	3,106,529	4,756,086	37,288
Net increase/(decrease) in cash and cash equivalents during the period	6,148	(2,299)	3,078	10,558	57,022	74,507	(49,012)
Cash and cash equivalents at beginning of the period	5,970	6,652	3,855	-	-	16,477	54,710
Cash and cash equivalents at end of the period	12,118	4,353	6,933	10,558	57,022	90,984	5,698

The annexed notes 1 to 9 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months ended March 31, 2015 (Unaudited)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Meezan Financial Planning Fund of Funds (the Fund) was established under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on July 27, 2012 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund is registered as a Notified Entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) issued through S.R.O.1203(I)/2008 on November 21, 2008. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2 The Fund has been formed to enable the unitholders to participate 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 guidelines. The Management Company has appointed Meezan Bank Limited (MBL) as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is an open-end Shariah compliant fund of fund scheme listed on Islamabad Stock Exchange. Units are offered for public subscription on a continuous basis except for two new plans Meezan Capital Preservation Plan-I (MCPPI) and Meezan Capital Preservation Plan-II (MCPPII) in which the offer of units is discontinued after the end of the subscription period, however the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the Commission after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund.
- 1.4 The Fund is an open-end Shariah compliant fund of funds scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Aggressive Plan, Moderate Plan, Conservative Plan, Meezan Capital Preservation Plan-I (MCPPI) and Meezan Capital Preservation Plan-II (MCPPII) by investing in Shariah compliant income, money market and equity mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans. The management may also invest in other Collective Investments Schemes available to it with prior approval of SECP.
- 1.5 Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund. The Fund's property of different types of allocation plans shall be accounted for and maintained separately in books of accounts, which shall collectively constitute the Fund property of the Scheme.
- 1.6 The Management Company of the Fund has been given quality rating of AM2+ by JCR-VIS Credit Rating Company Limited.

### 2. BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor 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

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and directives issued by the SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2014.

The accounting policies and method of computation adopted in the preparation of this condensed interim financial information and the significant judgments made by management in applying those 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, 2014.

The Fund's financial and unitholders' fund risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2014.



## 5 INVESTMENTS

	Note	As at March 31, 2015					Total	(Audited) June 30, 2014
		Aggressive	Moderate	Conservative	MCPP-I	MCPP-II		
----- (Rupees in '000) -----								
Investments - 'at fair value through profit or loss' - held for trading	5.1	354,720	345,473	409,405	1,474,168	2,942,510	5,526,276	917,725

### 5.1 Held for Trading - Units of mutual funds

Name of Investee Funds	As at July 01, 2014	Purchases during the period	Bonus	Redemption during the period	As at March 31, 2015	As at March 31, 2015				
						Carrying value	Market value	Unrealised gain / (loss)	Percentage of Market value to total investments	Percentage of net assets of the fund on the basis of market value
					----- (Rupees in '000) -----					
					----- % -----					
<b>Aggressive Allocation Plan</b>										
Meezan Islamic Fund	4,553,883	1,539,479	-	1,408,451	4,684,911	242,054	248,300	6,247	70.00	70.11
Meezan Sovereign Fund	1,942,386	744,980	-	679,441	2,007,925	102,237	106,420	4,183	30.00	30.05
Total						<u>344,291</u>	<u>354,720</u>	<u>10,429</u>		
Total cost of investments							<u>304,349</u>			
<b>Moderate Allocation Plan</b>										
Meezan Islamic Fund	2,501,604	1,736,418	-	978,982	3,259,040	170,598	172,729	2,131	50.00	49.99
Meezan Sovereign Fund	2,489,711	1,820,025	-	1,050,419	3,259,317	166,298	172,744	6,446	50.00	49.99
Total						<u>336,895</u>	<u>345,473</u>	<u>8,578</u>		
Total cost of investments							<u>318,451</u>			
<b>Conservative Allocation Plan</b>										
Meezan Islamic Fund	1,689,514	1,279,918	-	1,038,436	1,930,996	99,614	102,343	2,729	25.00	25.00
Meezan Sovereign Fund	5,044,442	3,791,760	-	3,042,583	5,793,619	295,040	307,062	12,022	75.00	75.00
Total						<u>394,654</u>	<u>409,405</u>	<u>14,751</u>		
Total cost of investments							<u>373,998</u>			
<b>Meezan Capital Preservation Plan-I</b>										
Meezan Islamic Fund	-	24,863,414	-	10,980,433	13,882,981	749,130	735,798	(13,332)	49.91	49.74
Meezan Cash Fund	-	29,294,459	-	26,125,710	3,168,749	161,424	167,785	6,361	11.38	11.34
Meezan Sovereign Fund	-	10,765,750	-	-	10,765,750	570,010	570,585	575	38.71	38.57
Total						<u>1,480,564</u>	<u>1,474,168</u>	<u>(6,396)</u>		
Total cost of investments							<u>1,480,564</u>			
<b>Meezan Capital Preservation Plan-II</b>										
Meezan Islamic Fund	-	24,376,434	-	11,867,089	12,509,345	741,013	662,995	(78,018)	22.53	44.82
Meezan Cash Fund	-	3,865,120	-	3,849,202	15,918	828	843	15	0.03	0.06
Meezan Sovereign Fund	-	58,123,228	-	15,129,412	42,993,816	2,263,310	2,278,672	15,362	77.44	154.03
Total						<u>3,005,151</u>	<u>2,942,510</u>	<u>(62,640)</u>		
Total cost of investments							<u>3,005,151</u>			
<b>Total investments in units of mutual funds</b>										
Meezan Islamic Fund	8,745,001	53,795,663	-	26,273,391	36,267,273	2,002,408	1,922,165	(80,242)	34.78	34.76
Meezan Sovereign Fund	9,476,539	75,245,743	-	19,901,855	64,820,427	3,396,895	3,435,483	38,588	62.17	62.12
Meezan Cash Fund	-	33,159,579	-	29,974,912	3,184,667	162,252	168,628	6,376	3.05	3.05
Total						<u>5,561,555</u>	<u>5,526,276</u>	<u>(35,278)</u>		
Total cost of investments							<u>5,482,513</u>			

#### 6. WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, during the year ended June 30, 2010, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

In view of above stated facts and considering the uncertainty on the applicability of WWF to mutual funds due to show cause notices issued to a number of mutual funds, the management company as a matter of abundant caution has decided to continue to maintain the provision for WWF. The Fund has recognised WWF charge upto March 31, 2015 amounting to Rs. 2.0 million, Rs. 1.3 million and Rs. 1.4 million in Aggressive Plan, Moderate Plan and Conservative Plan respectively which includes Rs. 0.34 million, Rs. 0.33 million and Rs. 0.38 million 0.08 pertaining to the current year in Aggressive Plan, Moderate Plan, Conservative Plan respectively. Had the WWF not been provided, the NAV per unit of Aggressive, Moderate and Conservative plans would have been higher by Rs. 0.36 (0.57%) per unit, Rs. 0.22 (0.37%) per unit and Rs. 0.19 (0.34%) per unit respectively.

#### 7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2015 and June 30, 2014.

#### 8. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, directors and officers (executives) of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Balanced Fund, Meezan Capital Preservation Fund -III, Meezan Capital Preservation Fund - II and Meezan Tahaffuz Pension Fund being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company and Al Meezan Investment Management Limited - Employees Gratuity Fund and Unit holders holding 10 percent or more of the Fund's net assets.

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 Trustee is determined in accordance with the provision of NBFC Rules and NBFC Regulations and the Trust Deed respectively.

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

	(Unaudited) As at March 31, 2015					(Audited) June 30, 2014 Total
	Aggressive	Moderate	Conservative	MCCP-I	MCCP-II	Total
----- (Rupees in '000) -----						
<b>Al Meezan Investment Management Limited</b>						
- Management Company						
Management fee payable	6	5	5	10	52	78
Sindh Sales Tax and Federal Excise Duty on Management Fee	11	12	12	21	36	92
Sales load payable	43	155	141	-	41,721	42,060
Sindh Sales Tax and Federal Excise Duty on Sales load payable	324	316	380	4,508	15,866	21,394
Other payable	-	-	-	-	-	-
Investment of 2,098,437 units (June 30, 2014: 2,098,437 units)						
- Conservative Allocation Plan	-	-	121,583	-	-	121,583
Investment of 2,651,209 units (June 30, 2014: Nil units)						
- Meezan Capital Preservation Plan-I	-	-	-	138,526	-	138,526
<b>Meezan Bank Limited</b>						
Balances with bank	11,407	4,232	6,806	10,558	57,022	90,025
Sales load payable	-	-	-	-	-	2
Profit receivable on savings accounts with bank	27	20	20	60	358	485
Issuance of 3,964,321 units (2014 : Nil) - Meezan Capital Preservation Plan II	-	-	-	-	200,000	200,000
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Trustee Fee payable	29	24	36	106	198	393
<b>Directors and executives of the Management Company</b>						
Investment of 13,579 units (June 30, 2014: 13,333 units)						
of Aggressive Allocation Plan	874	-	-	-	-	874
Investment of 11,412 units (June 30, 2014: 11,037 units)						
of Moderate Allocation Plan	-	680	-	-	-	680
Investment of 10,492 units (June 30, 2014: 10,492 units)						
of Conservative Allocation Plan	-	-	608	-	-	608
Investment of 21,315 units (June 30, 2014: Nil units)						
of Meezan Capital Preservation Plan-I	-	-	-	1,114	-	1,114
Investment of 297,324 units (June 30, 2014: Nil units)						
of Meezan Capital Preservation Plan-II	-	-	-	-	15,000	15,000
<b>Meezan Islamic Fund</b>						
Investment of 4,684,911 units (June 30, 2014: 4,553,883 units)						
- Aggressive Allocation Plan	248,300	-	-	-	-	248,300
Investment of 3,259,040 units (June 30, 2014: 2,501,604 units)						
- Moderate Allocation Plan	-	172,729	-	-	-	172,729
Investment of 1,930,996 units (June 30, 2014: 1,689,514 units)						
- Conservative Allocation Plan	-	-	102,343	-	-	102,343
Investment of 13,882,981 units (June 30, 2014: Nil units)						
- Meezan Capital Preservation Plan-I	-	-	-	735,798	-	735,798
Investment of 12,509,345 units (June 30, 2014: Nil units)						
- Meezan Capital Preservation Plan-II	-	-	-	-	662,995	662,995

	(Unaudited) As at March 31, 2015						(Audited) June 30, 2014 Total
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	Total	
	..... (Rupees in '000) .....						
<b>Meezan Sovereign Fund</b>							
Investment of 2,007,925 units (June 30, 2014: 1,942,386 units) - Aggressive Allocation Plan	106,420	-	-	-	-	106,420	98,052
Investment of 3,259,317 units (June 30, 2014: 2,489,711 units) - Moderate Allocation Plan	-	172,744	-	-	-	172,744	125,681
Investment of 5,793,619 units (June 30, 2014: 5,044,442 units) - Conservative Allocation Plan	-	-	307,062	-	-	307,062	254,644
Investment of 10,765,750 units (June 30, 2014: Nil units) - Meezan Capital Preservation Plan-I	-	-	-	570,585	-	570,585	-
Investment of 42,993,816 units (June 30, 2014: Nil units) - Meezan Capital Preservation Plan-II	-	-	-	-	2,278,672	2,278,672	-
<b>Meezan Cash Fund</b>							
Investment of 3,168,749 units (June 30, 2014: Nil units) - Meezan Capital Preservation Plan-I	-	-	-	167,785	-	167,785	-
Investment of 15,918 units (June 30, 2014: Nil units) - Meezan Capital Preservation Plan-II	-	-	-	-	843	843	-
Unit holders holding 10 percent or more units of the Fund's net assets	108,632	38,692	122,465	146,781	-	416,570	-

	Nine Months period ended March 31, 2015						Nine Months period ended June 30, 2014 Total
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	Total	
	..... (Rupees in '000) .....						

<b>Al Meezan Investment Management Limited</b> - Management Company							
Remuneration for the period	38	32	36	109	121	336	127
Sindh Sales Tax and Federal Excise Duty on Management Fee	13	11	12	37	46	119	43
Preliminary expenses and floatation costs paid	-	-	150	-	-	150	1,000
Issuance of nil bonus units (2014 : 23,401) - Conservative Allocation Plan	-	-	-	-	-	-	1,200
Issuance of 2,651,209 units (2014 : Nil) - Meezan Capital Preservation Plan I	-	-	-	133,000	-	133,000	-
<b>Meezan Bank Limited</b>							
Profit on savings accounts with bank	177	156	239	929	1,388	2,889	681
Issuance of 3,964,321 units (2014 : Nil) - Meezan Capital Preservation Plan II	-	-	-	-	200,000	200,000	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>							
Trustee fee	222	203	266	652	347	1,690	584
<b>Directors and executives of the Management Company</b>							
Issuance of 1,883 units (2014: Nil) of Aggressive Allocation Plan	121	-	-	-	-	121	-
Redemption of 1,637 units (2014: 206) of Aggressive Allocation Plan	108	-	-	-	-	108	12
Issuance of 4,343 units (2014: 93) of Moderate Allocation Plan	-	250	-	-	-	250	5
Redemption of 3,968 units (2014: 800) of Moderate Allocation Plan	-	241	-	-	-	241	45
Issuance of 852 units (2014: 93) of Conservative Allocation Plan	-	-	50	-	-	50	5
Redemption of 852 units (2014: 202) of Conservative Allocation Plan	-	-	50	-	-	50	11
Issuance of 21,315 units (2014: Nil) of Meezan Capital Preservation Plan-I	-	-	-	1,073	-	1,073	-
Redemption of nil units (2014: Nil) of Meezan Capital Preservation Plan-I	-	-	-	-	-	-	-
Issuance of 297,324 units (2014: Nil) of Meezan Capital Preservation Plan-II	-	-	-	-	15,000	15,000	-
Redemption of nil units (2014: Nil) of Meezan Capital Preservation Plan-II	-	-	-	-	-	-	-
Issuance of Nil Bonus Units (2014: 395) of Aggressive Allocation Plan	-	-	-	-	-	-	21
Issuance of Nil Bonus Units (2014: 359) of Moderate Allocation Plan	-	-	-	-	-	-	19
Issuance of Nil Bonus Units (2014: 119) of Conservative Allocation Plan	-	-	-	-	-	-	6

	Nine Months period ended March 31, 2015						Nine Months period ended Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	Total	
..... (Rupees in '000).....							
<b>Meezan Islamic Fund</b>							
Purchase of 1,539,479 units (2014: 1,512,496) - Aggressive Allocation Plan	84,408	-	-	-	-	84,408	74,450
Purchase of 1,735,418 units (2014: 1,252,777) - Moderate Allocation Plan	-	95,043	-	-	-	95,043	62,685
Purchase of 1,279,918 units (2014: 1,043,894) - Conservative Allocation Plan	-	-	67,285	-	-	67,285	50,807
Purchase of 24,863,414 units (2014: nil) - Meezan Capital Preservation Plan-I	-	-	-	1,341,638	-	1,341,638	-
Purchase of 24,376,433 units (2014: nil) - Meezan Capital Preservation Plan-II	-	-	-	-	1,443,981	1,443,981	-
Issuance of nil Bonus units (2014: 1,152,762) - Aggressive Allocation Plan	-	-	-	-	-	-	51,782
Issuance of nil Bonus units (2014: 467,797) - Moderate Allocation Plan	-	-	-	-	-	-	21,013
Issuance of nil Bonus units (2014: 403,232) - Conservative Allocation Plan	-	-	-	-	-	-	18,113
Sales of 1,408,450 units (2014: 1,678,259) - Aggressive Allocation Plan	74,186	-	-	-	-	74,186	83,344
Sales of 978,981 units (2014: 1,116,245) - Moderate Allocation Plan	-	53,213	-	-	-	53,213	55,001
Sales of 1,038,436 units (2014: 954,334) - Conservative Allocation Plan	-	-	56,418	-	-	56,418	47,743
Sales of 10,980,433 units (2014: nil) - Meezan Capital Preservation Plan-I	-	-	-	570,000	-	570,000	-
Sales of 11,867,089 units (2014: nil) - Meezan Capital Preservation Plan-II	-	-	-	-	600,000	600,000	-
Transaction cost paid - Aggressive Allocation Plan	212	-	-	-	-	212	187
Transaction cost paid - Moderate Allocation Plan	-	238	-	-	-	238	157
Transaction cost paid - Conservative Allocation Plan	-	-	169	-	-	169	127
Transaction cost paid - Meezan Capital Preservation Plan-I	-	-	-	3,362	-	3,362	-
Transaction cost paid - Meezan Capital Preservation Plan-II	-	-	-	-	3,619	3,619	-
<b>Meezan Sovereign Fund</b>							
Purchase of 744,980 units (2014: 964,396) - Aggressive Allocation Plan	38,584	-	-	-	-	38,584	48,754
Purchase of 1,820,026 units (2014: 1,334,738) - Moderate Allocation Plan	-	93,941	-	-	-	93,941	67,529
Purchase of 3,791,760 units (2014: 3,065,549) - Conservative Allocation Plan	-	-	194,570	-	-	194,570	155,180
Purchase of 10,765,750 units (2014: nil) - Meezan Capital Preservation Plan-I	-	-	-	570,010	-	570,010	-
Purchase of 58,123,228 units (2014: nil) - Meezan Capital Preservation Plan-II	-	-	-	-	3,055,200	3,055,200	-
Issuance of nil Bonus units (2014: 100,849) - Aggressive Allocation Plan	-	-	-	-	-	-	5,069
Issuance of nil Bonus units (2014: 115,145) - Moderate Allocation Plan	-	-	-	-	-	-	5,786
Issuance of nil Bonus units (2014: 332,439) - Conservative Allocation Plan	-	-	-	-	-	-	16,701
Sales of 679,440 units (2014: 469,159) - Aggressive Allocation Plan	35,091	-	-	-	-	35,091	23,783
Sales of 1,050,420 units (2014: 994,623) - Moderate Allocation Plan	-	54,553	-	-	-	54,553	50,314
Sales of 3,042,584 units (2014: 2,310,792) - Conservative Allocation Plan	-	-	156,869	-	-	156,869	117,122
Sales of 15,129,412 units (2014: nil) - Meezan Capital Preservation Plan-II	-	-	-	-	794,800	794,800	-
<b>Meezan Cash Fund</b>							
Purchase of 29,294,459 units (2014: nil) - Meezan Capital Preservation Plan-I	-	-	-	1,492,000	-	1,492,000	-
Purchase of 3,865,120 units (2014: nil) - Meezan Capital Preservation Plan-II	-	-	-	-	201,000	201,000	-
Sales of 26,125,709 units (2014: nil) - Meezan Capital Preservation Plan-I	-	-	-	1,345,010	-	1,345,010	-
Sales of 3,849,202 units (2014: nil) - Meezan Capital Preservation Plan-II	-	-	-	-	201,000	201,000	-

9. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



Quarterly Report March 31, 2015

## FUND INFORMATION

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited  
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Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoab, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoab, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

Al Baraka Islamic Bank B.S.C (E.C)	Habib Metropolitan Bank Limited - Islamic Banking
Askari Bank Limited - Islamic Banking	MCB Bank Limited - Islamic Banking
BankIslami Pakistan Limited	Meezan Bank Limited
Bank Alfalah - Islamic Banking Branch	National Bank of Pakistan - Islamic Banking
Burj Bank Limited	UBL Ameen - Islamic Banking
Dubai Islamic Bank	

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th floor, 58-C, Lane-13, Bokhari Commercial Area, Phase VI, DHA, Karachi.  
Phone: (9221) 3515619-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
Meezan House,  
C-25, Estate Avenue, SITE, Karachi.  
Phone: 3810 3538 Fax: 3640 6017  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
----- (Rupees in '000) -----			
<b>Assets</b>			
Balances with banks		449,493	470,857
Investments	5	2,356,198	1,499,193
Dividend receivable		14,042	1,153
Receivables against investments (net)		50,836	13
Deposits and other receivables		28,548	11,797
<b>Total assets</b>		<b>2,899,117</b>	<b>1,983,013</b>
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		21,689	9,557
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		328	239
Payable to Securities and Exchange Commission of Pakistan (SECP)		1,451	1,465
Payable on redemption and conversion of units		51,198	2,074
Accrued expenses and other liabilities		34,332	31,826
Unclaimed dividend		7,337	7,366
<b>Total liabilities</b>		<b>116,335</b>	<b>52,527</b>
<b>Net assets</b>		<b>2,782,782</b>	<b>1,930,486</b>
Contingencies and commitments	6		
<b>Unitholders' fund (as per statement attached)</b>		<b>2,782,782</b>	<b>1,930,486</b>
<b>Number of units in issue</b>		<b>197,008,836</b>	<b>144,610,111</b>
----- (Rupees) -----			
<b>Net assets value per unit</b>		<b>14.13</b>	<b>13.35</b>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



## CONDENSED INTERIM INCOME STATEMENT

For the nine months and quarter ended March 31, 2015 (Unaudited)

	Note	Nine Months period ended		Quarter ended	
		March 31,		March 31,	
		2015	2014	2015	2014
		----- (Rupees in '000) -----			
<b>Income</b>					
Net realised gain on sale of investments		47,734	43,368	16,036	15,109
Dividend income		49,691	46,626	17,201	14,903
Profit on saving accounts with banks		26,918	15,556	12,020	6,468
Profit on sukuk certificates		44,792	38,553	16,738	12,578
Back end load		(80)	9,340	(31)	7,980
		<u>169,055</u>	<u>153,443</u>	<u>61,964</u>	<u>57,038</u>
Unrealised (loss) / gain on re-measurement of investments - 'at fair value through profit or loss' (net)		(26,951)	100,514	(97,168)	41,281
Reversal / (provision) against non-performing debt securities (net)	5.1.2.5	85	(13,557)	-	253
		<u>(26,866)</u>	<u>86,957</u>	<u>(97,168)</u>	<u>41,534</u>
<b>Total income</b>		<u>142,189</u>	<u>240,400</u>	<u>(35,204)</u>	<u>98,572</u>
<b>Expenses</b>					
Remuneration to Al Meezan Investment Management Limited - Management Company		34,142	25,128	13,347	8,600
Sindh Sales Tax and Federal Excise Duty on management fee		11,403	8,538	4,457	2,971
Remuneration to Central Depository Company of Pakistan Limited - - Trustee		2,458	2,007	914	677
Annual fee to Securities and Exchange Commission of Pakistan		1,451	1,068	567	366
Auditors' remuneration		352	476	64	94
Charity expense		697	756	177	204
Fees and subscription		164	326	54	59
Brokerage		1,508	620	651	186
Bank and settlement charges		666	343	250	96
Provision for Workers' Welfare Fund (WWF)	7	2,934	3,912	(273)	1,665
Printing charges		-	436	-	1
Conversion cost		-	3,840	-	-
<b>Total expenses</b>		<u>55,775</u>	<u>47,450</u>	<u>20,208</u>	<u>14,919</u>
<b>Net income from operating activities</b>		<u>86,414</u>	<u>192,950</u>	<u>(55,412)</u>	<u>83,653</u>
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)		57,330	(1,255)	42,018	(2,080)
<b>Net income for the period before taxation</b>		<u>143,744</u>	<u>191,695</u>	<u>(13,394)</u>	<u>81,573</u>
<b>Taxation</b>		-	-	-	-
<b>Net income for the period after taxation</b>		<u>143,744</u>	<u>191,695</u>	<u>(13,394)</u>	<u>81,573</u>
<b>Other comprehensive income / (loss) for the period</b>					
<b>Items that can be reclassified to income statements in subsequent periods</b>					
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'available for sale'	5.2.1	(91)	25,722	(8,835)	(2,739)
<b>Total comprehensive income / (loss) for the period</b>		<u>143,653</u>	<u>217,417</u>	<u>(22,229)</u>	<u>78,834</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM DISTRIBUTION STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	..... (Rupees in '000) .....	
Undistributed income brought forward		
- Realised	209,274	238,809
- Unrealised	<u>101,271</u>	<u>136,041</u>
	310,545	374,850
Less: Final distribution for the year ended June 30, 2014 : Nil (June 30, 2013 @ 15% per certificate)	-	(180,000)
Net income for the period	143,744	191,695
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments (net)	9,119	(679)
Undistributed income carried forward	<u>463,408</u>	<u>385,866</u>
Undistributed income carried forward		
- Realised	490,274	285,352
- Unrealised	<u>(26,866)</u>	<u>100,514</u>
	<u>463,408</u>	<u>385,866</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	..... (Rupees in '000) .....	
Net assets at the beginning of the period	1,930,486	-
Issue of 120,000,000 units against cancellation of 120,000,000 certificates upon conversion from close end fund to an open end scheme	-	1,747,480
Issue of 84,298,527 units for the nine months ended March 31, 2015 (2014: 14,857,154 units)	1,211,658	215,081
Redemption of 31,899,802 units for the nine months ended March 31, 2015 (2014: 15,896,041 units)	(445,685)	(230,630)
	765,973	(15,549)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(57,330)	1,255
Net realised gain on sale of investments	47,734	43,368
Unrealised (diminution) / appreciation in the value of investments (net)	(26,951)	86,957
Total other comprehensive income for the period	122,870	87,092
Final distribution for the year ended: Cash Dividend June 30, 2014: Nil (June 30, 2013 @ 15% per certificate)	-	(180,000)
Net income for the period less distribution	143,653	37,417
Net assets at end of the period	<u>2,782,782</u>	<u>1,770,603</u>
	..... (Rupees) .....	
Net assets value per unit at beginning of the period	<u>13.35</u>	<u>14.56</u>
Net assets value per unit at end of the period	<u>14.13</u>	<u>14.88</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months ended March 31, 2015 (Unaudited)

	Nine Months period ended March 31,	
	2015	2014
	..... (Rupees in '000) .....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period	143,744	191,695
Adjustments for:		
Unrealised loss / (gain) on re-measurement of investments - 'at fair value through profit or loss' (net)	26,951	(100,514)
(Reversal) / provision against non-performing debt securities (net)	(85)	13,557
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(57,330)	1,255
	<u>113,280</u>	<u>(85,702)</u>
Decrease / (increase) in assets		
Investments (net)	(883,962)	229,663
Dividend receivable	(12,889)	(7,894)
Deposits and other receivables	(67,574)	(9,835)
	<u>(964,425)</u>	<u>211,934</u>
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited -Management Company	12,132	4,106
Payable to Central Depository Company of Pakistan Limited - Trustee	89	77
Payable to Securities and Exchange Commission of Pakistan	(14)	(288)
Payable against purchase of investments	-	(8,921)
Accrued expenses and other liabilities	2,506	659
	<u>14,713</u>	<u>(4,367)</u>
Net cash (used in) / generated from operating activities	<u>(836,432)</u>	<u>313,560</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance of units	1,211,658	215,081
Dividend paid	(29)	(189,333)
Payment against redemption and conversion of units	(396,561)	(230,245)
Net cash inflow / (used in) from financing activities	<u>815,068</u>	<u>(204,497)</u>
Net (decrease) / increase in cash and cash equivalents during the period	(21,364)	109,063
Cash and cash equivalents at beginning of the period	<u>470,857</u>	<u>296,693</u>
Cash and cash equivalents at end of the period	<u>449,493</u>	<u>405,756</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months ended March 31, 2015 (Unaudited)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Meezan Balanced Fund (the Fund) was initially established as a closed-end scheme under a Trust Deed executed between Al Meezan Investment Management Limited (Al Meezan) as the Management Company and Central Depository Company of Pakistan of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 15, 2004 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on September 8, 2004 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The registered office of the Management Company is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

Subsequently, on May 3, 2013, SECP vide its letter No. SCD/AMCW/MBF /512/2013 has approved the conversion of the closed end structure into an open end scheme through the establishment of the Unit Trust Scheme under the name of Meezan Balanced Fund (MBF). On June 27, 2013, SECP vide its letter No SCD/AMCW/MBF/613/2013 registered MBF (the open-end scheme) as a notified entity and has withdrawn the registration of MBF as close end scheme with effect from the effective date i.e. 01 July 2013 and therefore from July 1, 2013, the Fund has been converted into an open end scheme and accordingly the certificate holders of closed end scheme at June 30, 2013, were converted to unitholders of open end scheme from July 1, 2013.

1.2 The investment objective of the Fund is to generate long-term capital appreciation as well as current income by creating a balanced portfolio that is invested both in high quality equity securities and Islamic income instruments such as certificates of Islamic investment, musharaka certificates, Islamic sukuk certificates and other Shariah compliant instruments. Under the Trust Deed all the conducts and acts of the Fund are based on Shariah. The Management Company has appointed Meezan Bank Limited (MBL) as Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Islamic Shariah.

1.3 Units of the fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Management Company has been given a quality rating of AM2 + by JCR - VIS Credit Rating Company Limited.

1.4 Title to the assets of the Fund are held in the name of CDC as a Trustee and the listing of the units of the open end scheme has been made to the Islamabad Stock Exchange.

### 2. BASIS OF PRESENTATION

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 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

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the Trust Deed, the NBFC Rules and the NBFC Regulations and directives issued by the SECP. In case where requirements differ, the provisions of/or directives issued under the Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations and directives issued by the SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2014.

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information 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, 2014.

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2014.

		(Unaudited) March 31, 2015	(Audited) June 30, 2014
		(Rupees in '000)	
5. INVESTMENTS	Note		
Investments 'at fair value through profit or loss'	5.1	1,944,114	1,205,799
Investments - 'available for sale'	5.2	238,084	293,394
Loans and receivables	5.3	174,000	-
		<u>2,356,198</u>	<u>1,499,193</u>
5.1 Investments 'at fair value through profit or loss'			
Held for trading	5.1.1	1,486,568	1,115,673
Investments at fair value through profit or loss upon initial recognition	5.1.2	457,546	90,126
		<u>1,944,114</u>	<u>1,205,799</u>
5.1.1 Held for trading			
Shares of listed companies	5.1.1.1	1,199,043	816,464
Sukuk certificates	5.1.1.5	287,525	299,209
		<u>1,486,568</u>	<u>1,115,673</u>

### 5.1.1.1 Held for trading - shares of listed companies

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss) as at March 31, 2015	Percentage in relation to		
									Net Assets of the Fund on the basis of investments (note 5.1.1.3)	Paid-up Capital of the investee company (with face value of investments)	Total market value of investments
-----Number of shares-----						----- (Rupees in '000)-----			-----%-----		
<b>Sector / Companies</b>											
<b>Banks</b>											
Meezan Bank Limited (an associate company of the Fund)	673,500	400,000	-	-	1,073,500	48,122	47,341	(781)	1.70	0.11	2.01
<b>Automobile and parts</b>											
Pakistan Suzuki Motor Company Limited	17,800	5,000	-	-	22,800	6,284	7,900	1,616	0.28	0.03	0.34
Honda Atlas Cars	-	267,500	-	46,000	221,500	34,810	40,630	5,820	1.46	0.16	1.72
									1.74		2.06
<b>Chemicals</b>											
Fauji Fertilizer Bin Qasim Limited	275,000	-	-	275,000	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	284,700	230,000	-	361,000	153,700	18,906	20,479	1,573	0.74	0.01	0.87
ICI Pakistan Limited	17,195	-	-	-	17,195	6,712	6,614	(98)	0.24	0.02	0.28
Engro Chemical Pakistan Limited	-	963,500	-	316,000	647,500	163,924	166,343	2,419	5.98	0.10	7.06
Fatima Fertilizer	-	784,000	-	-	784,000	29,273	30,231	958	1.09	0.04	1.28
									8.05		9.49
<b>Construction and materials (Cement)</b>											
Attock Cement Pakistan Limited	402	-	-	-	402	64	73	9	-	0.00	-
DG Khan Cement Company Limited	277,660	449,500	-	253,000	474,160	48,713	53,011	4,298	1.90	0.11	2.25
Fauji Cement Company Limited	771,000	150,000	-	115,000	806,000	15,472	22,947	7,475	0.82	0.06	0.97
Lucky Cement Limited	264,000	155,000	-	80,000	339,000	139,701	151,174	11,473	5.43	0.10	6.42
Pioneer Cement Limited	116,000	100,000	-	-	216,000	10,912	16,978	6,066	0.61	0.10	0.72
Kohat Cement Limited	-	225,200	-	-	225,200	35,571	36,264	693	1.30	0.15	1.54
Lafarge Pakistan Cement	-	2,500,000	-	2,500,000	-	-	-	-	-	-	-
Cherat Cement Company Limited	-	124,000	-	-	124,000	9,259	8,509	(750)	0.31	0.07	0.36
Maple Leaf Cement Limited	-	70,000	-	-	70,000	3,552	3,363	(189)	0.12	0.01	0.14
									10.49		12.40
<b>Fixed line telecommunication</b>											
Pakistan Telecommunication Company Limited "A"	772,510	100,000	-	50,000	822,510	20,801	17,322	(3,479)	0.62	0.02	0.74
<b>General industrials</b>											
Thal Limited (note 5.1.1.2)	41,000	-	-	-	41,000	8,503	10,469	1,966	0.38	0.05	0.44
Packages Limited	38,000	109,600	-	-	147,600	87,320	81,919	(5,401)	2.94	0.17	3.48
									3.32		3.92
<b>Oil and gas</b>											
Attock Refinery Limited	5,000	10,000	-	15,000	-	-	-	-	-	-	-
Oil and Gas Development Company Limited (note 5.1.1.4)	101,800	10,000	-	109,334	2,466	644	447	(197)	0.02	0.00	0.02
Pakistan Oilfields Limited	276,725	-	-	75,000	201,725	115,851	65,855	(49,996)	2.37	0.09	2.79
Pakistan Petroleum Limited (note 5.1.1.4)	344,396	-	-	90,000	254,396	57,071	39,347	(17,724)	1.41	0.01	1.67
National Refinery Limited	42,500	-	-	40,000	2,500	538	477	(61)	0.02	0.00	0.02
Pakistan State Oil Company Limited	353,604	87,500	-	119,000	322,104	125,705	110,932	(14,773)	3.99	0.12	4.71
Mari Petroleum Company Limited	30,000	-	6,000	3,000	33,000	10,269	17,024	6,755	0.61	0.03	0.72
Hascol Petroleum Limited	-	50,000	-	-	50,000	5,033	4,593	(440)	0.17	0.06	0.19
									8.59		10.12
<b>Pharma and Bio Tech</b>											
Abbott Laboratories (Pakistan) Limited	31,000	-	-	-	31,000	17,742	15,417	(2,325)	0.55	0.03	0.65
Ferozsons (Lab)	-	5,000	-	5,000	-	-	-	-	-	-	-
The Searle Company	-	130,800	-	-	130,800	33,189	27,591	(5,598)	0.99	0.15	1.17
<b>Food producers</b>											
Engro Foods Limited	185,100	375,000	-	150,000	410,100	48,966	45,357	(3,609)	1.63	0.05	1.93
<b>Personal Goods (Textile)</b>											
Nishat Mills Limited	278,000	163,800	-	-	441,800	50,353	45,143	(5,210)	1.62	0.13	1.92
<b>Electricity</b>											
Hub Power Company Limited	294,097	425,000	-	-	719,097	50,815	61,397	10,582	2.21	0.06	2.61
K-Electric Limited (note 5.1.1.2)	1,650,000	1,400,000	-	1,500,000	1,550,000	13,430	11,021	(2,409)	0.40	0.01	0.47
Kohinoor Energy Limited	65,000	-	-	-	65,000	2,692	2,912	220	0.10	0.04	0.12
Lalpit Power	-	527,000	-	150,000	377,000	9,768	11,261	1,493	0.40	0.10	0.48
Pakgen Power	-	100,000	-	50,000	50,000	1,447	1,395	(52)	0.05	0.01	0.06
									3.16		3.74
<b>Engineering</b>											
Millat Tractors Company Limited	-	11,800	-	-	11,800	7,169	6,330	(839)	0.23	0.03	0.27
<b>Multiutilities (Gas and water)</b>											
Sui Northem Gas Pipeline Limited	400,000	200,000	-	125,000	475,000	12,081	10,977	(1,104)	0.39	0.07	0.47
<b>Total</b>						<u>1,250,662</u>	<u>1,199,043</u>	<u>(51,619)</u>			
<b>Total cost of investments</b>							<u>1,163,131</u>				

5.1.1.2 All shares have a face value of Rs 10 each except for the shares of Thal Limited and K-Electric Limited which have a face value of Rs 5 and Rs.3.5 each respectively.

5.1.1.3 Net Assets are as defined in Regulation 66 of NBFC Regulations.

5.1.1.4 100,000 shares of Pakistan Petroleum Limited, having market value of Rs 15.467 million as at March 31, 2015 (June 30, 2014: Oil and Gas Development Company Limited Rs. 26.128 million) have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark-to-market losses.

5.1.1.5 Held for trading - Sukuk certificates

Name of the Security	Maturity date	Profit rate per annum	As at July 1, 2014	Purchases during the period	Sales / Matured during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised loss as at March 31, 2015	Percentage in relation to	
			-----Number of Certificates-----			----- (Rupees in '000) -----			----- % -----		Net Assets of the Fund on the basis of investments (note 5.1.1.3)
GoP Ijarah Sukuk Certificates - IX (Note 5.1.1.6)	November 21, 2015	Weighted Average 6 months T-Bills	500	1,200	-	1,700	170,700	171,513	813	6.16	7.28
GoP Ijarah Sukuk Certificates - XI (Note 5.1.1.6)	November 21, 2015	-do-	600	450	1,050	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XII (Note 5.1.1.6)	November 21, 2015	-do-	1,150	-	-	1,150	118,255	116,012	(2,243)	4.17	4.92
GoP Ijarah Sukuk Certificates - XV (Note 5.1.1.6)	June 25, 2017	-do-	690	-	690	-	-	-	-	-	-
Total							<u>288,955</u>	<u>287,525</u>	<u>(1,430)</u>		
Total cost of investments							<u>288,955</u>				

5.1.1.6 The nominal value of the sukuk certificates of GoP Ijarah is Rs 100,000 each.

5.1.1.7 On December 12, 2014; the GoP has extended the maturity of these sukuks to November 21, 2015 through a resolution passed in the Extra Ordinary General Meeting of Sukuk holders on 10 November, 2014.

5.1.2 Investments - 'at fair value through profit or loss upon initial recognition'

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
		----- (Rupees in '000) -----	
Shares of listed companies	5.1.2.1	64,422	40,169
Sukuk certificates	5.1.2.2	<u>393,124</u>	<u>49,957</u>
		<u>457,546</u>	<u>90,126</u>

5.1.2.1 Investments - 'at fair value through profit or loss upon initial recognition' - Shares of listed companies

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain as at March 31, 2015	Percentage in relation to		
									-----Number of shares-----		----- (Rupees in '000) -----
Sector / Companies											
Automobile and parts											
Indus Motor Company Limited	50,055	-	-	-	50,055	26,926	50,808	23,882	1.83	0.06	2.16
Banks											
Meezan Bank Limited (an associate company of the Fund)	277,593	-	-	-	277,593	12,003	12,242	239	0.44	0.03	0.52
General industrials											
Packages Limited	2,473	-	-	-	2,473	1,240	1,372	132	0.05	0.00	0.06
Total						<u>40,169</u>	<u>64,422</u>	<u>24,252</u>			
Total cost of investments							<u>12,894</u>				



### 5.1.2.2 Investments - 'at fair value through profit or loss upon initial recognition' - Sukuk certificates

Name of the Security	Maturity date	Profit rate per annum	As at July 1, 2014	Purchases during the period	Redemptions during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain as at March 31, 2015	Percentage in relation to		
										Net Assets of the Fund on the basis of investments (note 5.1.1.3)	Paid-up Capital of the investee company (with face value of investments)	Total market value of investments
							-----Number of Certificates-----	----- (Rupees in '000)-----	----- % -----			
<b>Secured</b>												
Engro Fertilizer Pakistan Limited (note 5.1.2.3)	September 1, 2015	6 months KIBOR plus base rate of 1.5%	10,000	-	5,000	5,000	24,979	24,913	(66)	0.90	0.00	1.06
Security Leasing Corporation Limited II* (note 5.1.2.3 & 5.1.2.4)	January 19, 2022	Nil	1,557	-	17	1,540	-	-	-	-	-	-
Eden Housing Limited* (note 5.1.2.3 & 5.1.2.4)	September 29, 2014	6 months KIBOR plus base rate of 2.5%	5,000	-	-	5,000	-	-	-	-	-	-
Arzoo Textile Mills Limited* (note 5.1.2.3 & 5.1.2.4)	April 15, 2014	6 months KIBOR plus base rate of 2%	5,000	-	-	5,000	-	-	-	-	-	-
Engro Fertilizer Pakistan Limited - II (note 5.1.2.3)	July 9, 2019	6 months KIBOR plus base rate of 1.75%	-	13,600	340	13,260	66,300	68,211	1,911	2.45	0.00	2.89
Lalpur Power Limited - Sukuk	February 18, 2015	6 months KIBOR plus base rate of 0.30%	-	34,600	34,600	-	-	-	-	-	-	-
K-Electric Limited - (Sukuk 4)	February 13, 2022	3 months KIBOR plus base rate of 1.25%	-	60,000	-	60,000	300,000	300,000	-	10.78	0.01	12.73
<b>Total</b>							<u>391,279</u>	<u>393,124</u>	<u>1,845</u>			
<b>Total cost of investments</b>							<u>426,462</u>					

\* In case of debt securities against which provision has been made, these are carried at amortised cost less provision.

5.1.2.3 The nominal value of these sukuk certificates is Rs 5,000.

5.1.2.4 Following investments of the Fund are in the sukuk certificates which are below ' investments grade' securities:

Name of the investee company	Type of investments	Value of investments before provision	Provision held as at March 31, 2015	Value of investments after provision	Percentage of net assets	Percentage of total assets
		----- (Rupees in '000) -----			----- % -----	
Arzoo Textile Mills Limited	Non-traded sukuk certificates	25,000	25,000	-	-	-
Eden Housing Limited	Non-traded sukuk certificates	4,922	4,922	-	-	-
Security Leasing Corporation Limited II	Non-traded sukuk certificates	7,701	7,701	-	-	-
		<u>37,623</u>	<u>37,623</u>	-	-	-

### 5.1.2.5 Provision on sukuk certificates

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
(Rupees in '000)		
Opening	37,708	21,403
Reversal for the period - net	(85)	16,305
Closing	<u>37,623</u>	<u>37,708</u>

## 5.2 Investments - 'available for sale'

### Shares of listed companies

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain as at March 31, 2015	Percentage in relation to		
									Net Assets of the Fund on the basis of investments (note 5.1.1.3)	Paid-up-Capital of the investee company (with face value of investments)	Total market value of investments
Number of shares						(Rupees in '000)			%		
<b>Sector / Companies</b>											
<b>Automobile and parts</b>											
Indus Motor Company Limited	11,075	-	-	-	11,075	2,422	11,242	8,820	0.47	0.01	0.48
Pakistan Suzuki Motor Company Limited	11,260	-	-	-	11,260	833	3,902	3,069	0.14	0.01	0.17
									0.61		0.65
<b>Banks</b>											
Meezan Bank Limited (an associate of the Fund)	1,207	-	-	-	1,207	17	53	36	-	0.00	-
BankIslami Pakistan Limited	500	-	-	-	500	2	5	3	-	0.00	-
									-		-
<b>Chemicals</b>											
Fauji Fertilizer Bin Qasim Limited	3,377	-	-	3,000	377	14	18	4	-	0.00	-
Fauji Fertilizer Company Limited	30,599	-	-	-	30,599	2,465	4,077	1,612	0.15	0.00	0.17
ICI Pakistan Limited	7,921	-	-	-	7,921	999	3,047	2,048	0.11	0.01	0.13
									0.26		0.30
<b>Construction and materials (Cement)</b>											
Attock Cement Pakistan Limited	287	-	-	-	287	11	52	41	-	0.00	-
DG Khan Cement Company Limited	383,249	-	-	200,000	183,249	7,216	20,487	13,271	0.74	0.04	0.87
Lucky Cement Limited	7,451	-	-	-	7,451	887	3,323	2,436	0.12	0.00	0.14
									0.86		1.01
<b>Electricity</b>											
Hub Power Company Limited	1,264,050	-	-	-	1,264,050	46,726	107,924	61,198	3.88	0.11	4.58
<b>General Industrials</b>											
Packages Limited	150,000	-	-	-	150,000	77,510	83,251	5,741	2.99	0.17	3.53
<b>Oil and gas</b>											
Oil and Gas Development Company Limited (note 5.1.1.4)	345,666	-	-	345,666	-	-	-	-	-	-	-
Pakistan Petroleum Limited (note 5.1.1.4)	4,548	-	-	-	4,548	558	703	145	0.03	0.00	0.03
									0.03		0.03
<b>Total</b>						<b>139,660</b>	<b>238,084</b>	<b>98,424</b>			
<b>Total cost of investments</b>						<b>139,660</b>					

### 5.2.1 Net unrealised appreciation on re-measurement of investment classified as 'available for sale'

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	(Rupees in '000)	
Market value of investments	238,084	293,394
Less: Cost of investments	139,660	194,880
	98,424	98,514
Less: Net unrealised appreciation on re-measurement of investments classified as 'available for sale' at beginning of the period (net of impairment)	98,515	172,629

### 5.3 Loans and receivables

Term deposit receipts		
- having original maturity of more than 3 months	174,000	-
	174,000	-

#### 5.3.1 This Term Deposit Receipt (TDR) carry profit rate of 8.35% (June 30, 2014: Nil)

## 6. CONTINGENCIES AND COMMITMENTS

The Finance act 2014, introduced amendments to Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. These shares will be released upon payments of tax by shareholders. The value of tax will be computed on the basis of day-end price on the first day of book closure.

In this regard, a constitution petition has been filed by the Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs, which is pending adjudication. The petition is based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. A stay order has been granted by the High Court of Sindh in favour of CISs.

In the current period, Mari Petroleum Company Limited issued bonus shares after withholding 5 percent of bonus shares. The Fund has also paid the tax amount aggregating to Rs. 0.14 million to Mari Petroleum. Mari Petroleum returned the pay order due to pending adjudication of the aforementioned constitution petition and the stay order. Furthermore, shares against withholding tax held with Mari Petroleum have not been deposited with the Government Treasury.

There were no other contingencies and commitments outstanding as at March 31, 2015.

## 7. WORKERS' WELFARE FUND (WWF)

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In view of above stated facts and considering the uncertainty on the applicability of WWF to mutual funds due to show cause notices issued to a number of mutual funds, the management company as a matter of abundant caution has decided to continue to maintain the provision for WWF for the period ended March 31, 2015. The Fund has recognised WWF charge upto March 31, 2015 amounting to Rs. 31.981 million which includes Rs. 2.934 million pertaining to current year and Rs. 29.047 million pertained to prior years. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.16 (1.15%).

## 8. SEGMENT REPORTING

The investment committee of the management company makes the strategic resource allocations on behalf of the Fund. The Fund has determined the operating segments based on the reports reviewed by that committee for taking strategic decisions.

The committee considers the investments as two sub-portfolios, which are managed by the Fund manager of the Management Company. These sub-portfolios consist of an equity portfolio, which focuses on equity securities and related derivatives; the second sub-portfolio consisting of debt instruments.

The reportable operating segments derive their income by seeking investments to achieve targeted returns that consummate with an acceptable level of risk within each portfolio. These returns consist of profit on sukuk certificates, dividends, gain on disposals of investments and unrealised gains on the appreciation in the value of investments.

The segment information provided to the investment committee and the Fund manager for the reportable segments is as follows:

The segment information provided to the investment committee and the Fund manager for the reportable segments is as follows:

	For the nine months period ended March 31, 2015			For the nine months period ended March 31, 2014		
	Equity sub-portfolio	Debt sub-portfolio	Total	Equity sub-portfolio	Debt sub-portfolio	Total
	(Rupees in '000)			(Rupees in '000)		
Total net segment income	69,808	43,950	113,758	172,131	59,745	231,876
Unallocated expenses	-	-	29,986	-	-	(40,181)
Total net income	<u>-</u>	<u>-</u>	<u>143,744</u>	<u>172,131</u>	<u>59,745</u>	<u>191,695</u>

	As at March 31, 2015			As at June 30, 2014		
	Equity sub-portfolio	Debt sub-portfolio	Total	Equity sub-portfolio	Debt sub-portfolio	Total
	(Rupees in '000)			(Rupees in '000)		
Total segment assets	1,515,591	867,240	2,382,831	1,151,180	352,305	1,503,485
Unallocated assets			516,286			479,528
Total assets			<u>2,899,117</u>			<u>1,983,013</u>
Total segment liabilities	1,621	-	1,621	1,796	-	1,796
Unallocated liabilities			114,714			50,731
Total liabilities	<u>1,621</u>	<u>-</u>	<u>116,335</u>	<u>1,796</u>	<u>-</u>	<u>52,527</u>

There were no transactions between reportable segments.

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

The connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, directors and officers (executives) of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund -III, Meezan Capital Preservation Fund -II and Meezan Tahaffuz Pension Fund being the funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company and Al Meezan Investment Management Limited - Staff Gratuity Fund and Unitholder holding 10 percent or more units of the Fund's net assets.

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 trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

Details of transactions with connected persons and balances with them for the period ended March 31, 2015 and as of that date along with the comparative are as follows:

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration payable	4,867	3,138
Sindh Sales Tax and Federal Excise Duty payable on management fee	12,373	5,863
Sales load payable	2,331	178
Sindh Sales Tax and Federal Excise Duty payable on sales load	2,118	378
Investment of 5,380,968 units (June 30, 2014: 5,380,968 units)	76,007	71,836
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	328	239
Deposits	300	300
<b>Meezan Bank Limited</b>		
Bank balance	35,659	28,783
Investment in 1,352,300 shares (June 30, 2014: 952,300 shares)	59,636	41,177
Investment of 18,886,746 units (June 30, 2014: 18,886,746 units)	266,777	252,138
<b>Pakistan Kuwait Investment Company (Private) Limited</b>		
Investment of 11,057,791 units (June 30, 2014: 11,057,791 units)	156,192	147,622
<b>Al Meezan Investment Management Limited - Staff Gratuity Fund</b>		
Investment of 379,357 units (June 30, 2014: 379,357 units)	5,358	5,064
<b>Directors and Executives of the Management Company</b>		
Investment of 2,152,598 units (June 30, 2014: 2,085,618 units)	30,406	27,843
<b>For the nine months period ended March 31</b>		
	2015	2014
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited - Management Company</b>		
Remuneration for the period	34,142	25,128
Sindh Sales Tax and Federal Excise Duty on management fee	11,403	8,538
Cash dividend for the period	-	6,895
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration for the period	2,458	2,007
CDS Charges for the period	71	115
<b>Meezan Bank Limited</b>		
Profit on saving account	2,756	891
Profit on TDR	1,473	-
Cash dividend for the period	-	24,202
Sale of shares: Nil (2014: 100,000 shares)	-	3,950
Purchase of 400,000 shares (2014: 144,500 shares)	19,000	5,491

Pakistan Kuwait Investment Company (Private) Limited		
Cash dividend for the period	-	16,587
	<u>                    </u>	<u>                    </u>
Al Meezan Investment Management Limited - Staff Gratuity Fund		
Cash dividend for the period	-	486
	<u>                    </u>	<u>                    </u>
Directors and Executives of the Management Company		
Cash dividend for the period	-	277
Units issued: 211,334 (2014: 1,687,715)	2,982	25,096
Units redeemed: 144,354 (2014: 149,000)	2,142	2,073
	<u>                    </u>	<u>                    </u>

10 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management Company.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director





Quarterly Report March 31, 2015



## 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) 35630722-6, 111-MEEZAN  
Fax: (9221) 35676143, 35630808  
Website: www.almeezangroup.com  
E-mail: info@almeezangroup.com

### BOARD OF DIRECTORS OF THE PENSION FUND MANAGER

Mr. Ariful Islam	Non-Executive	Chairman
Mr. P. Ahmed	Independent	
Mr. Moin M. Fudda	Independent	
Mr. Atif Azim	Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoaib, CFA	Chief Executive	

### CFO & COMPANY SECRETARY OF THE PENSION FUND MANAGER

Syed Owais Wasti

### AUDIT COMMITTEE

Mr. P. Ahmed	Chairman
Mr. Mazhar Sharif	Member
Syed Amir Ali	Member

### HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member
Mr. Mohammad Shoaib, CFA	Member

### TRUSTEE

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

### AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

### SHARIAH ADVISER

Meezan Bank Limited

### BANKERS TO THE FUND

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

### LEGAL ADVISER

Bawaney & Partners  
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,  
Phase VI, DHA, Karachi.  
Phone: (9221) 35156191-94 Fax: (9221) 35156195  
E-mail: bawaney@cyber.net.pk

### TRANSFER AGENT

Meezan Bank Limited  
SITE Branch  
Plot # B/9-C, Estate Avenue, SITE, Karachi.  
Phone: (9221) 3206 2891 Fax: 3255 2771  
Website: www.meezanbank.com

### DISTRIBUTORS

Al Meezan Investment Management Limited  
Meezan Bank Limited

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at March 31, 2015

Note	(Unaudited) March 31, 2015			Total	Audited June 30, 2015 Total	
	Equity sub fund	Debt sub fund	Money market sub fund			
----- (Rupees in '000) -----						
<b>Assets</b>						
Bank balances	5	55,959	136,916	55,540	248,415	281,259
Receivable against sale of investments		-	-	-	-	26,342
Investments	6	1,919,970	1,157,549	285,987	3,363,506	2,591,331
Dividend receivable		16,891	-	-	16,891	1,223
Profit receivable	7	1,638	24,556	8,729	34,923	19,133
Receivable against change of plan		89,239	36	177		
Deposits with Central Depository Company of Pakistan Limited (CDC) - Trustee		100	100	100	300	300
<b>Total assets</b>		<b>2,083,797</b>	<b>1,319,157</b>	<b>350,533</b>	<b>3,664,035</b>	<b>2,919,588</b>
<b>Liabilities</b>						
Payable against purchase of investments		18,303	-	-	18,303	-
Payable to Al Meezan Investment Management Limited (Al Meezan) - pension fund manager		9,329	6,170	1,801	17,300	8,954
Payable to CDC - Trustee		204	128	34	366	264
Payable to auditors		54	54	54	162	201
Payable to Securities and Exchange Commission of Pakistan (SECP)		456	291	80	827	713
Payable against withdrawal and Change of plan		899	60,468	29,807	91,174	10,520
Accrued expenses and other liabilities	8	16,712	3,327	950	20,989	15,610
<b>Total liabilities</b>		<b>45,957</b>	<b>70,438</b>	<b>32,726</b>	<b>149,121</b>	<b>36,262</b>
<b>Net assets</b>		<b>2,037,840</b>	<b>1,248,719</b>	<b>317,807</b>	<b>3,514,914</b>	<b>2,883,326</b>
Contingencies and commitments	9					
Participants' sub-funds (as per statement attached)		2,037,840	1,248,719	317,807	3,604,366	2,883,326
----- (Number of units) -----						
Number of units in issue (as per statement attached)		5,697,550	6,481,894	1,652,565		
----- (Rupees) -----						
Net assets value per unit		357.67	192.65	192.31		

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the nine months ended March 31, 2015 (Un-audited)

Note	For the nine months ended March 31, 2015			Total	For the Nine months ended March 31, 2014
	Equity sub fund	Debt sub fund	Money market sub fund		
(Rupees in '000)					
<b>Income</b>					
	-	71,069	17,705	88,774	47,006
	-	5,628	-	5,628	-
	4,376	4,264	4,081	12,721	26,062
	64,236	-	-	64,236	41,663
	75,908	(1,276)	151	74,783	181,077
	15,766	(3,493)	67	12,340	10,157
6.3.3	-	8	8	16	(1,792)
	160,286	76,200	22,012	258,498	304,173
<b>Expenses</b>					
	20,500	13,091	3,599	37,190	22,231
	6,847	4,372	1,202	12,421	7,548
	1,573	1,005	276	2,854	1,848
	456	291	80	827	496
	102	102	102	306	312
	-	-	-	-	66
	2,225	83	17	2,325	973
	158	47	35	240	74
	966	-	-	966	656
10	3,310	1,183	321	4,814	6,055
	36,137	20,174	5,632	61,943	40,259
	124,149	56,026	16,380	196,555	263,914
<b>Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net</b>					
	38,023	1,919	(664)	39,278	32,783
	162,172	57,945	15,716	235,833	296,697
<b>Taxation</b>					
	-	-	-	-	-
	162,172	57,945	15,716	235,833	296,697
<b>Other comprehensive income for the period</b>					
<b>Items that can be recalsified to income statement in subsequent periods</b>					
6.4.1	-	(975)	-	(975)	1,332
	162,172	56,970	15,716	234,858	298,029

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM INCOME STATEMENT

For the quarter ended March 31, 2015 (Un-audited)

Note	For the quarter ended March 31, 2015				For the quarter ended
	Equity sub fund	Debt sub fund	Money market sub fund	Total	March 31, 2014
	(Rupees in '000)				
Income					
Profit from sukuk certificates	-	24,723	6,899	31,622	11,514
Profit from term deposit receipt	-	2,373	-	2,373	-
Profit on saving accounts with banks	998	1,815	715	3,528	13,667
Dividend income	20,910	-	-	20,910	14,521
Unrealised (loss) / gain on re-measurement of investments at 'fair value through profit or loss' (net)	(121,779)	6,411	2,331	(113,037)	72,923
Net realised gain / (loss) on sale of investments	3,050	(18)	122	3,154	4,793
Provision against sukuk certificates	-	-	-	-	50
Total income	(96,821)	35,304	10,067	(51,450)	117,468
Expenses					
Remuneration of Al Meezan - pension fund manager	7,596	4,644	1,239	13,479	8,095
Sales tax and federal excise duty on management fee	2,537	1,551	414	4,502	2,798
Remuneration of CDC - Trustee	576	352	94	1,022	664
Annual fee to SECP	169	103	28	300	182
Auditors' remuneration	24	24	24	72	60
Amortisation of Premium	-	-	-	-	-
Brokerage	787	22	6	815	325
Settlement and Bank charges	40	15	12	67	29
Charity Expense	214	-	-	214	190
Provision for Workers' Welfare Fund	(1,512)	572	148	(792)	2,677
Total expenses	10,431	7,283	1,965	19,679	15,020
Net income from operating activities	(107,252)	28,021	8,102	(71,129)	102,448
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	33,167	(20)	(861)	32,286	28,751
Net (loss) / income for the period before taxation	(74,085)	28,001	7,241	(38,843)	131,199
Taxation	-	-	-	-	-
Net (loss) / income for the period after taxation	(74,085)	28,001	7,241	(38,843)	131,199
Other comprehensive income for the period					
Items that can be reclassified to income statement in subsequent periods					
Net unrealised appreciation on re-measurement of investment classified as "available for sale"	6.4.1	-	367	367	662
Total comprehensive (loss) / income for the period	(74,085)	28,368	7,241	(38,476)	131,861

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND

For the nine months ended March 31, 2015 (Unaudited)

	For the nine months ended March 31, 2015			For the Nine months ended March 31, 2014	
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	(Rupees in '000)				
Net assets at beginning of the period	1,537,033	1,047,167	299,126	2,883,326	1,747,336
Amount received on issue of units (2015: Equity sub fund: 1,923,625 Debt sub fund: 2,222,028 units; Money market sub fund: 558,446 units) (2014: Equity sub fund: 1,138,266 units; Debt sub fund: 1,612,254 units; Money market sub fund: 606,443 units)	701,792	417,388	104,183	1,223,363	711,049
Amount paid on redemption of units (2015: Equity sub fund: 894,996 units; Debt sub fund: 1,435,151 units; Money market sub fund: 542,232 units) (2014: Equity sub fund: 410,434 units; Debt sub fund: 623,188 units; Money market sub fund: 802,249 units)	(325,134)	(270,887)	(101,882)	(697,903)	(361,931)
	376,658	146,501	2,301	525,460	349,118
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	(38,023)	(1,919)	664	(39,278)	(32,783)
Net income for the period	162,172	57,945	15,716	235,833	296,697
Net unrealised (diminution)/appreciation on re-measurement of investment classified as "available for sale"	-	(975)	-	(975)	1,332
Total comprehensive income for the period	162,172	56,970	15,716	234,858	298,029
Net assets at end of the period	2,037,840	1,248,719	317,807	3,604,366	2,361,700

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months ended March 31, 2015 (Un-audited)

Note	For the nine months ended March 31, 2015			Total	For the Nine months ended March 31, 2014
	Equity sub fund	Debt sub fund	Money market sub fund		
.....(Rupees in '000).....					
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
Net income for the period	162,172	57,945	15,716	235,833	298,029
Adjustments for:					
Unrealised (gain) / loss on re-measurement of investments at 'fair value through profit or loss'	(75,908)	1,276	(151)	(74,783)	(181,077)
(Reversal) / provision against sukuk certificates	-	(8)	(8)	(16)	1,792
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	(38,023)	(1,919)	664	(39,278)	(32,783)
	48,241	57,294	16,221	121,756	85,961
(Increase) / Decrease in assets					
Receivable against sale of investments	26,342	-	-	26,342	-
Investment (net)	(417,227)	(217,358)	(63,766)	(698,351)	(217,880)
Dividend receivable	(15,668)	-	-	(15,668)	(7,293)
Receivable against change of plan	(89,239)	(36)	(177)	(89,452)	-
Deposits and other receivables	(68)	(10,757)	(4,965)	(15,790)	(7,059)
	(495,860)	(228,151)	(68,908)	(792,919)	(232,232)
Increase / (Decrease) in liabilities					
Payable against purchase of investments	18,303	-	-	18,303	349,137
Payable to Al Meezan - pension fund manager	4,679	2,908	759	8,346	4,086
Payable to CDC - trustee of the Fund	61	34	7	102	50
Payable to SECP	99	29	(14)	114	104
Accrued expenses and other liabilities	3,794	1,228	318	5,340	6,078
	26,936	4,199	1,070	32,205	359,455
Net cash (used in) / inflow from operating activities	(420,683)	(166,658)	(51,617)	(638,958)	213,184
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Receipts of contribution	701,792	417,388	104,183	1,223,363	711,049
Payment on withdrawal	(329,497)	(214,593)	(73,159)	(617,249)	(361,821)
Net cash inflow from financing activities	372,295	202,795	31,024	606,114	349,228
Net cash (used in) / inflow from during the period	(48,388)	36,137	(20,593)	(32,844)	562,412
Cash and cash equivalents at beginning of the period	104,347	100,779	76,133	281,259	204,974
Cash and cash equivalents at end of the period	55,959	136,916	55,540	248,415	767,386

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM CONTRIBUTION TABLE

For the nine months ended March 31, 2015 (Un-audited)

Contribution net of front end fee received during the period	For the nine months ended March 31, 2015						For the Nine months ended March 31, 2014	
	Equity sub fun		Debt sub fund		Money market sub fund		Total	
	Units	Rs. in '000	Units	Rs. in '000	Units	Rs. in '000	Rs. in '000	Rs. in '000
Individuals - issue of units	<u>1,923,625</u>	<u>701,792</u>	<u>2,222,028</u>	<u>417,388</u>	<u>558,446</u>	<u>104,183</u>	<u>1,223,363</u>	<u>711,049</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director

## CONDENSED INTERIM NUMBER OF UNITS IN ISSUE

For the nine months ended March 31, 2015 (Un-audited)

	For the nine months ended March 31, 2015		
	Equity sub fund	Debt sub fund	Money market sub fund
	..... Number of Units .....		
Total units outstanding at beginning of the period	4,668,921	5,695,017	1,636,351
Add: Units issued / converted / reallocated during the period	1,923,625	2,222,028	558,446
Less: Units redeemed / converted / reallocated during the period	(894,996)	(1,435,151)	(542,232)
Total units in issue at end of the period	<u>5,697,550</u>	<u>6,481,894</u>	<u>1,652,565</u>

	For the nine months ended March 31, 2014		
	Equity sub fund	Debt sub fund	Money market sub fund
	..... Number of Units .....		
Total units outstanding at the beginning of the period	3,236,357	3,751,595	1,769,708
Add: Units issued / converted / reallocated during the period	1,138,266	1,612,254	606,443
Less: Units redeemed / converted / reallocated during the period	(410,434)	(623,188)	(802,249)
Total units in issue at end of the period	<u>3,964,189</u>	<u>4,740,661</u>	<u>1,573,902</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director



## NOTE TO THE CONSENSUED INTERIM FINANCIAL INFORMATION

For the nine months ended March 31, 2015 (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 (Al Meezan) 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 (VPS Rules). The registered office of the pension fund manager of the Fund, is situated at Ground Floor, Block B Finance and Trade Centre Shariah-e-Faisal, Karachi 74000, 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 advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.4 The Fund is an unlisted pension scheme. 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 participants.

### 2. BASIS OF MEASUREMENT

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah advisor 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

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the VPS Rules and directives issued by the SECP. In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the VPS Rules and directives issued by the SECP have been followed.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2014.

The accounting policies and method of computation adopted in the preparation of this condensed interim financial information and the significant judgments 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, 2014.

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2014.

		March 31, 2015 (Un-Audited)			June 30, 2014 (Audited)	
		Equity sub-fund	Debt sub-sub	Money market sub fund		Total
----- (Rupees in '000) -----						
5.	BANK BALANCES					
	Current accounts	1,299	-	-	1,299	837
	Savings accounts	54,660	136,916	55,540	247,116	280,422
		<u>55,959</u>	<u>136,916</u>	<u>55,540</u>	<u>248,415</u>	<u>281,259</u>

5.1 The balances in savings accounts carry expected profit which ranges from 3.77% to 9.27% (June 30, 2014: 3.72% to 9.20%) per annum.

		March 31, 2015 (Un-Audited)			June 30, 2014 (Audited)	
		Equity sub-fund	Debt sub-sub	Money market sub fund		Total
----- (Rupees in '000) -----						
6.	INVESTMENTS					
	Held-for-trading					
	- shares of listed companies	1,919,970	-	-	1,919,970	1,426,835
	- sukuk certificates	-	887,541	285,987	1,173,528	1,088,026
		<u>1,919,970</u>	<u>887,541</u>	<u>285,987</u>	<u>3,093,498</u>	<u>2,514,861</u>
	Investments designated at 'fair value through profit or loss upon initial recognition'					
		-	68,513	-	68,513	-
	Available-for-sale					
	- sukuk certificates	-	75,495	-	75,495	76,470
	Loan and receivables	-	126,000	-	126,000	-
		<u>1,919,970</u>	<u>1,157,549</u>	<u>285,987</u>	<u>3,363,506</u>	<u>2,591,331</u>

6.1 'Held-for-trading' - shares of listed companies

Name of the investee company	As at July 1, 2014	Purchases during the period	Cost of purchase	Bonus / rights issue	Sales during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss)	Percentage of net assets on the basis of market value of the respective sub fund (see note 6.1.2 below)	Percentage of paid-up capital of investee company
	--- Number of shares ---		(Rupees in '000)		----- Number of shares -----		----- (Rupees in '000) -----				
Equity Sub Fund											
Sectors/Companies											
Automobile and parts											
Agriauto Industries Limited (note 6.1.1)	45,000	-	-	-	-	45,000	4,343	7,200	2,857	0.35	0.31
Indus Motor Company Limited	20,655	30,000	26,420	-	-	50,655	37,531	51,417	13,886	2.52	0.06
Pak Suzuki Motor Company Limited	115,733	35,000	14,248	-	-	150,733	45,946	52,229	6,283	2.56	0.18
Honda Atlas Cars Pakistan Limited	-	286,700	40,831	-	71,000	215,700	31,975	39,565	7,590	1.94	0.15
Gandhara Nissan Limited	-	12,500	748	-	12,500	-	-	-	-	-	-
Chemicals											
Fauji Fertilizer Bin Qasim Limited	503,951	-	-	-	500,000	3,951	157	184	27	0.01	-
Fauji Fertilizer Company Limited	252,198	362,000	43,623	-	441,000	173,198	20,916	23,077	2,161	1.13	0.01
ICI Pakistan Limited	167,570	-	-	-	-	167,570	65,409	64,452	(957)	3.16	0.18
Fatima Fertilizer Company Limited	-	1,480,000	54,924	-	819,000	661,000	24,530	25,488	958	1.25	0.03
Engro Corporation Limited	-	1,265,000	290,152	-	570,000	695,000	174,778	178,546	3,768	8.76	0.13
Construction and materials (cement)											
DG Khan Cement Company Limited	1,083,897	385,500	33,233	-	430,000	1,039,397	90,878	116,205	25,327	5.70	0.24
Maple Leaf Cement Factory Limited	-	50,000	2,649	-	-	50,000	2,649	2,402	(247)	0.12	0.01
Lucky Cement Limited	312,006	102,500	39,321	-	34,500	380,006	153,410	169,460	16,050	8.32	0.12
Fauji Cement Company Ltd.	2,165,000	430,000	8,761	-	590,000	2,005,000	38,953	57,082	18,129	2.80	0.15
Cheerat Cement Company Limited	137,500	-	2,338	93,500	-	231,000	11,338	15,851	4,513	0.78	0.13
Pioneer Cement Company Limited	142,000	75,000	4,749	-	-	217,000	11,375	17,056	5,681	0.84	0.10
Kohat Cement Company Limited	-	150,000	20,412	-	-	150,000	20,412	24,155	3,743	1.19	0.10
Electricity											
The Hub Power Company Limited	1,735,745	723,500	50,628	-	-	2,459,245	152,586	209,970	57,384	10.30	0.21
Kohinoor Energy Limited	155,000	-	-	-	-	155,000	6,420	6,944	524	0.34	0.09
Pakgen Power Limited	176,000	-	-	-	176,000	-	-	-	-	-	-
K-Electric Limited (note 6.1.1)	2,840,000	200,000	2,044	-	2,000,000	1,040,000	8,971	7,394	(1,577)	0.36	0.01
Lalpir Power Limited	-	805,000	17,414	-	209,000	596,000	12,893	17,803	4,910	0.87	0.16
Fixed line telecommunication											
Pakistan Telecommunication Company Limited "A"	1,888,200	25,000	588	-	1,814,000	99,200	2,524	2,089	(435)	0.10	-
Food producers											
Engro Foods Limited	254,600	30,000	3,575	-	120,000	164,600	17,376	18,205	829	0.89	0.02
General industries											
Packages Limited	210,251	112,000	68,234	-	35,600	286,651	154,676	159,094	4,418	7.81	0.34
Thal Limited (note 6.1.1)	28,645	25,000	5,375	-	-	53,645	11,316	13,698	2,382	0.67	0.13
Oil and gas											
National Refinery Limited	82,000	-	-	-	82,000	-	-	-	-	-	-
Oil and Gas Development Company Limited	436,016	69,500	18,094	-	500,600	4,916	1,284	892	(392)	0.04	0.00
Pakistan Oilfields Limited	200,050	14,000	8,221	-	83,500	130,550	75,085	42,619	(32,466)	2.09	0.06
Pakistan Petroleum Limited	344,457	162,900	37,520	-	137,500	369,857	83,684	57,206	(26,478)	2.81	0.02
Pakistan Slate Oil Company Limited	359,533	106,000	39,023	-	126,000	339,533	130,414	116,935	(13,479)	5.74	0.12
Attock Petroleum Limited	41,920	10,000	5,360	-	-	51,920	30,086	26,996	(3,090)	1.32	0.06
Attock Refinery Limited	1,500	20,000	3,994	-	21,500	-	-	-	-	-	-
Mari Petroleum Company Limited	100,000	122,000	73,764	26,000	17,000	231,000	105,260	119,168	13,908	5.85	0.21
Hascol Petroleum Limited	-	50,000	4,869	-	-	50,000	4,869	4,593	(276)	0.23	0.06
Personal goods (textile)											
Nishat Mills Limited	670,000	50,000	5,142	-	30,000	690,000	76,790	70,504	(6,286)	3.46	0.20
Pharma and bio tech											
Abbott Laboratories (Pakistan) Limited	64,600	5,000	2,946	-	25,000	44,600	25,609	22,181	(3,428)	1.09	0.05
Ferozsons Laboratories Limited	35,000	201,200	121,894	-	25,000	211,200	124,302	104,166	(20,136)	5.11	0.70
The Searle Company Limited	-	133,000	33,911	-	-	133,000	33,912	28,055	(5,857)	1.38	0.15
Engineering											
K.S.B Pumps Company	47,000	29,900	3,993	-	47,000	29,900	3,993	4,005	12	0.20	0.23
Milkat Tractors Limited	-	26,500	16,423	-	-	26,500	16,423	14,215	(2,208)	0.70	0.06
Multilities (Gas and Water)											
Sui Northern Gas Pipelines Limited	625,000	200,000	5,849	-	125,000	700,000	17,174	16,177	(997)	0.79	0.11
Health Care Equipment and Services											
Shifa International Hospital	-	52,700	13,815	-	-	52,700	13,815	12,692	(1,123)	0.62	0.10
Total			1,125,085				1,844,062	1,919,970	75,908	94.20	

6.1.1 All shares have a nominal value of Rs.10 each except Agriauto Industries Limited , Thal Limited having nominal value of Rs.5 and K-Electric Limited having nominal value of Rs. 3.50.

6.1.2 Net assets are as defined in Rule 2(1)(m) of VPS Rules.

## 6.2 'Held-for-trading' - sukuk certificates

Name of the security	Maturity date	Profit rate per annum	As at July 1, 2014	Purchases during the period	Cost of purchase	Sales during the period	Maturity during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss)	Percentage of net assets on the basis of market value of the respective sub fund (see note 6.1.2)
			Number of certificates	(Rupees in '000)	Number of certificates	Number of certificates	Number of certificates	Number of certificates	(Rupees in '000)	(Rupees in '000)		
<b>Debt Sub Fund</b>												
GoP - Ijara sukuk - IX (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	2,590	3,300	330,305	-	-	5,890	592,620	594,242	1,622	47.59
GoP - Ijara sukuk - X (note 6.2.1)	November 21, 2015	.....do.....	1,438	-	-	40	-	1,398	142,540	140,723	(1,817)	11.27
GoP - Ijara sukuk - XI (note 6.2.1)	November 21, 2015	.....do.....	600	440	44,044	620	-	420	42,548	42,315	(233)	3.39
GoP - Ijara sukuk - XII (note 6.2.1)	November 21, 2015	.....do.....	850	240	24,000	-	-	1,090	111,406	109,959	(1,447)	8.81
GoP - Ijara sukuk XIV (note 6.2.1)	March 28, 2016	.....do.....	3	-	-	-	-	3	311	302	(9)	0.02
GoP - Ijara sukuk XV (note 6.2.1)	June 25, 2017	.....do.....	3,080	-	-	3,080	-	-	-	-	-	-
					<u>398,349</u>				<u>889,425</u>	<u>887,541</u>	<u>(1,884)</u>	<u>71.08</u>
<b>Money Market Sub Fund</b>												
GoP - Ijara sukuk - IX (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	1,200	1,340	134,096	-	-	2,540	255,632	256,260	628	80.63
GoP - Ijara sukuk - X (note 6.2.1)	November 21, 2015	.....do.....	180	-	-	30	-	150	14,910	14,628	(282)	4.60
GoP - Ijara sukuk - XI (note 6.2.1)	November 21, 2015	.....do.....	120	210	21,021	330	-	-	-	-	-	-
GoP - Ijara sukuk - XII (note 6.2.1)	November 21, 2015	.....do.....	145	-	-	-	-	145	15,294	15,099	(195)	4.75
GoP - Ijara sukuk XV (note 6.2.1)	June 25, 2017	.....do.....	550	-	-	-	550	-	-	-	-	-
					<u>155,117</u>				<u>285,836</u>	<u>285,987</u>	<u>151</u>	<u>89.98</u>

6.2.1 The nominal value of the sukuk certificates is Rs.100,000 each.

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

Name of the investee company	Maturity date	Profit rate per annum	As at July 1, 2014	Purchases during the period	Cost of purchase	Sales during the period	Redemptions during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain / (loss)	Percentage of net assets on the basis of market value (see note 6.1.2)
			Number of certificates	(Rupees in '000)	-----Number of certificates-----	----- (Rupees in '000) -----						
<b>Debt Sub Fund</b>												
Eden Housing Limited (note 6.3.1)	September 29, 2014	3 months Kibor plus base rate of 2.5%	500	-	-	-	-	500	-	-	-	-
Security Leasing Corporation Limited II (note 6.3.2)	January 19, 2022		156	-	-	-	2	154	-	-	-	-
K-Electric Limited - I (note 6.3.2)	April 19, 2015 of 1.0%	1 months Kibor plus base rate	-	3,000	15,075	-	-	3,000	15,075	14,992	(83)	1.20
K-Electric Limited - II (note 6.3.2)	March 19, 2017	3 months Kibor plus base rate of 2.25%	-	14,400	73,090	4,000	-	10,400	52,830	53,521	691	4.29
					<u>88,165</u>				<u>67,905</u>	<u>68,513</u>	<u>608</u>	<u>5.49</u>
<b>Money Market Sub Fund</b>												
Security Leasing Corporation Limited II (note 6.3.2)	January 19, 2022		156	-	-	-	2	154	-	-	-	-
K-Electric Limited - I (note 6.3.2)	April 19, 2015	1 months Kibor plus base rate of 1.0%	-	1,000	5,025	1,000	-	-	-	-	-	-

6.3.1 The principal buy out reduces the face value per certificate instead of number of certificates. The face value of the sukuk certificates is Rs.984.38 each.

6.3.2 The nominal value of these sukuk certificates is Rs.5,000 each.

6.3.3 Provision on sukuk certificates	(Unaudited)	(Audited)
	March 31, 2015	June 30, 2014
	(Rupees in '000)	
<b>Debt Sub Fund</b>		
Opening	1,271	-
(Reversal) / Provision for the period against Sukuk certificates - net	(8)	1,271
Closing	<u>1,263</u>	<u>1,271</u>
<b>Money Market Sub Fund</b>		
Opening	779	-
(Reversal) / Provision for the period against Sukuk certificates - net	(8)	779
Closing	<u>771</u>	<u>779</u>

6.4 'Available-for-sale' - sukuk certificates

Name of the security	Maturity date	Profit rate per annum	As at July 1, 2014	Purchases during the period	Cost of purchase	Sales during the period	Maturity during the period	As at March 31, 2015	Carrying value as at March 31, 2015	Market value as at March 31, 2015	Unrealised gain	Percentage of net assets on the basis of market value of the respective sub fund (see note 6.1.2)
			Number of certificates	(Rupees in '000)	-----	Number of certificates ----	----- (Rupees in '000) -----					

Debt Sub Fund

GoP - Ijara sukuk - X (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	750	-	-	-	-	750	75,243	75,495	252	6.05
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6.4.1 Net unrealised appreciation on re-measurement of investment classified as 'available for sale'

Debt Sub Fund	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	----- (Rupees in '000) -----	
Market value of investment	75,495	76,470
Less: Cost of investments	75,243	75,243
	252	1,227
Less: Net unrealised diminution on re-measurement of investments classified as 'available for sale' at beginning of the period	(1,227)	-
	(975)	1,227

6.5 Loans and receivables

Term deposit receipts -having original maturity of more than 3 months	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	----- (Rupees in '000) -----	
	126,000	-

6.5.1 Term deposit receipts carry mark-up at 8.35% per annum and maturity on 23 February 2016 maintained with Meezan Bank Limited, a related party.

	March 31, 2015 (Un-Audited)			Total	June 30, 2014 (Audited)
	Equity sub-fund	Debt sub sub	Money market sub fund		
7. PROFIT RECEIVABLE	----- (Rupees in '000) -----				
Profit receivable on					
- saving accounts with banks	1,638	2,648	1,930	6,216	8,997
- sukuk certificates	-	20,841	6,799	27,640	10,136
- Term Deposit Receipts	-	1,067	-	1,067	-
	1,638	24,556	8,729	34,923	19,133

	March 31, 2015 (Un-Audited)			Total	June 30, 2014 (Audited)
	Equity sub-fund	Debt sub sub	Money market sub fund		
8. ACCRUED EXPENSES AND OTHER LIABILITIES	----- (Rupees in '000) -----				
Charity payable	1,512	-	-	1,512	1,046
Brokerage Payable	-	46	9	55	5
Withholding Tax Payable	32	16	3	51	-
Provision for Workers' Welfare Fund	15,168	3,265	938	19,371	14,559
	<u>16,712</u>	<u>3,327</u>	<u>950</u>	<u>20,989</u>	<u>15,610</u>

#### 9. CONTINGENCIES AND COMMITMENTS

The Finance Act 2014 introduced amendments to Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. These shares will be released upon payments of tax by shareholders. The value of tax will be computed on the basis of day-end price on the first day of book closure.

In this regard, a constitution petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs, which is pending adjudication. The petition is based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. A stay order has been granted by the High Court of Sindh in favour of CISs.

In the current period, Mari Petroleum Company Limited issued bonus shares after withholding 5 percent of bonus shares. The Fund has also paid the tax amount aggregating to Rs. 0.598 million to Mari Petroleum. Mari Petroleum returned the pay order due to pending adjudication of the aforementioned constitution petition and the stay order. Furthermore, shares against withholding tax held with Mari Petroleum have not been deposited with the Government Treasury.

There were no other contingencies and commitments outstanding as at March 31, 2015.

#### 10. WORKERS' WELFARE FUND (WWF)

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, during the year ended June 30, 2010, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

The Management Company believes that the aforementioned constitutional petition pending in the SHC has strong grounds for decision in favour of the mutual funds. However, the Pension Fund Manager / Management Company, as a matter of abundant caution, has recognised WWF charge for the period from January 1, 2013 to March 31, 2015 amounting to Rs. 15.168 million, Rs. 3.265 million and Rs. 0.938 million which includes Rs. 3.309 million, Rs. 1.182 million and Rs. 0.321 million pertaining to the current financial period and Rs. 11.859 million, Rs. 2.083 million and Rs. 0.617 million pertaining to prior period for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 2.66 (0.74%), Rs. 0.50 (0.26%) and Rs. 0.57 (0.30%) for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively.

The Board of Directors of the Pension Fund Manager in its meeting held on October 25, 2013 have resolved that unrecorded accumulated WWF provision in the fund from the date of its application till December 31, 2012, in case is

required to be paid, shall be borne by Al Meezan Investment Management Limited (pension fund manager of the fund). Therefore, the Fund is not exposed to this unrecorded accumulated WWF provision. The unrecorded accumulated provision for WWF upto December 31, 2012 is Rs. 3.74 million, Rs. 1.60 million and Rs. 0.98 million in Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively.

#### 11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include Al Meezan Investment Management Limited (Al Meezan) being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, Meezan Bank Limited (MBL) being the holding company of the Management Company, Directors and Officers of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, Meezan Islamic Income Fund, KSE Meezan Index Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund and Meezan Capital Preservation Fund – III and Meezan Capital Preservation Fund- II being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Staff Gratuity Fund and unitholders holding 10 percent or more of the each sub Fund.

Remuneration payable to the management company and the trustee is determined in accordance with the provisions of VPS Rules and the trust deed respectively. Transactions with connected persons are carried out 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 are as follows:

	March 31, 2015 (Un-Audited)			Total	June 30, 2014 (Audited)
	Equity sub fund	Debt sub sub	Money market sub fund		
----- (Rupees in '000) -----					
Al Meezan - pension fund manager					
Remuneration payable	2,250	1,423	377	4,050	3,355
Sindh Sales Tax and Federal Excise Duty on management fee	7,079	4,747	1,424	13,250	5,599
Investments as at March 31, 2015: 260,077 units (June 30, 2014: 260,077 units)	93,022	-	-	93,022	85,620
Meezan Bank Limited					
Balances with bank	2,026	735	181	2,942	131,484
Term Deposit Receipt	-	126,000	-	126,000	-
Profit receivable on Term Deposit Receipt	-	1,067	-	1,067	-
Profit receivable on saving account	4	-	-	4	650
Central Depository Company of Pakistan Limited - Trustee					
Trustee fee payable	204	128	34	366	264
Deposits	100	100	100	300	300



	March 31, 2015 (Un-Audited)				June 30, 2014 (Audited)
	Equity sub fund	Debt sub sub	Money market sub fund	Total	
Directors and Executives of the Management Company					
Investments as at March 31, 2015: (Equity sub fund: 640,751 units; Debt Sub Fund: 308,129 units; Money Market Sub Fund: 21,898 units)	229,177	59,361	4,211	292,749	234,636
as at June 30, 2014: (Equity sub fund: 455,894 units; Debt sub fund: 389,120 units; Money Market sub fund: 71,134 units)					

----- (Rupees in '000) -----

	For the period ended March 31, 2015				For the period ended March 31, 2014
	Equity sub fund	Debt sub sub	Money market sub fund	Total	
Al Meezan - pension fund manager					
Remuneration for the period	20,500	13,091	3,599	37,190	22,231
Sindh Sales Tax and Federal Excise Duty on management fee	6,847	4,372	1,202	12,421	7,548
Meezan Bank Limited					
Profit on Term Deposit Receipt	-	1,067	-	1,067	-
Profit on savings account	531	407	193	1,131	1,653
Central Depository Company of Pakistan Limited - Trustee					
Remuneration for the period	1,573	1,005	276	2,854	1,848
CDS Charges for the period	134	7	5	146	37
Directors and Executives of the Management Company					
Units issued (Equity Sub Fund: 356,622 units; Debt Sub Fund: 193,993 units; Money Market Sub Fund: 49,236 units)	125,895	37,325	9,412	172,632	48,838
Units redeemed / reallocated (Equity Sub Fund: 171,765 units; Debt Sub Fund: 274,984 units; Money Market Sub Fund: 98,472 units)	59,097	52,950	18,929	130,976	12,567

----- (Rupees in '000) -----

## 12. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial assets which are tradable in an open market are valued at the market prices prevailing on the balance sheet date. The fair values of all other financial assets and liabilities are not considered to be significantly different from their carrying values as these financial assets and liabilities are short term in nature.

The Fund classifies fair value measurements of its investments using a hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Fund has equity securities under level 1, GOP sukuku under level 2 and other unlisted sukuku under level 3 of the fair value hierarchy mentioned above.

During the nine-month period ended March 31, 2015, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

## 13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2015 by the Board of Directors of the Management Company.

## 14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

For Al Meezan Investment Management Limited  
(Management Company)

Chief Executive

Director





**Al Meezan Investment Management Ltd.**

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