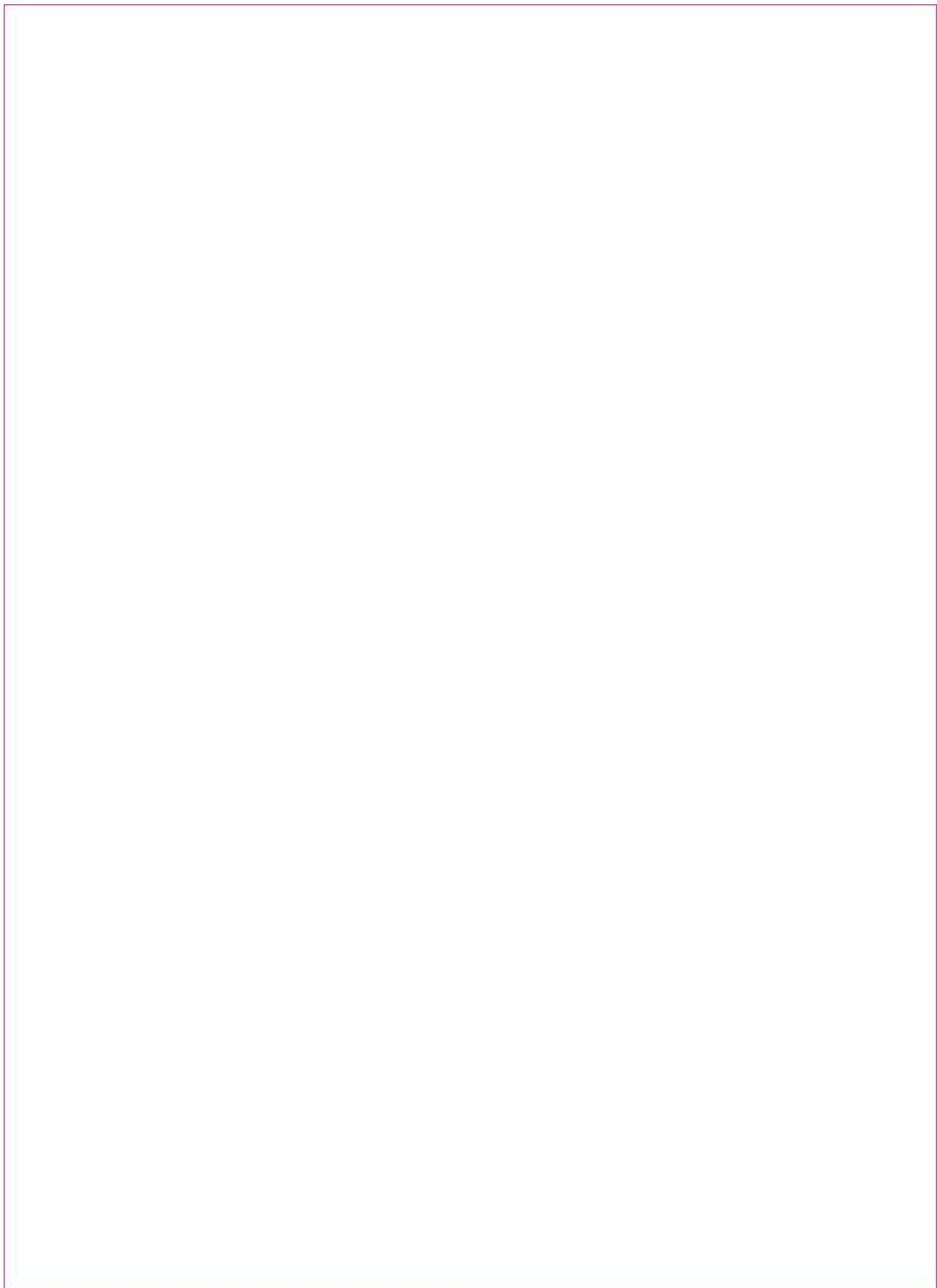


INTELLIGENT PLANNING, INTELLIGENT LIVING



QUARTERLY
REPORT
SEPTEMBER 30,
2016







QUARTERLY REPORT
SEPTEMBER 30, 2016
(UNAUDITED)

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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 OF THE FUNDS

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 quarter ended September 30, 2016.

Equity Funds

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

Balanced Fund

- Meezan Balanced Fund

Asset Allocation

- Meezan Asset Allocation Fund

Income Funds

- Meezan Islamic Income Fund
- Meezan Sovereign Fund

Money Market Fund

- Meezan Cash Fund

Fund of Fund

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

Commodity Fund

- Meezan Gold Fund

Pension Fund

- Meezan Tahaffuz Pension Fund

Economic Review:

Economic performance of Pakistan remained stable during the first quarter of FY17 mainly due to the reforms implemented under the guidance of IMF and the continued trend of low crude oil prices resulting in continuation of soft inflation numbers in the current fiscal year. While the CPI readings are still well below the SBP's target of 6% and categorized under low inflation, they are starting to show a gradual rise, whereby the CPI for 3MFY17 clocked in at 3.85% in comparison to 1.66% during the same period last year. Consequentially the real interest rate scenario remained favorable for the State Bank of Pakistan to maintain its policy rate at 5.75% for a second consecutive bi-monthly MPS. The government is aiming to increase the private sector credit offtake but the same has not picked up significantly so far.

While actively trying to expand the tax net, the FBR made collections worth Rs. 625 billion during this quarter compared to Rs. 600 billion in the same period last year, an increase of 4.2%. The government also managed to contain the fiscal deficit through prudent management. On the external front, concerns persisted as the trade deficit for 2MFY16 expanded by 13% to USD 3.7 billion due to 8% YoY decline in export and 24% YoY increase in imports which amounted to USD 6.9 billion. The current account deficit expanded by 92% during the first two months of FY17 clocking in at 2.5% of GDP compared to 1.4% during the same period last year. Further, foreign remittances during this period amounted to USD 3.09 billion, a decline of 3% YoY, which further added pressure on the current account.

The government worked well towards achieving exchange rate stability as the rupee remained stable around Rs. 104.8 for a dollar. The IMF Extended Fund Facility program (3 year program amounting to USD 6.6 billion in total) also concluded successfully with the last tranche of USD 102 million received recently. The forex reserves of around USD 23.4 billion may come under pressure as foreign currency loan repayments start in next one year and there has not been any pick up in exports. The government plans to raise USD 1 billion from the international debt market through issuance of international Sukuks in October 2016 to build foreign exchange reserves ahead of debt repayments approaching next year.

Going forward, the fundamentals of the economy are expected to continue improving on the back of reforms undertaken by the government, especially the efforts made in the budget for FY17 to facilitate the export oriented industrial sectors. The government is also progressing towards achieving its major targets of 1) keeping inflation below the target of 6%, 2) maintaining fiscal deficit at 4.3% of GDP and 3) achieving GDP growth target of 5.7%. On the agriculture front, cotton output is expected to remain under pressure during the current year as well. Pressure on external account is expected to continue due to low commodity prices and declining exports. The political stability coupled with low interest rates are expected to increase private sector credit offtake in the coming months and should provide the much needed impetus to economic growth.

Money Market Review:

During the first three months of FY17, the State of Pakistan (SBP) stayed firm on its monetary policy stance as it maintained the status quo in its last bi-monthly Monetary Policy Statement (MPS) announced on September 24, 2016, keeping the discount rate at a record low level of 6.25% (and the target policy rate at 5.75%). The SBP cited that the expectation of stable inflation, growth in Large Scale Manufacturing (LSM), rising private sector credit offtake and expectations of higher foreign investment are the reasons for this MPS decision.

Overall, the interest rates and government paper yields in the secondary market were marginally up during this quarter; both 3 months and 6 months KIBORs remained flat at 6.04% and 6.06% respectively. However, T-bills and PIB yields increased by 0-5 bps and 21-30 bps respectively during the period under review.

On the liquidity front, the Money Market faced a relatively tight liquidity scenario during this period, evidenced by Rs. 16.2 trillion worth of OMO injections carried out by SBP coupled with Rs. 496 billion worth of discounting availed by various counters in comparison to Rs. 109 billion worth of OMO mop-ups and Rs. 7 billion worth of floor placements. Alongside, six T-bill and three PIB auctions were conducted during the quarter. In T-bills, cumulatively there was a maturity of Rs. 834.1 billion while Rs. 1.3 trillion was accepted against a participation of Rs. 2.4 trillion thereby showing a net borrowing of Rs. 472 billion. In PIBs, cumulatively there was a maturity of Rs. 1.7 trillion (out of which Rs. 1.35 trillion was due in the month of July, 2016 alone) while Rs. 632 billion was accepted against a participation of Rs. 981 billion thereby showing a debt retirement of Rs. 1.1 trillion.

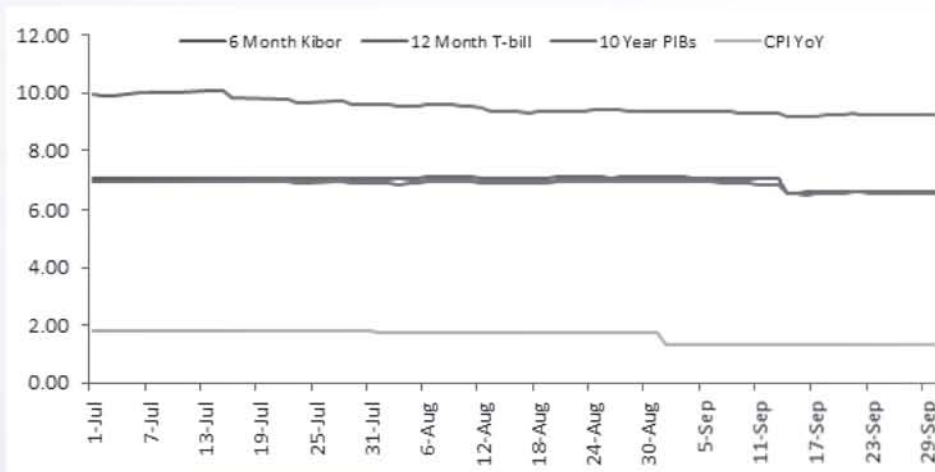
Inflation for September, 2016 clocked in at 3.88% as compared to 3.56% in August 2016 and 1.32% in September, 2015. Average inflation during 3MFY17 stands at 3.85% compared with 1.66% during the same period last year. The trends in international oil and commodity prices are expected to keep the inflation in check and under the SBP's FY17 target of 6%.

The Shariah compliant end of the money market continued facing excess liquidity issue due to shortage of viable investment avenues especially because a new GoP Ijarah Sukuks auction has not been carried out since April 2016. Currently there are only four GoP Ijarah outstanding (two fixed rate and two floaters) cumulatively amounting to Rs. 364 billion. The government currently plans to launch a US dollar denominated international Sukuks of \$ 1,000 million. If successful, the deal would mark Pakistan's return to the international Sukuks market after a two-year absence; in its last auction, the government had managed to raise \$1 billion in late 2014. It is

pertinent to note however that any news regarding a local GOP Sukuks issue has not surfaced during FY17 so far despite a huge Bai Muajjal maturity amounting to Rs. 225.3 billion scheduled during the next quarter (November, 2016). Absence of fresh GOP Ijarah Sukuks auctions until this maturity will push the Islamic market into a graver liquidity crisis.

On the forex front, during the period under review, the rupee gained value in the interbank market where it closed 12 paise higher at Rs. 104.72/\$ while in the open market, it slightly lost value closing 20 paise lower at Rs. 105.30/\$.

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



Equity Review:

During 1QFY17, the KMI-30 Index posted a return of 4.23% to close at 68,959 points and KSE-100 Index posted a return of 7.3% to close at 40,542 points. The participation in the market however remained higher in the KMI-30 index with volumes up by 12.1% but lower in the KSE-100 index with volumes down by 9.9%.

The fiscal year started on a positive note as the market continued its positive momentum on the back of Pakistan's reclassification into MSCI's Emerging markets category at the end of the previous fiscal year. The market's strong performance was attributable to foreign buying in MSCI stocks which also brought about local interest in these scrips. Globally, concerns regarding Britain's exit from the European Union unsettled investors for a short time period, however, the local equity market remained largely unaffected as the MSCI's reclassification euphoria took over. The Index remained on track subsequently clocking in record high levels with the KMI-30 Index touching an all-time high of 70,400 points on 21st September, 2016 and the KSE-100 touching the all-time high of 40,542 points on 30th September, 2016.

Oil prices remained range bound during the quarter due to supply glut. However, in a meeting towards the end of the quarter, oil producers agreed to freeze output at 32.5-33 million bbls/day which caused oil prices to rally sharply after a volatile three month period; WTI closed down by 4.4% at USD 47.92/bbl during the quarter. Political concerns, both local and international created volatility in the stock market during the quarter. Opposition parties continued to put pressure on the government due to the Panama scandal and announced protests and rallies. On the international side, tensions between India and Pakistan escalated towards the end of the quarter

after a terrorist attack on an Indian base in Occupied Kashmir. The market remained volatile due to concerns on the political side. Nevertheless, factors such as strong corporate result announcements, low inflation readings and continued interest in MSCI stocks supported the market.

The end of the quarter saw increased volumes in third tier scrips with names like Dewan Cement, Bank of Punjab, TRG, K-Electric and Sui Southern among others driving the market activity. Dewan Cement saw increased interest from investors as news emerged regarding a Chinese Corporate showing interest to carry out due diligence for a potential acquisition of the company. Likewise, K-Electric also saw increased volumes as news materialized regarding Shanghai Electric's interest to acquire a majority stake in the company.

In order to achieve administrative efficiency and encourage market activity, during the last fiscal year, Pakistan's three stock exchanges had been merged into a single stock exchange: Pakistan Stock Exchange (PSX). During this quarter, a demutualization strategy was put into effect as PSX invited interest from potential investors in order to divest up to 40% of the exchange's ownership stake. This should be a positive for the market as a few potential foreign investors have already shown interest for carrying out due diligence in this regard and if materialized, this would translate into foreign investment inflow. The transaction is expected to be finalized during the first half of FY17.

Fundamentals of the local market stay strong; MSCI's reclassification has increased interest in stocks to be included in MSCI Emerging Market Index and local punter activity in third tier stocks has increased market volumes.

Corporate Profitability and major contributors to the Index:

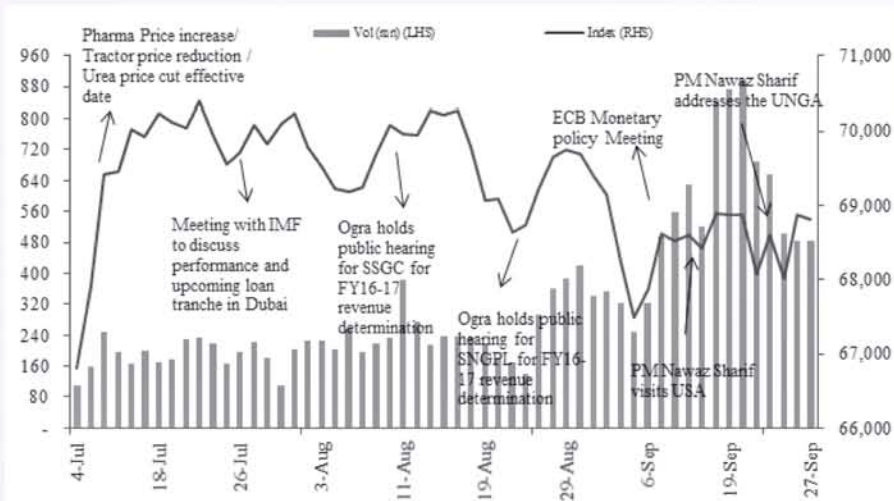
During 1QFY17, Autos and Oil & Gas remained the best performing sectors. The highest contributing stocks in KMI-30 index during the period were:

Positive Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Honda Atlas Cars Ltd.	585	70.4
Pakistan Oilfields Ltd.	472	15.5
Nishat Mills Ltd.	470	30.6
Pak Suzuki Motor Company Ltd.	346	51.5
Pakistan Petroleum Ltd.	336	5.6

On the flip side, Fertilizers remained the worst performing sector. The least contributing stocks in KMI-30 index during the period were:

Negative Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Engro Corporation Ltd.	-885	-12.5
Dawood Hercules Corporation Ltd.	-434	-10.7
Kot Addu power Company Ltd.	-198	-6.2
Maple Leaf Cement Factory Ltd.	-187	-9.2
Engro Foods Ltd.	-159	-10.4

The overall movement of the KMI-30 during the period can be observed in the following graph:



Equity Flows:

Stock market witnessed outflows of USD 38.5 million by foreign investors during the quarter under review. Highest outflow was recorded in Fertilizer Sector at USD 82 million mainly due to foreign selling in ENGRO and EFERT, followed by Food and Personal Care Sector with an outflow of USD 33 million, Cement sector with an outflow of USD 21 million and Oil & Gas exploration sector with an outflow of USD 3 million. Inflows were witnessed in the Banking sector of USD 35 million, in other sectors of USD 33 million, Oil & Gas marketing sector of USD 18 million and Textile sector of USD 8 million. Mutual Funds remained net buyers to the tune of USD 77 million, NBFCs were net buyers of USD 36 million and Companies also had a net buy worth USD 25 million. Individuals, Banks and Brokers were net sellers with selling of USD 60 million, USD 35 million and USD 2 million respectively.

Mutual Fund Industry Review:

During the first two months of FY17, AUMs of the mutual funds industry witnessed an increase of 11.1% to the size of Rs. 505 billion. Shariah Compliant funds AUMs increased by 13.3% during the period under review to Rs. 154 billion which brings share of Shariah Compliant funds at 30.6% in the mutual fund industry. Al Meezan's share in the overall Mutual Funds industry stands at 15.5% while among the Shariah Compliant Funds, it has a share of 50.8% as of August 31, 2016 compared to 14.6% and 55.7% 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 two months ended August 2016. The combined category showed a rise of 13.1% to reach Rs 227 billion at period end. While conventional funds in this category rose by 12.4%, Shariah Compliant funds increased by 15.8%. Open end Equity funds (including index tracker), increased by 10.6% to Rs. 219 billion as of August 31, 2016 compared to Rs. 198 billion as on June 30, 2016. Conventional funds in this category rose by 8.9% while Shariah Compliant equity based funds showed a reasonable growth of 13.9% in the period under review and stood at Rs. 78 billion.

Capital protected, balanced, and asset allocation funds combined showed a rise of 5.4% to reach Rs 38 billion at period end. While conventional funds in this category rose by 1.0%, Shariah Compliant funds increased by 11.0% in the period under review and stood at Rs. 17 billion. Commodity funds in the industry surged to Rs. 847 million at the end of August 31, 2016 compared to Rs 688 million as on June 2016, reflecting decent growth of 23.1%.

Voluntary Pension Funds showed modest growth of 6.4% during the period under review with their cumulative fund size clocking in over Rs. 20 billion mark, as on August 31, 2016. Shariah compliant Pension Funds also witnessed a decent growth of 7.2% in the period under review to clock in at Rs 12.3 billion as of August end. Meezan Tahaffuz Pension Fund (MTPF) continues to lead the pension fund market with a 34.8% market share while in the Shariah Compliant mutual funds industry, MTPF holds a 56.4% share compared to 56.2% in the corresponding period last year.

PERFORMANCE REVIEW (FUNDS)

Meezan Islamic Fund

The net assets of Meezan Islamic Fund (MIF) as at September 30, 2016 were Rs. 35,197 million as compared to Rs. 32,554 million at end of June 2016. The net asset value (NAV) per unit as at September 30, 2016 was Rs. 70.81 in comparison to Rs. 66.21 (Ex-Dividend) as on June 30, 2016 providing a return of 6.94% during the quarter to its investors as compared to benchmark KSE Meezan Index (KMI 30) return of 4.23%.

AI Meezan Mutual Fund

The net assets of AI Meezan Mutual Fund (AMMF) as at September 30, 2016 were Rs. 6,037 million as compared to Rs. 5,418 million at end of June 2016. The net asset value per unit as at September 30, 2016 was Rs. 19.11 as compared to Rs. 17.99 (Ex-Dividend) on June 30, 2016, providing a return of 6.21% during the quarter to its investors as compared to benchmark KSE Meezan Index (KMI 30) return of 4.23%.

KSE Meezan Index Fund

The net assets of KSE Meezan Index Fund (KMIF) as at September 30, 2016 were Rs. 914 million as compared to Rs. 881.63 million at June 30, 2016. The net asset value per unit at September 30, 2016 was Rs. 81.88 as compared to Rs. 78.91 (Ex-Dividend) on June 30, 2016 providing a return of 3.77% during the quarter to its investors, while the benchmark KSE Meezan Index (KMI 30) increased by 4.23%.

Meezan Islamic Income Fund

The net assets of Meezan Islamic Income Fund (MIIF) as at September 30, 2016 were Rs. 11,096 million as compared to Rs. 9,051 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 51.97 as compared to Rs. 51.28 (Ex-Dividend) on June 30, 2016 providing an annualized return of 5.34% as compared to the benchmark return of 3.05%.

Meezan Sovereign Fund

The net assets of Meezan Sovereign Fund (MSF) as at September 30, 2016 were Rs. 9,386 million as compared to Rs. 7,945 million at June 30, 2016. The net asset value per unit at September 30, 2016 was Rs. 51.57 as compared to Rs. 50.80 (Ex-Dividend) on June 30, 2016, providing an annualized return of 5.97% to the investors as compared to the benchmark return of 4.24%.

Meezan Cash Fund

The net assets of Meezan Cash Fund (MCF) at September 30, 2016 were Rs. 3,397 million as compared to Rs. 3,432 million at June 30, 2016. The net asset value per unit at September 30, 2016 was Rs. 50.73 as compared to Rs. 50.14 on June 30, 2016 providing an annualized return of 4.68% as compared to the benchmark return of 4.24%.

Meezan Balanced Fund

The net assets of Meezan Balanced Fund (MBF) as at September 30, 2016 were Rs. 5,770 million as compared to Rs. 4,708 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 16.45 as compared to Rs.15.84 on June 30, 2016 providing a return of 3.87% to its investors as compared to benchmark return of 2.49%.

MEEZAN FINANCIAL PLANNING FUND OF FUNDS

Aggressive Allocation Plan

The net assets of the plan were Rs. 471 million as at September 30, 2016 in comparison to Rs. 443 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 77.24 as compared to Rs.73.37 on June 30, 2016 providing a return of 5.28% to its investors as compared to benchmark return of 3.12%.

Moderate Allocation Plan

The net assets of the plan were Rs. 423 million at September 30, 2016 as compared to Rs. 367 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 68.07 as compared to Rs. 65.32 on June 30, 2016 providing a return of 4.22% to its investors as compared to benchmark return of 2.64%.

Conservative Allocation Plan

The net assets of the plan as at September 30, 2016 were Rs. 402 million as compared to Rs. 327 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 62.37 as compared to Rs. 60.71 on June 30, 2016 providing a return of 2.73% to its investors as compared to benchmark return of 1.69%.

Meezan Capital Preservation Plan-I

The net assets of the plan as at September 30, 2016 were Rs. 1,649 million as compared to Rs. 1,576 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 58.35 as compared to Rs. 55.64 on June 30, 2016 providing a return of 4.87% to its investors as compared to benchmark return of 2.82%.

Meezan Capital Preservation Plan-II

The net assets of the plan as at September 30, 2016 were Rs. 3,095 million as compared to Rs. 3,035 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 52.50 as compared to Rs. 50.73 on June 30, 2016 providing a return of 3.50% to its investors as compared to benchmark of 2.17%.

Meezan Asset Allocation Plan-I

The net assets of the plan as at September 30, 2016 were Rs. 1,335 million as compared to Rs. 1,278 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 57.26 as compared to Rs. 54.03 on June 30, 2016 providing a return of 5.97% to its investors as compared to benchmark of 4.24%.

Meezan Asset Allocation Plan-II

The net assets of the plan as at September 30, 2016 were Rs. 978 million as compared to Rs. 925 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 57.94 as compared to Rs. 54.75 on June 30, 2016 providing a return of 5.83% to its investors in comparison to benchmark return of 4.05%.

Meezan Asset Allocation Plan-III

The net assets of the plan as at September 30, 2016 were Rs. 2,988 million as compared to Rs. 2,851 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 57.19 as compared to Rs. 54.03 on June 30, 2016 providing a return of 5.85% to its investors as compared to benchmark return of 4.12%.

Meezan Asset Allocation Plan-IV

The net assets of the plan as at September 30, 2016 were Rs. 918 million as compared to Rs. 532 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 50.49 as compared to Rs. 48.42 on June 30, 2016 providing a return of 4.26% to its investors as compared to benchmark return of 2.81%.

Meezan Capital Preservation Fund-II

The net assets of the Fund as at September 30, 2016 were Rs. 1,282 million as compared to Rs. 1,221 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 64.64 as compared to Rs. 61.38 on June 30, 2016 providing a return of 5.32% to its investors as compared to benchmark return of 3.28%.

Meezan Gold Fund (MGF)

The net assets of the Fund as at September 30, 2016 were Rs. 389 million as compared to Rs. 321 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 54.17 as compared to Rs. 54.53 on June 30, 2016. During the quarter under consideration, the return on MGF remained negative by 0.65% as compared to benchmark return of 0.68%.

Meezan Asset Allocation Fund

The net assets of the Fund as at September 30, 2016 were Rs. 744 million as compared to Rs. 460 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 52.74 as compared to Rs. 51.06 on June 30, 2016 providing a return of 3.30% to its investors as compared to benchmark return of 2.41%.

Meezan Tahaffuz Pension Fund (MTPF)

MTPF comprises of four sub funds namely Equity sub fund, Debt sub fund, Money Market sub fund and Gold sub fund. For the period ended September 30, 2016, the performance review for each sub fund is given as under:

Equity Sub Fund

The net assets of this sub fund were Rs. 4,493 million at September 30, 2016 as compared to Rs. 4,099 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 518.15 as compared to Rs. 491.95 on June 30, 2016 providing a return of 5.33% to its investors.

Debt Sub Fund

The net assets of the Debt sub fund as at September 30, 2016 were Rs. 2,064 million as compared to Rs. 1,997 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 207.19 as compared to Rs. 204.48 on June 30, 2016 providing an annualized return of 5.26%.

Money Market Sub Fund

The net assets of the Money Market sub fund as at September 30, 2016 were Rs. 454 million as compared to Rs. 453 million at June 30, 2016. The net asset value per unit as at September 30, 2016 was Rs. 205.40 as compared to Rs. 203.23 on June 30, 2016 providing an annualized return of 4.23% to its investors.

Gold Sub Fund

The net assets of the Gold sub fund as at September 30, 2016 were Rs. 44 million, this sub fund was launched subsequent to year end. The net asset value per unit as at September 30, 2016 was Rs. 97.11.

Expense Ratio

Annualized Total Expense Ratio for the quarter ended September 30, 2016 is as below:

Fund /Plan Name	Total Expense Ratio (annualized) %	Expense ratio of government levy on funds (annualized) %
MEEZAN ISLAMIC FUND	2.72	0.38
AL MEEZAN MUTUAL FUND	2.77	0.37
KSE MEEZAN INDEX FUND	1.87	0.25
MEEZAN BALANCED FUND	2.72	0.36
MEEZAN ISLAMIC INCOME FUND	1.99	0.28
MEEZAN SOVEREIGN FUND	1.43	0.22
MEEZAN CASH FUND	1.47	0.22
MEEZAN CAPITAL PRESERVATION FUND-II	0.47	0.10
MFPF-AGGRESSIVE ALLOCATION PLAN	0.30	0.11
MFPF-MODERATE ALLOCATION PLAN	0.32	0.11
MFPF-CONSERVATIVE ALLOCATION PLAN	0.37	0.11
MFPF-MEEZAN CAPITAL PRESERVATION PLAN-I	0.30	0.11
MFPF-MEEZAN CAPITAL PRESERVATION PLAN-II	0.29	0.11
MFPF-MEEZAN ASSET ALLOCATION PLAN-I	0.30	0.11
MFPF-MEEZAN ASSET ALLOCATION PLAN-II	0.31	0.11
MFPF-MEEZAN ASSET ALLOCATION PLAN-III	0.29	0.11
MFPF-MEEZAN ASSET ALLOCATION PLAN-IV	0.33	0.11
MEEZAN ASSET ALLOCATION FUND	2.77	0.32
MEEZAN GOLD FUND	2.90	0.29

Outlook

The upcoming US Presidential elections and OPEC meeting in November, 2016 are likely to determine the near term direction of global capital markets; US stance on interest rates with rate hike expectations in December 2016 and geo-political tensions between Pakistan and India are other important factors that can create volatility in the local equity market.

The government has been consistently working towards revival of the country's industrial sector by trying to mitigate the energy crisis; the LNG initiatives being undertaken currently are part of this focus. While the political environment appears to be heated with the issue of Panama leaks and PTI's Raiwind protests, it appears that political stability will continue. The clashes between India and Pakistan at the LOC have also raised a few economic as well as security concerns but the two countries are mature enough to realize the repercussions of going to war hence, the current tensions are expected to ease off in some time. The transition of army's top command towards a new army chief is also on the cards but the broad strategy is expected to continue and additional positives from the accountability initiatives are expected to materialize going forward.

The KSE 100 index rise to 40,000 points reflects on the constantly improving macroeconomic fundamentals of Pakistan as well as the potential/expectation of further improvement. Most importantly, CPEC could be a game changer for Pakistan and the development work for it is being undertaken with full throttle. Pakistan stock market's reclassification in MSCI's Emerging Markets category will lead to Pakistan's inclusion in the emerging markets index by the end of this fiscal year and the same is expected to attract foreign inflows which shall provide an additional thrust to the stock market. While some political concerns may persist in the near term, equities are expected to stay strong and continue to provide positive returns in the long run.

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 Limited for their continued assistance and support on Shariah aspects of fund management.

For and on behalf of the Board.

Date: October 6, 2016

Mohammad Shoaib, CFA
Chief Executive Officer

ڈائریکٹرز رپورٹ

المیزان انویسٹمنٹ مینجمنٹ لمیٹڈ کا بورڈ آف ڈائریکٹرز 30 ستمبر 2016ء کو ختم ہونے والی سہ ماہی کیلئے درج ذیل اوپن اینڈ فنڈز اور والنٹری پنشن اسکیم کے غیر آڈٹ شدہ مالیاتی گوشواروں کو پیش کرتے ہوئے خوشی محسوس کر رہا ہے۔

ایکویٹی فنڈز

- میزان اسلاک فنڈ
- المیزان میوچل فنڈ
- کے ایس ای۔ میزان انڈیکس فنڈ

بیلنسڈ فنڈ

- میزان بیلنسڈ فنڈ

ایسٹ ایلیویشن

- میزان ایسٹ ایلیویشن فنڈ

آگم فنڈز

- میزان اسلاک آگم فنڈ
- میزان سوورن فنڈ

مٹی مارکیٹ فنڈ

- میزان کیش فنڈ

فنڈ آف فنڈز

- میزان فنانشل پلاننگ فنڈ آف فنڈز
- میزان کیپیٹل پریزیرویشن فنڈ-II

کموڈٹی فنڈ

- میزان گولڈ فنڈ

پنشن فنڈ

- میزان تحفظ پنشن فنڈ

اقتصادی جائزہ:

مالیاتی سال 2017ء کی پہلی سہ ماہی کے دوران پاکستان کی اقتصادی کارکردگی آئی ایم ایف کی رہنمائی میں اصلاحات اور خام تیل کی قیمتوں میں مسلسل کمی کی وجہ سے مستحکم رہی، جس کے نتیجے میں موجودہ مالی سال میں افراط زر قابو میں رہا جبکہ کنزیومر پرائس انڈیکس تا حال اسٹیٹ بینک آف پاکستان کے 6% ہدف سے کم رہا اور کم افراط زر کی درجہ بندی میں رہا۔ ان میں بتدریج اضافہ ظاہر ہوا جس کے تحت کنزیومر پرائس انڈیکس گزشتہ سال کے اسی دورے کے 1.66% کی نسبت مالیاتی سال 2017ء کے تین مہینوں میں 3.85% رہا۔ جس کی وجہ سے حقیقی انٹرسٹ ریٹ کا منظر نامہ اسٹیٹ بینک کیلئے موافق رہا اور وہ دوسری دو ماہی کیلئے متواتر اپنے پالیسی ریٹ 5.75% پر قائم رہا۔ حکومت نجی شعبے کی قرض کی استعداد بڑھانے کیلئے پُر عزم ہے لیکن اب تک اس میں خاطر خواہ اضافہ نہ ہو سکا۔

نیکس نیٹ کو وسعت دینے کیلئے، ایف بی آر نے اس سہ ماہی میں گزشتہ سال کے اسی عرصے میں 600 ملین روپے کے بجائے 4.2% اضافے کے ساتھ 625 ملین روپے جمع کیے۔ حکومت نے واٹسماندہ منجمنٹ کے ذریعے بجٹ خسارے کو کم کیا۔ خارجی محاذ پر، مالیاتی سال 2016ء کے دو مہینوں میں ایکسپورٹ میں 8% سالانہ کمی کی وجہ سے تجارتی خسارہ 13% سے بڑھ کر 3.7 ملین امریکی ڈالر پر آ کر رکا اور ایکسپورٹ میں سالانہ 24% اضافہ ہوا جس کی مالیت 6.9 ملین امریکی ڈالر رہی۔ مالیاتی سال 2017ء کے ابتدائی دو مہینوں میں کرنٹ اکاؤنٹ خسارہ 92% بڑھا جو جی ڈی پی کا 2.5% ہے جبکہ گزشتہ سال کے اسی عرصے میں یہ 1.4% تھا۔ مزید یہ کہ بیرونی ریونیو سالانہ 3% کمی کے ساتھ 3.09 ملین امریکی ڈالر رہے، جس نے کرنٹ اکاؤنٹ کو مزید دباؤ میں رکھا۔

حکومت نے زرمبادلہ کی شرح کے استحکام کیلئے اچھے اقدامات اٹھائے جس سے روپے کی قدر ایک ڈالر کیلئے 104.8 پر مستحکم رہی۔ آئی ایم ایف کا ایکسیٹو ڈیفنڈ فیئیلیٹی پروگرام (تین سالہ پروگرام) کی مالیت 6.6 ملین امریکی ڈالر) بھی آخری قسط 102 ملین امریکی ڈالر کی حالیہ کامیاب وصولی کے بعد ختم ہوا۔ فاریکس ذخائر تقریباً 23.4 بلین امریکی ڈالر اگلے سال فارن کرنسی لون کی ادائیگیاں شروع ہونے کے بعد دباؤ میں آ سکتے ہیں اور ایکسپورٹس میں کسی قسم کا کوئی اضافہ موجود نہیں ہے۔ حکومت نے اکتوبر 2016ء میں بین الاقوامی صلحہ کے اجراء سے انٹرنیشنل ڈیٹ مارکیٹ سے 1 بلین امریکی ڈالر کے اضافے کے ساتھ اگلے سال ڈیٹ ادائیگیوں کے مقابلے میں فارن ایکسیٹو کے ذخائر کو مستحکم کرنے کی منصوبہ بندی کی ہے۔

آگے بڑھتے ہوئے، معیشت کی اساسیات کے مطابق توقع کی جاتی ہے کہ حکومت کی جانب سے اصلاحات بالخصوص مالیات سال 2017ء کے بجٹ میں ایکسپورٹ انڈسٹریل سیکٹرز کو دی جانے والی سہولیات کو جاری رکھا جائے گا۔ حکومت اپنے اہم اہداف کے حصول کیلئے بھی اقدامات کر رہی ہے (1) افراط زر کو ہدف 6% سے کم رکھنا، (2) مالیاتی خسارے کو جی ڈی پی کے 4.3% رکھنا، اور (3) جی ڈی پی کی نمو کو ہدف 5.7% حاصل کرنا۔ ذریعہ محاذ پر، رواں سال کے دوران کپاس کی پیداوار بھی دباؤ میں رہنے کا امکان ہے۔ خارجی اکاؤنٹس پر ایشیا کی کم قیمتوں اور ایکسپورٹ میں کمی کی وجہ سے دباؤ جاری رہنے کی توقع کی جا رہی ہے۔ سیاسی استحکام کے ساتھ، کم شرح سود اور نجی شعبے کے قرضہ جات کی اٹھان آئندہ مہینوں میں مزید بڑھنے کی توقع ہے جس سے اقتصادی شرح نمو کو مزید تقویت ملے گی۔

بازار زر کا جائزہ:

مالی سال 2017ء کے پہلے تین ماہ کے دوران، اسٹیٹ بینک اپنے نرم مالیاتی موقف پر کاربند رہتے ہوئے شرح رعایت (ڈسکاؤنٹ ریٹ) میں اپنے دو ماہی مونیٹری پالیسی اسٹیٹمنٹ (MPS) جو کہ 24 ستمبر 2016ء میں اعلان کیا گیا کہ شرح رعایت (ڈسکاؤنٹ ریٹ) 6.25% پر یکاڑ کو کم سطح پر ہوگا (اور نارگٹ پالیسی ریٹ کو 5.75%)۔ اسٹیٹ بینک کے مطابق، مستحکم افراط زر اور بڑے پیمانے پر مینوفیکچرنگ (LSM)، نجی شعبے کے قرضہ جات کی اٹھان اور بڑے پیمانے پر بیرونی سرمایہ کاری کی توقع صورتحال نے اس شرح رعایت میں کمی کیلئے ڈھال فراہم کی۔ مالی سال 2016ء میں مجموعی ڈسکاؤنٹ ریٹ 75 bps کم ہوا جو کہ گزشتہ مالی سال 2015ء کے میں اس مونیٹری پالیسی اسٹیٹمنٹ کے فیصلے کی وجوہات ہیں۔

مجموعی طور پر، اس سہ ماہی کے دوران شرح سود اور ثانوی مارکیٹ میں حکومتی کاغذ کے پیداوار میں بہتری، سہ ماہی اور ششماہی دونوں KIBORs بالترتیب 6.04% اور 6.06% رہے تاہم T-Bills اور PIB زیر جائزہ عرصے کے دوران بالترتیب 5bps اور 21-30bps رہی۔

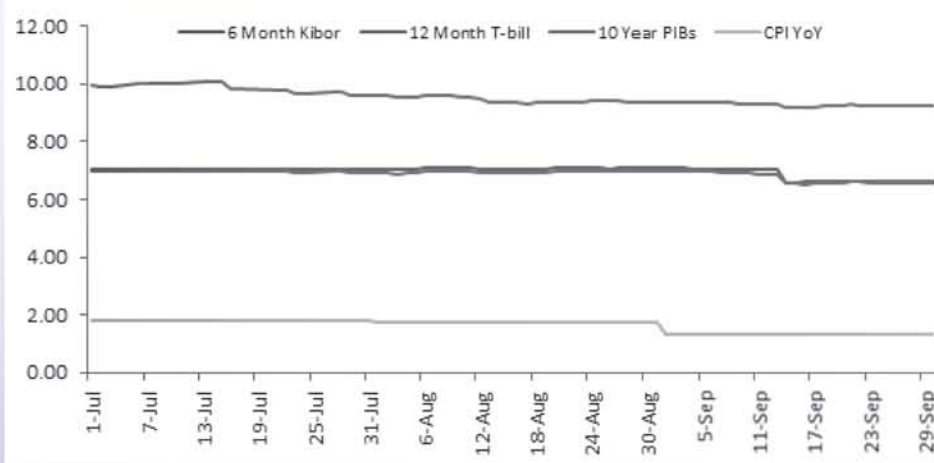
سیالیت (Liquidity) کے محاذ پر، بازار زر نے اس عرصے کے دوران قدرے سخت سیالیتی منظر نامے کا سامنا کیا ہے، اسٹیٹ بینک کی جانب سے مختلف اوپن مارکیٹ آپریشنز (OMO) کے ذریعے 16.2 کھرب روپے فراہم کیے جس کے ساتھ 494 ملین روپے مالیت کی رعایتیں (Discounts) مختلف کاؤنٹرز کی جانب سے حاصل کی گئیں جو صرف 109 ملین روپے مالیت کے اوایم اوکی (mop-ups) اور 7 ملین روپے مالیت کی فلور پلیمینٹس کے مقابلے میں تھیں۔ اس کے ساتھ سہ ماہی کے دوران 6 عدد T-Bills، 3 عدد PIB کی نیلامی کا بھی اہتمام کیا گیا؛ T-bills میں، 834.1 ملین روپے کی چنگلی (میچورٹی) تھی جبکہ 2.4 ٹریلین کی شرکت کے عوض 1.3 ٹریلین روپے قبول کیے گئے۔ اس طرح خالص قرضہ 472 ملین روپے ظاہر کیا جا رہا ہے۔ PIBs میں، 1.7 ٹریلین روپے کی چنگلی (میچورٹی) تھی (ان 1.35 ٹریلین روپوں میں سے جو جولائی 2016ء میں باقی تھے) جبکہ 632 ملین روپے 981 ملین روپوں کی ایک شرکت کے عوض قبول کیے گئے۔ اس طرح ڈیٹ ریٹائرمنٹ 1.1 ٹریلین روپے ظاہر کیا جا رہا ہے۔

ستمبر 2016ء میں افراط زر اگست 2016ء کے 3.56% اور ستمبر 2015ء کے 1.32% کے مقابلے میں 3.88% رہا۔ مالی سال 2017ء کی سہ ماہی کا اوسط افراط زر پچھلے سال کے اسی عرصے کے دوران 1.66% کے مقابلے میں 3.85% ہے۔ بین الاقوامی سطح پر تیل اور ایشیائے جنوبی کی قیمتوں کی وجہ سے توقع ہے کہ افراط زر چیک میں اور اسٹیٹ بینک کے مالی سال 2017ء کے ہدف 6% کے موافق رہے۔

بازار زر کی شریعت سے ہم آہنگی جسے سرمایہ کاری کے مواقع کی قلت کے سبب زریالی کی بہتات کے مسئلے کا سامنا ہے خاص طور پر اس کی وجہ سے کہ نئے GOP اجارہ صکوک کی نیلامی اپریل 2016ء سے نہیں ہو پائی۔ فی الوقت صرف چار GOP اجارہ (دو کلسڈ ریٹ اور دو فلوٹرز) مالیت 364 بلین روپے ہیں۔ حکومت نے حال ہی میں امریکی ڈالر سے موسوم 1,000 بلین امریکی ڈالر کا بین الاقوامی صکوک جاری کرنے کی منصوبہ بندی کی ہے۔ اگر ایسا ہو پاتا تو دو سال کی غیر حاضری کے بعد بین الاقوامی صکوک مارکیٹ میں پاکستان اپنی واپسی کو ممکن بنا پائے گا۔ اپنی آخری نیلامی میں، حکومت نے 2014ء کے اواخر میں 1 بلین امریکی ڈالر حاصل کیے تھے۔ واضح رہے کہ مالی سال 2017ء کے دوران مقامی GOP صکوک کے اجراء سے متعلق کوئی خبر نہیں آئی باوجود اس کے کہ بڑے بیچ و بخر 225.3 بلین روپے کی پختگی (میچورٹی) اگلی سہ ماہی (نومبر 2016ء) میں مکمل ہو جائے گی۔ نئی GOP اجارہ صکوک نیلامیوں کی عدم موجودگی ان پختگیوں کی تکمیل تک اسلامک مارکیٹ کو ایک سنگین بحران میں دھکیل دے گی۔

زرمبادلہ کے محاذ پر، زیر جائزہ مدت کے دوران، روپے نے انٹرنیشنل مارکیٹ میں اپنی قدر بڑھائی جہاں 12 سپیے اضافے کے ساتھ فی ڈالر 104.72 روپے پر بند ہوئی، جبکہ اوپن مارکیٹ میں 20 سپیے کمی سے 105.30 روپے فی ڈالر پر بند ہوئی۔

مجموعی شرح سود، PIBs/T.Bills کی قدر (آمدن) اور افراط زر کی شرح کے طور طریقوں کو گراف کی مدد سے درج ذیل سے دیکھا جاسکتا ہے:



ایکویٹی جائزہ:

مالی سال 2017ء کی پہلی سہ ماہی کے دوران، کے ایم آئی-30 انڈیکس 4.23% اضافے کے ساتھ 68,959 پوائنٹس پر بند ہوا جبکہ کے ایس ای-100 انڈیکس 7.3% اضافے کے ساتھ 40,542 پوائنٹس پر بند ہوا۔ تاہم مارکیٹ میں شراکت کے ایم آئی-30 انڈیکس کے حجم میں 12.1% کی برتری اور کے ایس ای-100 انڈیکس کے حجم میں 9.9% کی مندی کا شکار رہی۔

مالی سال بہتر کارکردگی کے مثبت شگنوں سے شروع ہوا جیسا کہ مارکیٹ نے گزشتہ مالی سال کے اختتام پر IMSCI ایمرجنگ مارکیٹ درجہ بندی میں پاکستان کی نئی درجہ بندی کے اقدامات کو جاری رکھا۔ مارکیٹ کی بہترین کارکردگی کو IMSCI اسٹاک میں غیر ملکی خرید سے منسوب کیا جاسکتا ہے جو مقامی مفادات کو بھی اس سے جوڑتے

ہیں۔ عالمی سطح پر، برطانیہ کا پور پی یونین سے نکلنے کی وجہ سے مختصر مدت کیلئے سرمایہ داروں کا عدم استحکام اور خدشات، تاہم مقامی ایکویٹی مارکیٹ بڑے پیمانے پر متاثر ہونے سے محفوظ رہی کیونکہ MSCI کی نئی درجہ بندی نے احسن طور پر معاملات کو سنبھالا۔ انڈیکس ریکارڈ بلند ترین سطح پر معمول کے مطابق رہے، KMI-30 انڈیکس 21 ستمبر 2016ء کو بلند ترین سطح کو چھوتے ہوئے 70,400 پوائنٹس اور KSE-100 انڈیکس بلند ترین سطح کو چھوتے ہوئے 40,542 پوائنٹس پر آ گیا۔

تیل کی قیمتیں فراہمی کی بہت ساری وجہ سے سہ ماہی کے دوران کم رہیں تاہم سہ ماہی کے اختتام پر تیل فراہم کنندگان اس بات پر رضامند ہوئے کہ فی دن 32.5 تا 33.3 bbls برآمد کو محفوظ کیا جائے جس سے تیل کی قیمتوں میں تین ماہ کے عرصے میں استحکام پیدا ہوگا؛ سہ ماہی کے دوران WTI %4.4 کی کمی کے ساتھ 47.92/bbl امریکی ڈالر پر بند ہوئے۔ سہ ماہی کے دوران علاقائی اور عالمی دونوں طرح کے سیاسی خدشات نے اسٹاک مارکیٹ میں اتار چڑھاؤ کو برقرار رکھا۔ اپوزیشن جماعتوں نے پانامہ اسکینڈل کی وجہ سے حکومت کو دباؤ میں رکھا اور احتجاجات اور ریلیز کے اعلانات کرتے رہے۔ عالمی سطح پر، پاکستان اور بھارت کے مابین کشیدگی، سہ ماہی کا اختتام مقبوضہ کشمیر میں بھارتی اڈے پر دہشتگردی کے حملے کے ساتھ ہوا۔ سیاسی حوالوں سے خدشات کی وجہ سے مارکیٹ میں اتار چڑھاؤ رہا۔ بہر حال تجارت پر اثر انداز ہونے والے عوامل اور ایسے اعلانات MSCI اسٹاک میں مسلسل دلچسپی اور کم افراط زرنے مارکیٹ کی معاونت کی۔

سہ ماہی کے اختتام پر تھرڈ ٹائز اسکرپس یعنی دیوان سینٹ، بینک آف پنجاب، ٹی آر جی، کے الیکٹریک اور سوئی سدرن کے حجم میں اضافہ دیگر کے مقابلے میں مارکیٹ سرگرمیوں میں زیادہ فعال رہا۔ دیوان سینٹ نے سرمایہ کاروں کی اضافی دلچسپی دیکھی جیسا کہ خبریں ہیں کہ ایک چینی کارپوریٹ نے کمپنی کی صلاحیتوں کو بڑھانے کیلئے دلچسپی ظاہر کی ہے۔ اسی طرح کے الیکٹریک نے بھی حج میں اضافہ دیکھا ہے جیسا کہ خبریں ہیں کہ شنگھائی الیکٹریک نے دلچسپی ظاہر کی ہے کہ وہ کمپنی کے اکثریتی اسٹیک حاصل کرے۔

انتظامی اہمیت حاصل کرنے اور مارکیٹ سرگرمیوں کو بڑھانے کیلئے گزشتہ مالی سال کے دوران، پاکستان کے تین اسٹاک ایکچجر ایک واحد اسٹاک ایکچینج میں ضم ہوئے۔ اس سہ ماہی کے دوران، پاکستان اسٹاک ایکچینج (PSX) نے ڈی میوچلارزیشن حکمت عملی اختیار کی ہے، پاکستان اسٹاک ایکچینج (PSX) نے سرمایہ کاروں کو ایکچینج کے 40% ملکیتی اسٹیک کے حصول کیلئے دلچسپی کے اظہار کی دعوت دی ہے۔ اسے سرکٹ کیلئے ایک مثبت اقدام ہونا چاہئے جیسا کہ کچھ توانا بیرونی سرمایہ کاروں نے اس حوالے سے دلچسپی ظاہر کی ہے، اگر یہ انجام پایا تو بیرونی سرمایہ کاری کی آمد میں اس کا ترجمہ کر لیا جائے گا۔ اس بات کی توقع ہے کہ ٹرانزیکشن مالی سال 2017ء کی پہلی ششماہی میں مکمل ہو جائے گی۔

مقامی مارکیٹ کے بنیادی اصول مضبوط ہیں: MSCI کی دوبارہ درجہ بندی اسٹاکس میں دلچسپی کو بڑھا چکا ہے بشمول MSCI ایرجنگ مارکیٹ انڈیکس اور مقامی محرک بننے والی سرگرمیاں تھرڈ ٹائز اسٹاکس میں مارکیٹ کے حجم کو بڑھا چکی ہیں۔

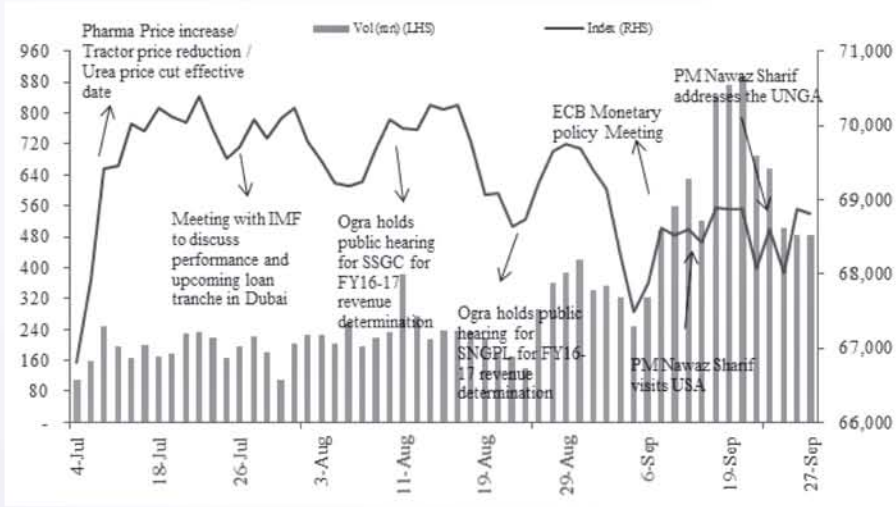
ادارہ جاتی منافع اور انڈیکس میں بڑے حصے ڈالنے والے مالی سال 2017ء کی پہلی سہ ماہی کے دوران، آٹو اور تیل و گیس کے ادارے بہترین کارکردگی والے شعبہ جات تھے۔ اس عرصے کے دوران KMI-30 انڈیکس میں بہترین کارکردگی والے شرکت دار یہ تھے:

Positive Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Honda Atlas Cars Ltd.	585	70.4
Pakistan Oilfields Ltd.	472	15.5
Nishat Mills Ltd.	470	30.6
Pak Suzuki Motor Company Ltd.	346	51.5
Pakistan Petroleum Ltd.	336	5.6

دوسری طرف کھاد بری کارکردگی کا مظاہرہ کرنے والے شعبے رہے۔ اس مدت کے دوران KMI-30 میں بری کارکردگی کے اسٹاک یہ تھے:

Negative Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Engro Corporation Ltd.	-885	-12.5
Dawood Hercules Corporation Ltd.	-434	-10.7
Kot Addu power Company Ltd.	-198	-6.2
Maple Leaf Cement Factory Ltd.	-187	-9.2
Engro Foods Ltd.	-159	-10.4

اس عرصے کے دوران KMI-30 کی مجموعی حرکت کو درج ذیل گراف سے دیکھا جاسکتا ہے:



حصص کا بہاؤ:

زیر تیسرہ سہ ماہی کے دوران غیر ملکی سرمایہ کاروں کی جانب سے 38.5 ملین امریکی ڈالر کا اخراج اسٹاک مارکیٹ کے مشاہدے میں آیا۔ بلند ترین اخراج 82 ملین امریکی ڈالر کھاد کے شعبے میں اینگرو (ENGRO) اور اینگرو فرٹلائزر (EFERT) کے بیرونی فروخت سے ریکارڈ کیا گیا جس کی بیرونی فوڈ اینڈ پرنٹل کیئر سیکٹر نے 33 ملین امریکی ڈالر کے اخراج کے ساتھ کی۔ سینٹ میکس 21 ملین امریکی ڈالر کا اخراج اور آئل اینڈ گیس ایکسپلوریشن سیکٹر میں 3 ملین امریکی ڈالر کا اخراج رہا۔ بینکنگ سیکٹر میں 35 ملین امریکی ڈالر کی آمد مشاہدے میں آئی، دیگر سیکٹرز میں 33 ملین امریکی ڈالر، آئل اینڈ گیس مارکیٹنگ سیکٹر میں 18 ملین امریکی ڈالر اور ٹیکسٹائل سیکٹر میں 8 ملین امریکی ڈالر کی آمد ہوئی۔ میوچل فنڈز 77 ملین امریکی ڈالر کے ساتھ خالص خریدار رہے، NBFCs 36 ملین ڈالر کے ساتھ خالص خریدار اور کینیڈین نے بھی 25 ملین امریکی ڈالر کی۔ افراد، بینکس اور بروکرز علی الترتیب 60 ملین امریکی ڈالر، 35 ملین امریکی ڈالر اور 2 ملین امریکی ڈالر کے ساتھ نیٹ سیلرز رہے۔

میوچل فنڈ انڈسٹری کا جائزہ:

مالی سال 2017ء کے ابتدائی دو ماہ کے دوران، میوچل فنڈ انڈسٹری کے زیر انتظام اثاثہ جات نے 11.1% اضافہ کے ساتھ انکی جسامت 505 ارب روپے ہونے کا مشاہدہ کیا۔ اسلامی فنڈ زیر جائزہ عرصے کے دوران 154 ارب روپے ہو گیا جو 13.3% اضافہ ہے جس سے میوچل فنڈ انڈسٹری میں اسلامی فنڈز کے حصے میں 30.6% اضافہ ہو گیا۔ 31 اگست 2016ء کے اختتام پر الیمز ان کا میوچل فنڈ انڈسٹری میں مجموعی حصہ 15.5% ہے جبکہ شریعہ کمپلائنس فنڈز 50.8% ہے جبکہ یہ مجموعی حصہ پچھلے سال متعلقہ عرصے کیلئے علی الترتیب 14.6% اور 55.7% تھا۔

خالص اثاثہ جات کے لحاظ سے، اوپن اینڈ سوورن، بازاری زر اور انکم فنڈز نے اگست 2016ء کو ختم ہونے والے دو ماہ کے دوران جسامت کے لحاظ سے اضافہ ظاہر کیا ہے۔ مشترکہ کیٹیگری (زمرہ) نے اس عرصے کے اختتام پر 227 بلین روپے پر پہنچ کر 13.1% اضافہ ظاہر کیا ہے۔ جبکہ روایتی (کنوشنل) فنڈ نے اس کیٹیگری میں 12.4% اضافہ اور اسلامی فنڈز میں 15.8% اضافہ کیا۔ اوپن اینڈ ایکویٹی فنڈز (بشمول انڈیکس ٹریڈر) 31 اگست 2016ء کے مطابق 219 بلین روپے سے 10.6% بڑھ گیا جو 30 جون 2016ء پر مقابلہ 198 بلین روپے تھا۔ اس کیٹیگری میں روایتی فنڈز میں 8.9% اضافہ رہا جبکہ اسلامک ایکویٹی ہیڈ فنڈز نے زیر جائزہ عرصے میں 13.9% کا معقول اضافہ ظاہر کیا اور 78 بلین روپے پر قائم رہا۔

کیپیٹل پروٹیکٹڈ، ہیلسڈ اور ایسیٹ ایلیکیشن فنڈز مشترکہ طور پر 38 بلین روپے پر پہنچ کر 5.4% اضافہ ظاہر کیا جبکہ اس کیٹیگری (زمرہ) میں روایتی (کنوشنل) فنڈز 1.0% بڑھے، زیر تبصرہ عرصے میں اسلامی فنڈز میں 11.0% اضافہ ہوا اور 17 بلین روپے پر قائم رہے۔ 31 اگست 2016ء کے اختتام پر انڈسٹری میں کوڈیٹی فنڈ 874 بلین روپے رہا جو کہ جون 2016ء میں 23.1% کے موزوں اضافے کے ساتھ 688% تھا۔

31 اگست 2016ء کو انٹرنیٹیشنل فنڈز نے زیر تبصرہ عرصے کے دوران 6.4% معتدل اضافہ کیا اور اس کی کل جسامت 20 بلین روپے ہوئی، اسلامی پنشن فنڈز بھی زیر تبصرہ عرصے کے دوران اگست کے اختتام پر 7.2% کا مناسب اضافے کے ساتھ 12.3 بلین روپے پر قائم رہا۔ میزان تحفظ پنشن فنڈ (MTPF) نے 34.8% مارکیٹ شیئر کے ساتھ اپنی لیڈ کو برقرار رکھا جبکہ اسلامی میوچل فنڈ انڈسٹری میں، میزان تحفظ پنشن فنڈ (MTPF) کا حصہ 56.4% ہے جو گزشتہ سال کے اسی عرصے میں 56.2% تھا۔

کارکردگی کا جائزہ (فنڈز)

میزان اسلامک فنڈ:

30 ستمبر 2016ء کو میزان اسلامک فنڈ (MIF) کے مجموعی اثاثہ جات 35,197 بلین روپے تھے جو کہ جون 2016ء کے اختتام پر 32,554 بلین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی فی یونٹ قدر (NAV) نی یونٹ 70.81 روپے رہی جو 30 جون 2016ء کو 66.21 روپے (بعد از ڈیویڈنڈ) نی یونٹ تھی جس نے اپنے سرمایہ کاروں کو اس سہ ماہی کے دوران 6.94% منافع فراہم کیا جبکہ کے ایس ای میزان انڈیکس (KMI-30) ہینج مارک 4.23% تھا۔

المیزان میوچل فنڈ:

30 ستمبر 2016ء کو المیزان اسلامک فنڈ (AMMF) کے مجموعی اثاثہ جات 6,037 بلین روپے تھے جو کہ جون 2016ء کے اختتام پر 5,418 بلین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی قدر (NAV) نی یونٹ 19.11 روپے رہی جو 30 جون 2016ء کو 17.99 روپے (بعد از ڈیویڈنڈ) نی یونٹ تھی جس نے اپنے سرمایہ کاروں کو اس سہ ماہی کے دوران 6.21% منافع فراہم کیا جبکہ کے ایس ای میزان انڈیکس (KMI-30) ہینج مارک 4.23% تھا۔

کے ایس ای میزان انڈیکس فنڈ:

30 ستمبر 2016ء کو کے ایس ای میزان انڈیکس فنڈ (KMIF) کے مجموعی اثاثہ جات 914 بلین روپے تھے جو کہ جون 2016ء کو 881.63 بلین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی فی یونٹ قدر (NAV) نی یونٹ 81.88 روپے رہی جو 30 جون 2016ء کو 78.91 روپے (بعد از ڈیویڈنڈ) تھی جس نے اپنے سرمایہ کاروں کو اس سہ ماہی کے دوران 3.77% منافع فراہم کیا جبکہ کے ایس ای میزان انڈیکس (KMI-30) ہینج مارک 4.23% تک بڑھا۔

میزان اسلامک انکم فنڈ:

30 ستمبر 2016ء کو میزان انکم اسلامک فنڈ (MIIF) کے مجموعی اثاثہ جات 11,096 بلین روپے تھے جو کہ جون 2016ء کو 9,051 بلین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی فی یونٹ قدر (NAV) 51.97 روپے رہی جو 30 جون 2016ء کو 51.28 روپے (بعد از ڈیویڈنڈ) نی یونٹ تھی جس نے اپنے سرمایہ کاروں کو سالانہ 5.34% منافع فراہم کیا جبکہ ہینج مارک 3.05% تھا۔

میزان سوورن فنڈ:

30 ستمبر 2016ء کو میزبان سوورن فنڈ (MSF) کے مجموعی اثاثہ جات 9,386 ملین روپے تھے جو 30 جون 2016ء کو 7,945 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی فی یونٹ قدر (NAV) 51.57 روپے رہی جو 30 جون 2016ء کو 50.80 روپے (بعد از ڈیویڈنڈ) تھی جس نے اپنے سرمایہ کاروں کو سالانہ 5.97% منافع فراہم کیا جبکہ شیئنگ مارک 4.24% تھا۔

میزان کیش فنڈ:

30 ستمبر 2016ء کو میزبان کیش فنڈ (MCF) کے مجموعی اثاثہ جات 3,397 ملین روپے تھے جو کہ 30 جون 2016ء کو 3,432 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی فی یونٹ قدر (NAV) 50.73 روپے رہی جو 30 جون 2016ء کو 50.14 روپے (بعد از ڈیویڈنڈ) تھی جس نے اپنے سرمایہ کاروں کو سالانہ 4.68% منافع فراہم کیا جبکہ شیئنگ مارک 4.24% تھا۔

میزان بیلیٹنڈ فنڈ:

30 ستمبر 2016ء کو میزبان بیلیٹنڈ فنڈ (MBF) کے مجموعی اثاثہ جات 5,770 ملین روپے تھے جو کہ 30 جون 2016ء کو 4,708 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی فی یونٹ قدر (NAV) 16.45 روپے رہی جو 30 جون 2016ء کو 15.84 روپے (بعد از ڈیویڈنڈ) تھی جس نے اپنے سرمایہ کاروں کو 3.87% منافع فراہم کیا جبکہ شیئنگ مارک 2.49% تھا۔

میزان فنانشل پلاننگ فنڈ آف فنڈز

انگریسیو ایلیویشن پلان

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 471 ملین روپے تھے جو کہ 30 جون 2016ء کو 443 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی فی یونٹ قدر (NAV) 77.24 روپے رہی جو 30 جون 2016ء کو 73.37 روپے تھی جس نے اپنے سرمایہ کاروں کو 5.28% منافع فراہم کیا جبکہ شیئنگ مارک 3.12% تھا۔

موڈریٹ ایلیویشن پلان

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 423 ملین روپے تھے جو کہ 30 جون 2016ء کو 367 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی فی یونٹ قدر (NAV) 68.07 روپے رہی جو 30 جون 2016ء کو 65.32 روپے تھی جس نے اپنے سرمایہ کاروں کو 4.22% منافع فراہم کیا جبکہ شیئنگ مارک 2.64% تھا۔

کنزرویٹو ایلیویشن فنڈ

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 402 ملین روپے تھے جو کہ 30 جون 2016ء کو 327 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی فی یونٹ قدر (NAV) 62.37 روپے رہی جو 30 جون 2016ء کو 60.7 روپے تھی جس نے اپنے سرمایہ کاروں کو 2.73% منافع فراہم کیا جبکہ شیئنگ مارک 1.69% تھا۔

میزان کپینٹل پریزرویشن پلان-I

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 1,649 ملین روپے تھے جو کہ 30 جون 2016ء کو 1,576 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی فی یونٹ قدر (NAV) 58.35 روپے رہی جو 30 جون 2016ء کو 55.64 روپے تھی جس نے اپنے سرمایہ کاروں کو 4.87% منافع فراہم کیا جبکہ شیئنگ مارک 2.82% تھا۔

میزان کپیتل پریز رویشن پلان-II

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 3,095 ملین روپے تھے جو کہ 30 جون 2016ء کو 3,035 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 52.50 روپے رہی جو 30 جون 2016ء کو 50.73 روپے تھی جس نے اپنے سرمایہ کاروں کو 3.50% منافع فراہم کیا جبکہ شیئ مارک 2.17% تھا۔

میزان الیسیٹ ایلوکیشن پلان-I

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 1,335 ملین روپے تھے جو کہ 30 جون 2016ء کو 1,278 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 57.26 روپے رہی جو 30 جون 2016ء کو 54.03 روپے تھی جس نے اپنے سرمایہ کاروں کو 5.97% منافع فراہم کیا جبکہ شیئ مارک 4.24% تھا۔

میزان الیسیٹ ایلوکیشن پلان-II

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 978 ملین روپے تھے جو کہ 30 جون 2016ء کو 925 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 57.94 روپے رہی جو 30 جون 2016ء کو 54.75 روپے تھی جس نے اپنے سرمایہ کاروں کو 5.83% منافع فراہم کیا جبکہ شیئ مارک 4.05% تھا۔

میزان الیسیٹ ایلوکیشن پلان-III

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 2,988 ملین روپے تھے جو کہ 30 جون 2016ء کو 2,851 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 57.19 روپے رہی جو 30 جون 2016ء کو 54.03 روپے تھی جس نے اپنے سرمایہ کاروں کو 5.85% منافع فراہم کیا جبکہ شیئ مارک 4.12% تھا۔

میزان الیسیٹ ایلوکیشن پلان-IV

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 918 ملین روپے تھے جو کہ 30 جون 2016ء کو 532 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 50.49 روپے رہی جو 30 جون 2016ء کو 48.42 روپے تھی جس نے اپنے سرمایہ کاروں کو 4.26% منافع فراہم کیا جبکہ شیئ مارک 2.81% تھا۔

میزان کپیتل پریز رویشن فنڈ-II

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 1,282 ملین روپے تھے جو کہ 30 جون 2016ء کو 1,221 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 64.64 روپے رہی جو 30 جون 2016ء کو 61.38 روپے تھی جس نے اپنے سرمایہ کاروں کو 5.32% منافع فراہم کیا جبکہ شیئ مارک 3.28% تھا۔

میزان گولڈ فنڈ (MGF)

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 389 ملین روپے تھے جو کہ 30 جون 2016ء کو 321 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 54.17 روپے رہی جو 30 جون 2016ء کو 54.53 روپے تھی۔ زیر جائزہ سہ ماہی کے دوران، میزبان گولڈ فنڈ کا منافع 0.65% منفی رہا جبکہ شیئ مارک 0.68% تھا۔

میزان ایسیٹ ایلوکیشن فنڈ

30 ستمبر 2016ء کو پلان کے مجموعی اثاثہ جات 744 ملین روپے تھے جو کہ 30 جون 2016ء کو 460 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 52.74 روپے رہی جو 30 جون 2016ء کو 51.06 روپے تھی جس نے اپنے سرمایہ کاروں کو 3.30% منافع فراہم کیا جبکہ بیچ مارک 2.41% تھا۔

میزان تحفظ پشن فنڈ (MTPF)

میزان تحفظ پشن فنڈ (MTPF) چار ذیلی فنڈز پر مشتمل ہے جن کے نام یہ ہیں: ایکویٹی سب فنڈ، ڈیٹ سب فنڈ، منی مارکیٹ سب فنڈ اور گولڈ سب فنڈ۔ 30 ستمبر کو ختم ہونے والے عرصے کیلئے ہر فنڈ کی کارکردگی کا جائزہ دیا گیا ہے۔

ایکویٹی سب فنڈ

30 ستمبر 2016ء کو اس ذیلی فنڈ کے مجموعی اثاثہ جات 4,493 ملین روپے تھے جو کہ 30 جون 2016ء کو 4,099 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 518.15 روپے رہی جو 30 جون 2016ء کو 491.95 روپے تھی جس نے اپنے سرمایہ کاروں کو 5.33% منافع فراہم کیا۔

ڈیٹ سب فنڈ

30 ستمبر 2016ء کو ڈیٹ سب فنڈ کے مجموعی اثاثہ جات 2,064 ملین روپے تھے جو کہ 30 جون 2016ء کو 1,997 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 207.19 روپے رہی جو 30 جون 2016ء کو 204.48 روپے تھی جس نے سالانہ 5.26% منافع فراہم کیا۔

منی مارکیٹ سب فنڈ

30 ستمبر 2016ء کو منی مارکیٹ سب فنڈ کے مجموعی اثاثہ جات 454 ملین روپے تھے جو کہ 30 جون 2016ء کو 453 ملین روپے تھے۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی نی یونٹ قدر (NAV) 205.40 روپے رہی جو 30 جون 2016ء کو 203.23 روپے تھی جس نے سالانہ 4.23% منافع فراہم کیا۔

گولڈ سب فنڈ

30 ستمبر 2016ء کو گولڈ سب فنڈ کے مجموعی اثاثہ جات 44 ملین روپے تھے۔ یہ سب فنڈ سال کے اختتام پر جاری کیا گیا۔ 30 ستمبر 2016ء کو مجموعی اثاثہ جات کی قدر (NAV) نی یونٹ 97.11 روپے رہی۔

خرچ کا تناسب

30 ستمبر 2016ء کو ختم ہونے والی سہ ماہی میں کل خرچ کا سالانہ تناسب درج ذیل رہا:

Fund /Plan Name	Total Expense Ratio (annualized) %	Expense ratio of government levy on funds (annualized) %
MEEZAN ISLAMIC FUND	2.72	0.38
AL MEEZAN MUTUAL FUND	2.77	0.37
KSE MEEZAN INDEX FUND	1.87	0.25
MEEZAN BALANCED FUND	2.72	0.36
MEEZAN ISLAMIC INCOME FUND	1.99	0.28
MEEZAN SOVEREIGN FUND	1.43	0.22
MEEZAN CASH FUND	1.47	0.22
MEEZAN CAPITAL PRESERVATION FUND-II	0.47	0.10
MFPF-AGGRESSIVE ALLOCATION PLAN	0.30	0.11
MFPF-MODERATE ALLOCATION PLAN	0.32	0.11
MFPF-CONSERVATIVE ALLOCATION PLAN	0.37	0.11
MFPF-MEEZAN CAPITAL PRESERVATION PLAN-I	0.30	0.11
MFPF-MEEZAN CAPITAL PRESERVATION PLAN-II	0.29	0.11
MFPF-MEEZAN ASSET ALLOCATION PLAN-I	0.30	0.11
MFPF-MEEZAN ASSET ALLOCATION PLAN-II	0.31	0.11
MFPF-MEEZAN ASSET ALLOCATION PLAN-III	0.29	0.11
MFPF-MEEZAN ASSET ALLOCATION PLAN-IV	0.33	0.11
MEEZAN ASSET ALLOCATION FUND	2.77	0.32
MEEZAN GOLD FUND	2.90	0.29

توقعات (Outlooks)

امریکہ میں آنے والے صدارتی انتخابات اور نومبر 2016ء میں ہونے والا اوپیک (OPEC) اجلاس عالمی کیمپنل مارکیٹ کی سمت اور شرائط کا تعین کرے گا؛ شرح سود پر امریکی مؤقف اور دسمبر 2016ء میں شرح بڑھانے کی توقع اور پاکستان اور بھارت کے مابین جغرافیائی و سیاسی کشیدگی مقامی ایکویٹی مارکیٹ میں اتار چڑھاؤ کے دیگر اہم عوامل ہو سکتے ہیں۔

حکومت تسلسل کے ساتھ توانائی کے بحران کو کم کر کے ملک کے صنعتی شعبے کی بحالی کے اقدامات کر رہی ہے۔ حال ہی میں ایل این جی کیلئے اٹھائے گئے اقدامات اسی توجہ کا حصہ ہیں۔ جبکہ سیاسی حوالے سے صورت حال پانامہ لیکس کے مسئلے اور پاکستان تحریک انصاف کے رائیونڈ احتجاج کی وجہ سے کافی گرم ہے۔ یہ ظاہر ہوتا ہے کہ

سیاسی غیر استحکام جاری رہے گا۔ لائن آف کنٹرول پر پاکستان اور انڈیا کی جھڑپوں نے بھی کچھ معاشی اور سیوریجی خدشات کو جنم دیا ہے لیکن دونوں ممالک جاری جنگ کے مضمرات کا بالغ نظری سے احساس رکھتے ہیں لہذا، توقع کی جاتی ہے کہ موجودہ کشیدگی کچھ وقت میں کم ہو جائے گی۔ آرمی کی اعلیٰ قیادت ایک نئے آرمی چیف کو منتقلی بھی پیش نظر ہے لیکن توقع ہے کہ احتساب کے عمل کو جاری رکھنے اور مزید آگے بڑھانے کیلئے واضح حکمت عملی اختیار کی جائے گی۔

کے ایس ای ۱۰۰ (KSE-100) انڈیکس میں 40,000 پوائنٹس کا اضافہ پاکستان کے میکرو اکنامک فنڈ منظر میں مستقل بہتری کی عکاسی کرتا ہے ساتھ ہی ساتھ مزید بہتری کے امکانات/توقعات کو ظاہر کرتا ہے۔ سب سے اہم یہ کہ، چائنا پاکستان اکنامک کارڈور (CPEC) پاکستان کی تقدیر کا مہل ثابت ہو سکتا ہے اور اس پر ترقیاتی کام تیزی سے جاری ہے۔ پاکستان اسٹاک مارکیٹ کی MSCI ایمرجنگ مارکیٹ میں دوبارہ درجہ بندی اس مالی سال کے اختتام پر ایمرجنگ مارکیٹ میں پاکستان کی شمولیت سے لیڈ کرے گی اور توقع ہے کہ یہ بیرونی آمد کو اپنی جانب مہذول کرے گا جو اسٹاک مارکیٹس کو اضافی معاونت فراہم کرے گا۔ جبکہ کچھ سیاسی مسائل آنے والے دنوں میں برقرار رہ سکتے ہیں، توقع ہے کہ ایکویٹی میز سٹحکم رہیں اور طویل مدتی مثبت منافع فراہم کرتی رہیں۔

اعتراف و اظہار تشکر:

ہم اس موقع کو غنیمت جانتے ہوئے اپنے قابل احترام سرمایہ کاروں کا تہ دل سے شکریہ ادا کرتے ہیں جنہوں نے المیزان انویسٹمنٹس پر اپنے اعتماد کا بھرپور مظاہرہ کرتے ہوئے اُسے پاکستان میں نجی شعبے میں اثاثہ جات کی انتظام کاری کرنے والا سب سے بڑا ادارہ بنا دیا ہے۔ ہم ضابطہ کار ادارے، سیوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اپنے ٹرسٹی سینٹرل ڈپازٹری کمپنی آف پاکستان کے تعاون پر بھی اُن کے شکر گزار ہیں۔ اس کے علاوہ ہم میزبان بینک کے شریعہ سپروائزر اور بورڈ کے ارکان کی مسلسل اعانت اور اثاثہ جات کی انتظام کاری کے شرعی پہلوؤں پر اُن کی رہنمائی کیلئے دل کی گہرائیوں سے اظہار تشکر بجالاتے ہیں۔

محمد شعیب، سی ایف اے
چیف ایکویٹیو آفیسر

برائے و بجا نب بورڈ
مورخہ 06 اکتوبر 2016ء



Meezan Islamic Fund

Meezan Islamic Fund (MIF) seeks to optimize total investor returns by participating in Shariah Compliant equities which focus on both capital gains and dividend income.

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. Abdullah Ahmed Muhammad	Non-Executive	
Syed Amir Ali	Non-Executive	
Mr. Atif Azim	Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Moin M. Fudda	Independent	
Mr. Mazhar Sharif	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

Allied Bank Limited
Al Baraka Islamic Bank B.S.C (E.C)
Askari Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
Bank Alfalah Limited
BankIslami Pakistan Limited
Burj Bank 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
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Samba Bank Limited
Sindh Bank Limited
UBL Ameen - 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
Standard Chartered Bank (Pakistan) Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT SEPTEMBER 30, 2016

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
(Rupees in '000)			
Assets			
Balances with banks		1,161,180	1,928,938
Investments	5	34,221,296	30,554,409
Receivable on issuance and conversion of units		16,211	1,309,796
Receivable against sale of investments (net)		184,497	-
Dividend receivable		243,378	48,558
Deposits, Prepayments, and other receivables		21,600	13,674
Total assets		35,848,162	33,855,375
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		335,112	327,962
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		3,348	2,949
Payable to Meezan Bank Limited (MBL)		-	1,913
Payable to Securities and Exchange Commission of Pakistan (SECP)		8,315	26,541
Payable on redemption and conversion of units		68,515	111,869
Payable against purchase of investments (net)		-	529,926
Accrued expenses and other liabilities		236,193	299,809
Total liabilities		651,483	1,300,969
Net assets		35,196,679	32,554,406
Contingencies and commitments	6		
Unitholders' funds (as per statement attached)		35,196,679	32,554,406
(Number of units)			
Number of units in issue		497,051,122	491,662,544
(Rupees)			
Net assets value per unit		70.81	66.21

The annexed notes 1 to 11 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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Note	Quarter ended September 30, 2016	2015
		(Rupees in '000)	
Income			
Net realised gain on sale of investments		262,947	94,684
Dividend income		285,830	421,140
Profit on saving accounts with banks		27,342	17,104
		576,119	532,928
Unrealised appreciation / (diminution) on re-measurement of investments - 'at fair value through profit or loss' (net)	5.1.1 & 5.1.5	1,715,371	(1,039,296)
Total income		2,291,490	(506,368)
Expenses			
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company		175,052	142,438
Sindh Sales Tax and Federal Excise Duty on management fee		22,757	45,922
Allocated Expenses		8,753	-
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		9,005	7,373
Sindh Sales Tax on Trustee Fee		1,171	1,033
Annual Fee to Securities and Exchange Commission of Pakistan (SECP)		8,315	6,766
Auditors' remuneration		237	216
Charity expense		3,254	3,869
Fees and subscription		758	10
Legal and professional charges		85	186
Brokerage		7,626	7,129
Bank and settlement charges		1,206	1,887
Printing charges		249	50
Total expenses		238,468	216,879
Net income / (loss) from operating activities		2,053,022	(723,247)
Element of income and capital gains included in prices of units issued less those in units redeemed (net)		12,304	109,994
Net income / (loss) for the quarter before taxation		2,065,326	(613,253)
Taxation	10	-	-
Net income / (loss) for the quarter after taxation		2,065,326	(613,253)
Other comprehensive income for the quarter			
Items that can be reclassified to income statements in subsequent periods			
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale'	5.2.2	216,301	(381,445)
Total comprehensive income for the quarter		2,281,627	(994,698)

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016 (Rupees in '000)	2015
Undistributed income brought forward		
- Realised	4,499,430	2,421,038
- Unrealised	3,398,433	2,863,676
	7,897,863	5,284,714
Final distribution for the year ended June 30, 2016:		
- cash dividend: nil (June 30, 2015: @ 4.40% i.e. Rs. 2.20 per unit)	-	(986,461)
Net income / (loss) for the quarter	2,065,326	(613,253)
Element of income and capital gains included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments (net)	3,868	29,547
Undistributed income / accumulated (loss) carried forward	9,967,057	3,714,547
Undistributed income carried forward		
- Realised	8,251,686	4,753,843
- Unrealised	1,715,371	(1,039,296)
	9,967,057	3,714,547

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016 (Rupees in '000)	2015
Net assets at beginning of the quarter	32,554,406	27,402,717
Issue of 82,562,014 units (September 30, 2015: 73,062,813 units)	5,787,224	4,552,623
Issuance of units for re-investment of cash dividend: nil (September 30, 2015: 14,887,823)	-	877,042
Redemption of 77,173,436 units (September 30, 2015: 88,125,859 units)	(5,414,274)	(5,300,447)
	372,950	129,218
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(12,304)	(109,994)
Net realised gain on sale of investments	262,947	94,684
Unrealised appreciation / (diminution) in the value of investments (net)	1,931,672	(1,420,741)
Net other income for the quarter	87,008	331,359
Total comprehensive income for the quarter	2,281,627	(994,698)
Final distribution for the year ended June 30, 2016: - cash dividend: nil (June 30, 2015: @ 4.40% i.e. Rs. 2.20 per unit)	-	(986,461)
Net assets at end of the quarter	<u>35,196,679</u>	<u>25,440,782</u>
	(Rupees)	
Net assets value per unit at beginning of the quarter	<u>66.21</u>	<u>61.11</u>
Net assets value per unit at end of the quarter	<u>70.81</u>	<u>56.76</u>

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

Note	Quarter ended September 30,	
	2016 (Rupees in '000)	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the quarter	2,065,326	(613,253)
Adjustments for:		
Unrealised (appreciation) / diminution on re-measurement of investments - 'at fair value through profit or loss' (net)	(1,715,371)	1,039,296
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(12,304)	(109,994)
	337,651	929,302
(Increase) / Decrease in assets		
Investments (net)	(1,735,215)	1,126,536
Receivable on conversion of units	-	-
Receivable against sale of investments (net)	(184,497)	268,775
Dividend receivable	(194,820)	(307,998)
Deposits, prepayments and other receivables	(7,926)	(169,012)
	(2,122,458)	918,301
(Decrease) / Increase in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	7,150	28,818
Payable to Central Depository Company of Pakistan Limited - Trustee	399	151
Payable to Meezan Bank Limited	(1,913)	(1,109)
Payable to Securities and Exchange Commission of Pakistan	(18,226)	(14,271)
Payable against purchase of investments	(529,926)	38,498
Accrued expenses and other liabilities	(63,616)	(3,015)
	(606,132)	49,072
Net cash (used in) / generated from operating activities	(2,390,939)	1,283,422
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	7,080,809	5,014,663
Receipts against dividend re-investment	-	877,042
Dividend paid	-	(986,461)
Payment against redemption of units	(5,457,628)	(6,676,475)
Net cash generated from / (used in) financing activities	1,623,181	(1,771,231)
Net decrease in cash and cash equivalents during the quarter	(767,758)	(487,809)
Cash and cash equivalents at beginning of the quarter	1,928,938	1,436,341
Cash and cash equivalents at end of the quarter	1,161,180	948,532

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (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 Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). 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 Equity Scheme in accordance with Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP).
- 1.4** The Management Company of the Fund has been given a 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 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, 2003, 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 annual financial statements of the Fund for the year ended June 30, 2016.

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, 2016.

5. INVESTMENTS	Note	(Unaudited)	(Audited)
		September 30, 2016	June 30, 2016
(Rupees in '000)			
Investments - 'at fair value through profit or loss'	5.1	30,366,417	26,915,773
Investments - 'available for sale'	5.2	3,854,814	3,638,571
Investment in ordinary shares - unlisted	5.1.7	65	65
		<u>34,221,296</u>	<u>30,554,409</u>
5.1 Investments - 'at fair value through profit or loss'			
Held for trading	5.1.1	30,055,349	26,675,399
Investments - 'at fair value through profit or loss upon initial recognition'	5.1.5	311,068	240,374
		<u>30,366,417</u>	<u>26,915,773</u>

5.1.1 Held for trading - shares of listed companies

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus / Rights issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss) as at September 30, 2016	Percentage in relation to		
									Net assets of the Fund on the basis of market value	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											
Automobile assembler											
Honda Atlas Cars Pakistan Limited	2,741,800	315,400	-	766,400	2,290,800	854,968	1,401,557	546,589	3.98	4.10	1.61
Indus Motor Company Limited	816,042	-	-	110,000	706,042	663,355	1,059,331	395,976	3.01	3.10	0.90
Milat Tractors Limited	116,900	-	-	-	116,900	66,662	79,373	12,711	0.23	0.23	0.26
Pakistan Suzuki Motor Company Limited	73,022	40,000	-	113,022	-	-	-	-	-	-	-
									7.22	7.42	2.78
Automobile parts and accessories											
Thal Limited (note 5.1.2)	202,307	-	-	150,000	52,307	14,804	21,218	6,414	0.06	0.06	0.06
Chemicals											
Alko Nobel Pakistan Limited	50,000	-	-	50,000	-	-	-	-	-	-	-
ICI Pakistan Limited	701,800	-	-	25,000	676,800	301,190	441,402	140,212	1.25	1.29	0.73
Ghani Gases Limited	853,000	-	-	840,000	13,000	255	321	66	0.00	0.00	0.01
Sitara Chemicals Industries Limited	5,500	-	-	5,500	2,002	2,643	641	-	0.01	0.01	0.01
									1.26	1.30	0.75
Cement											
Attock Cement Pakistan Limited	7,037	-	-	-	7,037	1,680	1,767	87	0.01	0.01	0.00
Cherat Cement Company Limited	6,645,612	-	-	-	6,645,612	794,616	855,024	60,408	2.43	2.50	3.76
D.G Khan Cement Company Limited	4,903,322	883,100	-	-	5,786,422	1,115,817	1,075,580	(40,237)	3.06	3.14	1.32
Fauji Cement Company Limited	27,563,500	-	-	600,000	26,963,500	965,293	951,003	(14,290)	2.70	2.78	1.95
Kohat Cement Company Limited	3,085,500	-	-	-	3,085,500	808,154	793,498	(14,656)	2.25	2.32	2.00
Lucky Cement Limited	3,634,479	252,600	-	23,200	3,863,879	2,519,460	2,616,851	97,391	7.43	7.65	1.19
Maple Leaf Cement Company Limited	4,520,500	2,546,000	-	227,000	6,839,500	708,366	655,224	(53,142)	1.86	1.91	1.30
Pakcem Limited	699,500	-	-	699,500	-	-	-	-	-	-	-
Pioneer Cement Limited	8,845,000	607,700	-	-	9,452,700	1,015,761	999,056	(16,705)	2.84	2.92	4.16
									22.58	23.23	15.69

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus / Rights issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss) as at September 30, 2016	Percentage in relation to			
									Net assets of the Fund on the basis of market value	Total Market value of investments	Paid-up capital of the investee company (with face value of investments)	
					(Number of shares)	(Rupees in '000)			%			
Glass & Ceramics												
Tariq Glass Industries Limited	1,500	-	-	-	1,500	111	144	33	0.00	0.00	0.00	
Paper and Board												
Cherat Packaging Limited	303,800	-	-	-	303,800	103,830	116,963	13,133	0.33	0.34	1.03	
Packages Limited	2,500,379	2,050	-	110,000	2,392,429	1,522,221	1,601,181	78,960	4.55	4.68	2.68	
									4.88	5.02	3.70	
Technology and communication												
Pakistan Telecommunication Company Limited "A"	39,037	-	-	-	39,037	587	714	127	0.00	0.00	0.00	
Refinery												
Attock Refinery Limited	497,900	-	-	-	497,900	139,482	162,256	22,774	0.46	0.47	0.00	
National Refinery Limited	805	-	-	-	805	383	455	72	0.00	0.00	0.00	
									0.46	0.47	0.00	
Miscellaneous												
Shifa International Hospitals Limited	737,688	-	-	-	737,688	221,306	243,437	22,131	0.69	0.71	1.35	
Commercial Banks												
Meezan Bank Limited (an associate of the Fund)	7,293,081	-	-	2,594,500	4,698,581	199,690	258,469	58,779	0.73	0.76	0.47	
Oil and gas Marketing Companies												
Attock Petroleum Limited	302,579	-	-	-	302,579	132,390	157,341	24,951	0.45	0.46	0.00	
Hascol Petroleum Limited	561,248	-	-	525,200	36,048	7,043	7,940	897	0.02	0.02	0.03	
Pakistan State Oil Company Limited	3,549,523	40,000	-	240,000	3,349,523	1,258,694	1,387,171	128,477	3.94	4.05	1.23	
Shell Pakistan Limited	48,300	-	-	-	48,300	14,017	19,806	5,789	0.06	0.06	0.05	
Sui Northern Gas Pipelines Limited	9,000	12,352,500	-	-	12,361,500	591,625	619,558	27,933	1.76	1.81	1.95	
									6.23	6.40	3.26	
Oil and gas Exploration Companies												
Oil and Gas Development Company Limited	3,823,200	619,400	-	-	4,442,600	614,434	627,428	12,994	1.78	1.83	0.10	
Pakistan Oilfields Limited	1,228,097	50,000	-	-	1,278,097	446,517	512,913	66,396	1.46	1.50	0.54	
Pakistan Petroleum Limited	2,765,350	571,800	-	-	3,337,150	521,245	546,191	24,946	1.55	1.60	0.17	
Mari Petroleum Company Limited	1,777,780	-	-	5,000	1,772,780	1,610,074	1,692,172	82,098	4.81	4.94	0.00	
									9.60	9.87	0.81	
Pharmaceuticals												
Abbott Laboratories (Pakistan) Limited	886,350	1,550	-	35,050	852,850	643,073	723,643	80,570	2.06	2.11	0.00	
Ferozsons Laboratories Limited	170,000	-	-	31,000	139,000	143,301	120,997	(22,304)	0.34	0.35	0.46	
Glaxo Smithkline Pakistan Limited (note 5.1.7)	16	125,000	-	100,000	25,016	5,278	5,401	123	0.02	0.02	0.01	
Highnoon Laboratories Limited	580	-	-	-	580	334	318	(16)	0.00	0.00	0.00	
The Searle Company Limited	1,619,168	-	-	65,000	1,554,168	833,267	891,315	58,048	2.53	2.60	1.27	
									4.95	5.09	1.74	
Power Generation and Distribution												
The Hub Power Company Limited	12,664,416	-	-	-	12,664,416	1,520,491	1,509,219	(11,272)	4.29	4.41	1.09	
Kot Addu Power Company Limited	-	-	-	-	-	-	-	-	-	-	-	
K- Electric Limited (note 5.1.2)	118,282,500	40,343,500	-	7,190,500	151,435,500	1,249,302	1,394,721	145,419	3.96	4.08	0.55	
Kohinoor Energy Limited	873,000	-	-	-	873,000	35,968	39,023	3,055	0.11	0.11	0.52	
Lalpur Power Limited	1,410,000	-	-	1,410,000	-	-	-	-	-	-	-	
Pakgen Power Limited	500	-	-	-	500	12	12	-	0.00	0.00	0.00	
									8.36	8.60	2.16	
Cable & Electrical Goods												
Pak Elektron Limited	8,504,750	1,150,000	-	250,000	9,404,750	616,125	665,574	49,449	1.89	1.94	1.89	
Fertilizer												
Dawood Hercules Corporation Limited	3,021,100	700,000	-	100,000	3,621,100	539,502	481,461	(58,041)	1.37	1.41	0.75	
Engro Corporation Limited (note 5.1.3)	7,760,500	295,000	-	50,000	8,005,500	2,656,401	2,331,602	(324,799)	6.62	6.81	1.53	
Engro Fertilizers Limited	23,036,700	2,850,000	-	-	25,886,700	1,679,844	1,596,174	(83,670)	4.54	4.66	1.95	
									12.53	12.88	4.23	
Engineering												
Amreli Steels Limited	572,500	-	-	-	572,500	26,919	40,814	13,895	0.12	0.12	0.19	
Crescent Steel & Allied Products Limited	1,913,100	-	-	973,400	939,700	107,699	118,412	10,713	0.34	0.35	1.21	
K.S.B. Pumps Company Limited	89,900	-	-	-	89,900	21,904	24,176	2,272	0.07	0.07	0.68	
									0.52	0.54	2.08	
Food and Personal Care Products												
Al-Shaheer Corporation Limited	3,979,275	16,000	-	1,115,500	2,879,775	150,514	183,701	33,187	0.52	0.54	0.01	
Engro Foods Limited	983,921	3,509,900	-	-	4,493,821	669,046	657,491	(11,555)	1.87	1.92	0.59	
									2.39	2.46	0.60	
Textile Composite												
Kohinoor Textile Mills Limited	808,100	-	-	802,500	5,600	448	476	28	0.00	0.00	0.00	
Nishat Mills Limited	1,245,100	1,430,000	-	100,000	2,575,100	295,212	362,832	67,620	1.03	1.06	0.73	
									1.03	1.06	0.73	
Grand total						28,410,672	30,055,349	1,644,677				

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

5.1.3 1,000,000 shares of Engro Corporation Limited having market value of Rs 291.25 million (June 2016: Rs 332.97 million) have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

5.1.4 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'

Ordinary shares - listed

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain as at September 30, 2016	Percentage in relation to		
									Net assets of the Fund on the basis of market value	Total Market value of investments	Paid-up capital of the investee company (with face value of investments)
					(Number of shares)	(Rupees in '000)			%		
Sectors / Companies											
Banks											
Meezan Bank Limited (an associate of the Fund)	5,650,206	-	-	-	5,650,206	240,134	310,818	70,684	0.88	0.91	0.56
General industrials											
Packages Limited	374	-	-	-	374	240	250	10	0.00	0.00	0.00
Grand total						240,374	311,068	70,694			

5.1.6 Ordinary shares-unlisted

Name of Security	Note	(Unaudited) September 30, 2016		(Audited) June 30, 2016	
		Number of Shares	Carrying value (Rupees in '000)	Number of Shares	Carrying value (Rupees in '000)
GlaxoSmithKline Consumer Healthcare Pakistan Limited	5.1.7	1,056	65	1,056	65

5.1.7 Last year, GlaxoSmithKline Pakistan Limited (GSK) announced a de-merger scheme whereby 3 ordinary shares of GlaxoSmithKline Consumer Healthcare Pakistan Limited (GSK CHC) were issued for every 10 ordinary shares held in GSK. The net assets of consumer health business on the said date were Rs. 956 million i.e. 7.67% and hence, the carrying cost was allocated by applying the aforementioned percentage among GSK and GSK CHC and market price has been adjusted accordingly. GSK CHC is under the process of obtaining listing on the stock exchange.

5.2 Investments categorised as 'available for sale'

5.2.1 Shares of listed companies

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus / Rights issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss) as at September 30, 2016	Percentage in relation to			
									Net assets of the Fund on the basis of market value	Total Market value of investments	Paid-up capital of the investee company (with face value of investments)	
					(Number of shares)	(Rupees in '000)			%			
Sectors / Companies												
Automobile assembler												
Honda Atlas Cars Pakistan Limited	233,700	-	-	-	233,700	80,064	142,982	62,918	0.41	0.42	0.16	
Pakistan Suzuki Motor Company Limited	805	-	-	805	-	-	-	-	-	-	-	
									0.41	0.42	0.16	
Commercial Banks												
Meezan Bank Limited (an associate of the Fund)	124,880	-	-	-	124,880	1,552	6,870	5,318	0.02	0.02	0.01	
BankIslami Pakistan Limited	875	-	-	-	875	5	11	6	0.00	0.00	0.00	
									0.02	0.02	0.01	
Chemicals												
ICI Pakistan Limited	75	-	-	-	75	10	49	39	0.00	0.00	0.00	
Cement												
D.G Khan Cement Company Limited	60,900	-	-	-	60,900	11,164	11,320	156	0.03	0.03	0.01	
Lucky Cement Limited	279,000	-	-	-	279,000	171,162	188,956	17,794	0.54	0.55	0.09	
									0.57	0.58	0.10	
Power Generation and Distribution												
The Hub Power Company Limited	10,377,900	-	-	-	10,377,900	656,997	1,236,734	579,737	3.51	3.61	0.90	
Paper and Board												
Packages Limited	2,027,850	-	-	-	2,027,850	965,943	1,357,179	391,236	3.86	3.97	2.27	
Oil and gas Marketing Companies												
Pakistan State Oil Company Limited	1,489,500	-	-	-	1,489,500	403,815	616,862	213,047	1.75	1.80	0.55	
Oil and gas Exploration Companies												
Mari Petroleum Company Limited	3,800	-	-	-	3,800	3,340	3,627	287	0.01	0.01	0.00	
Pakistan Oilfields Limited (note 5.2.3)	415,600	-	-	-	415,600	111,389	166,784	55,395	0.47	0.49	0.18	
									0.48	0.50	0.18	
Refinery												
National Refinery Limited	151	-	-	-	151	28	85	57	0.00	0.00	0.00	
Pharmaceuticals												
The Searle Company Limited	187,000	-	-	-	187,000	100,765	107,245	6,480	0.30	0.31	0.15	
Fertilizers												
Engro Corporation Limited	5,000	-	-	-	5,000	1,652	1,456	(196)	0.00	0.00	0.00	
Textile Composite												
Nishat Mills Limited	104,000	-	-	-	104,000	11,015	14,654	3,639	0.04	0.04	0.03	
Grand total						2,518,901	3,854,814	1,335,913				

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

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Market value of investment	3,854,814	3,638,571
Less: Cost of investments	2,518,901	2,565,232
	<u>1,335,913</u>	<u>1,073,339</u>
Less: Net unrealised diminution on re-measurement of investments classified as 'available for sale' at beginning of the period (net of impairment)	1,119,612	1,130,171
	<u>216,301</u>	<u>(56,832)</u>
Impairment loss on listed equity securities classified as 'available for sale' - transferred to income statement	-	46,273
	<u>216,301</u>	<u>(10,559)</u>

6. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2016 other than as disclosed in the annual financial statements for the year ended June 30, 2016.

7. WORKERS' WELFARE FUND (WWF)

The status of Workers' Welfare Fund (WWF) is the same as disclosed in the annual financial statements for the year ended June 30, 2016. The Management Company, as a matter of abundant caution, has recognised WWF charge for the period from January 1, 2013 to June 30, 2015 amounting to Rs. 184.61 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.37 per unit (0.52%). The unrecorded accumulated balance of WWF provision from the date of its application till December 31, 2012, in case if required to be paid, shall be borne by the Management Company. The mutual funds have been excluded from levy of WWF vide Finance Act, 2015, hence, effective from July 1, 2015, no provision of WWF has been made in the Fund.

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 Executives of the Management Company, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Asset Allocation Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund – II, Meezan Gold Fund 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 – 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 2003, NBFC Regulations, 2008 and the Trust Deed respectively.

Details of transactions with connected persons and balances with them for the quarter ended September 30, 2016 and as of that date along with comparatives are as follows:

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	57,728	50,211
Sindh Sales Tax and Federal Excise Duty on management fee payable	232,182	231,702
Sales load payable	10,284	11,064
Sindh Sales Tax and Federal Excise Duty on sales load payable	32,032	32,469
Certificate charges	-	5
Allocated expenses	2,886	2,511
Investment of 8,039,124 units (June 30, 2016: 11,573,066 units)	569,250	766,253
Meezan Bank Limited		
Bank balance	83,297	178,313
Sales load payable	-	1,913
Investment in 10,473,667 shares (June 30, 2016: 13,068,167 shares)	576,157	555,397
Investment of 12,475,049 units (June 30, 2016: 15,675,049 units)	883,358	1,037,845
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	2,962	2,586
Sindh Sales Tax on trustee fee payable	386	363
Deposit	100	100
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Investment of 169,208 units (June 30, 2016: 169,208 units)	11,982	11,203
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of 4,674,881 units (June 30, 2016: 4,742,448 units)	331,028	313,997
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of 2,968,617 units (June 30, 2016: 2,769,750 units)	210,208	183,385
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Investment of 1,409,215 units (June 30, 2016: 1,113,605 units)	99,787	73,732
Meezan Financial Planning Fund of Funds - MCPP - I		
Investment of 11,009,438 units (June 30, 2016: 14,680,449 units)	779,578	971,993
Meezan Financial Planning Fund of Funds - MCPP - II		
Investment of 14,423,144 units (June 30, 2016: 15,391,100 units)	1,021,303	1,019,045
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of 12,512,764 units (June 30, 2016: 16,178,167 units)	886,029	1,071,156
Meezan Financial Planning Fund of Funds - MAAP - II		
Investment of 9,554,320 units (June 30, 2016: 11,833,268 units)	676,541	783,481
Meezan Financial Planning Fund of Funds - MAAP - III		
Investment of 25,068,833 units (June 30, 2016: 32,276,979 units)	1,775,124	2,137,059
Meezan Financial Planning Fund of Funds - MAAP - IV		
Investment of 8,514,938 units (June 30, 2016: 5,047,854 units)	602,943	334,218
Meezan Capital Preservation Fund-II		
Investment in 11,064,253 units (June 30, 2016: 12,740,732 units)	783,460	843,564
Directors and executives of the Management Company		
Investment of 5,201,472 units (June 30, 2016: 5,173,558 units)	368,316	342,541

Quarter ended
September 30,

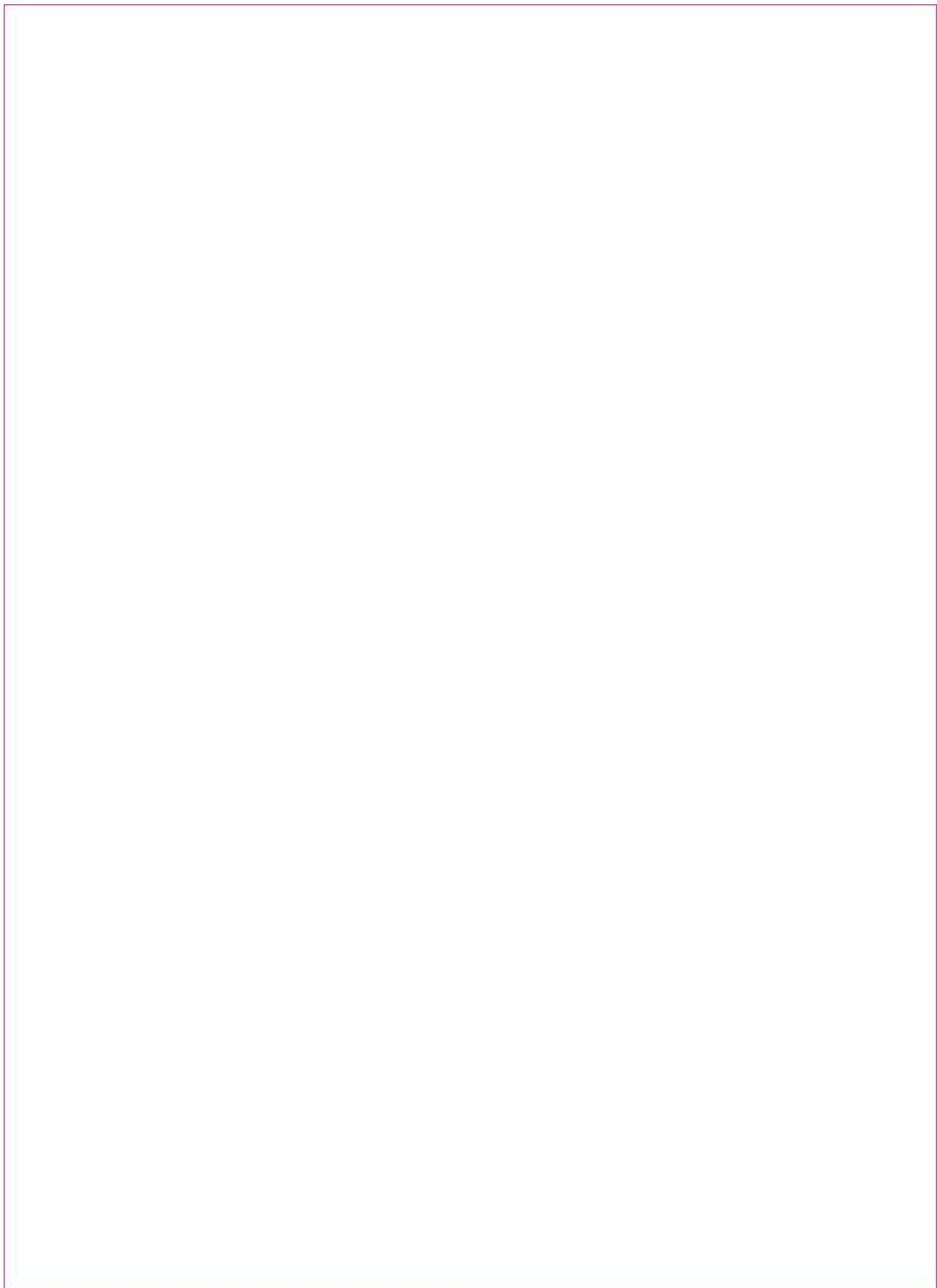
	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	175,052	142,438
Sindh Sales Tax and Federal Excise Duty on management fee	22,757	45,922
Allocated expenses	8,753	-
Units issued: 70,761 units (September 30, 2015: 900,768 units)	5,000	56,953
Units redeemed: 3,604,703 units (September 30, 2015: nil)	251,000	-
Cash dividend paid	-	26,953
Meezan Bank Limited		
Profit on saving accounts	653	567
Units redeemed: 3,200,000 units (September 30, 2015: nil)	225,888	-
Shares disposed off: 2,594,500 (September 30, 2015: 2,514,919 shares)	140,284	117,744
Dividend income	21,775	25,193
Cash dividend paid	-	34,485
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	9,005	7,373
Sindh Sales Tax on Trustee Fee	1,171	1,033
CDS charges	383	291
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Units issued: nil (September 30, 2015: 4,501 units)	-	265
Cash dividend paid	-	266
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Units issued: 145,239 units (September 30, 2015: 439,460 units)	10,220	26,116
Units redeemed: 212,806 units (September 30, 2015: 143,518 units)	14,982	8,540
Cash dividend paid	-	8,773
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Units Issued: 417,114 units (September 30, 2015: 228,915 units)	29,200	13,527
Units Redeemed: 218,247 units (September 30, 2015: 643,782 units)	15,370	39,650
Cash dividend paid	-	6,766
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Units Issued: 369,494 units (September 30, 2015: 273,086 units)	25,625	16,411
Units Redeemed: 73,885 units (September 30, 2015: 665,263 units)	5,215	41,300
Cash dividend paid	-	3,225
Meezan Financial Planning Fund of Funds - MCPP - I		
Units Issued: 1,605,688 units (September 30, 2015: 777,063 units)	109,000	45,777
Units Redeemed: 5,276,699 units (September 30, 2015: 9,335,860 units)	371,000	552,260
Cash dividend paid	-	45,777
Meezan Financial Planning Fund of Funds - MCPP - II		
Units Issued: 5,805,717 units (September 30, 2015: 2,896,783 units)	405,000	177,380
Units Redeemed: 6,773,673 units (September 30, 2015: 16,210,163 units)	475,000	940,580
Cash dividend paid	-	56,380

	Quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Meezan Financial Planning Fund of Funds - MAAP - I		
Units Issued: nil (September 30, 2015: 4,937,395 units)	-	307,500
Units Redeemed: 3,665,403 units (September 30, 2015: nil)	253,000	-
Meezan Financial Planning Fund of Funds - MAAP - II		
Units Redeemed: 2,278,948 units (September 30, 2015: nil)	158,000	-
Meezan Financial Planning Fund of Funds - MAAP - III		
Units Redeemed: 7,208,146 units (September 30, 2015: nil)	499,500	-
Meezan Financial Planning Fund of Funds - MAAP - IV		
Units Issued: 3,467,084 units (September 30, 2015: nil)	245,000	-
Meezan Capital Preservation Fund-III		
Units issued: nil (September 30, 2015: 1,595,644 units)	-	93,999
Units redeemed: nil (September 30, 2015: 13,490,856 units)	-	781,050
Cash dividend paid	-	93,999
Meezan Capital Preservation Fund-II		
Units issued: 1,541,121 units (September 30, 2015: 3,964,445 units)	107,000	244,170
Units redeemed: 3,217,600 units (September 30, 2015: 13,017,432)	228,000	769,825
Cash dividend paid	-	53,170
Directors and executives of the Management Company		
Units issued: 88,344 units (September 30, 2015: 189,633 units)	6,174	10,809
Units redeemed: 60,431 units (September 30, 2015: 131,833 units)	4,249	7,514
Cash dividend paid	-	10,720

9. FINANCIAL INSTRUMENTS

The additional disclosures due to the adoption of IFRS 13 *Fair value measurement* are as follows:

Note	Carrying amount					Fair value				
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total	
September 30, 2016										
(Rupees in '000)										
Financial assets – measured at fair value										
Equity securities	34,221,296	-	-	-	34,221,296	34,221,296	-	-	34,221,296	
Financial assets – not measured at fair value										
Cash and cash equivalents	9.1	-	-	1,161,180	-	1,161,180	-	-	-	-
Trade and other receivables	9.1	-	465,686	-	-	465,686	-	-	-	-
		34,221,296	465,686	1,161,180	-	35,848,162	34,221,296	-	-	34,221,296





Al Meezan Mutual Fund

Al Meezan Mutual Fund (AMMF) aims to optimize the total investment returns in the form of capital gains and dividend income by prudent management of investments.

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. Abdullah Ahmed Muhammad	Non-Executive	
Syed Amir Ali	Non-Executive	
Mr. Atif Azim	Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Moin M. Fudda	Independent	
Mr. Mazhar Sharif	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)
Askari Bank Limited - Islamic Banking
Bank Alfalah Limited - Islamic Banking
Bank Islami Pakistan Limited
Burj Bank Limited
Dubai Islamic Bank

Habib Metropolitan Bank Limited - Islamic Banking
MCB Bank Limited - Islamic Banking
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
UBL Ameen - 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 SEPTEMBER 30, 2016

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
(Rupees in '000)			
Assets			
Balances with banks		227,283	218,236
Investments	5	5,883,943	5,264,025
Receivable against sale of investments (net)		34,243	-
Receivable on issuance and conversion of units		-	55,252
Dividend receivable		46,785	25,608
Deposits, prepayments and other receivables		8,104	5,485
Total assets		6,200,358	5,568,606
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		51,936	50,502
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		1,336	613
Payable to Securities and Exchange Commission of Pakistan (SECP)		1,411	4,245
Payable to Meezan Bank Limited (MBL)		-	866
Payable on redemption and conversion of units		9,765	15,929
Accrued expenses and other liabilities		55,970	61,767
Payable against purchase of investments (net)		38,604	11,515
Dividend payable		4,772	4,772
Total liabilities		163,794	150,209
Net assets		6,036,564	5,418,397
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		6,036,564	5,418,397
(Number of units)			
Number of units in issue		315,903,849	301,149,646
(Rupees)			
Net assets value per unit		19.11	17.99

The annexed notes 1 to 11 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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Note	Quarter ended September 30, 2016	2015
(Rupees in '000)			
Income			
Net realised gain on sale of investments		41,009	15,396
Dividend income		46,609	61,726
Profit on saving accounts with banks		3,507	2,598
Other income		-	15
		<u>91,125</u>	<u>79,735</u>
Unrealised appreciation/(diminution) on re-measurement of investments 'at fair value through profit or loss' (net)		<u>195,901</u>	<u>(158,601)</u>
Total income		287,026	(78,866)
Expenses			
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company		29,699	20,591
Sindh Sales Tax and Federal Excise Duty on management fee		3,861	6,606
Allocated expenses		1,484	-
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		1,737	1,305
Sindh Sales Tax on trustee fee		226	202
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		1,411	998
Auditors' remuneration		202	203
Fees and subscription		139	41
Legal and professional charges		33	100
Charity expense		571	540
Brokerage expense		1,440	1,601
Bank and settlement charges		320	413
Total expenses		<u>41,123</u>	<u>32,600</u>
Net income / (loss) from operating activities		245,903	(111,466)
Element of income and capital gains included in prices of units issued less those in units redeemed (net)		<u>10,971</u>	<u>1,412</u>
Net income / (loss) for the quarter before taxation		256,874	(110,054)
Taxation	8	-	-
Net income / (loss) for the quarter after taxation		256,874	(110,054)
Other comprehensive income for the quarter			
Items that can be reclassified to income statements in subsequent periods			
Net unrealised appreciation/(diminution) on re-measurement of investments classified as 'available for sale' (net)		92,423	(58,660)
Total comprehensive income for the quarter		<u>349,297</u>	<u>(168,714)</u>

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

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

Chief Executive

QUARTERLY REPORT SEPTEMBER 30, 2016

Director

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CONDENSED INTERIM DISTRIBUTION STATEMENT

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016 (Rupees in '000)	2015
Undistributed income brought forward		
- Realised	898,957	495,043
- Unrealised	494,807	395,282
	1,393,764	890,325
Net income / (loss) for the quarter	256,874	(110,054)
Element of income and capital gains included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments (net)	3,495	611
Undistributed income carried forward	1,654,133	780,882
Undistributed income carried forward		
- Realised	1,458,232	939,483
- Unrealised	195,901	(158,601)
	1,654,133	780,882

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016 (Rupees in '000)	2015
Net assets at beginning of the quarter	5,418,397	4,006,911
Issue of 36,212,674 units (September 30, 2015 : 30,301,066 units)	688,352	513,874
Redemption of 21,458,471 units (September 30, 2015 : 25,778,060 units)	(408,511)	(438,217)
	279,841	75,657
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(10,971)	(1,412)
Net realised gain on sale of investments	41,009	15,396
Unrealised appreciation/(diminution) in value of investments (net)	288,324	(217,261)
Other net income for the quarter	19,964	33,151
Total comprehensive income for the quarter	349,297	(168,714)
Net assets at end of the quarter	6,036,564	3,912,442
	(Rupees)	
Net assets value per unit at beginning of the quarter	17.99	16.28
Net assets value per unit at end of the quarter	19.11	15.61

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

Note	Quarter ended September 30,	
	2016 (Rupees in '000)	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the quarter	256,874	(110,054)
Adjustments for:		
Unrealised (appreciation)/diminution on re-measurement of investments 'at fair value through profit or loss' (net)	(195,901)	158,601
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(10,971)	(1,412)
	50,002	47,135
(Increase) / decrease in assets		
Investments (net)	(331,594)	(381,137)
Other assets	-	(563)
Receivable against sale of investments (net)	(34,243)	30,896
Dividend receivable	(21,177)	(57,568)
Deposits, prepayments and other receivables	(2,619)	(15,984)
	(389,633)	378,161
(Decrease) / increase in liabilities		
Payable to Al Meezan Investment Management (Al Meezan) Limited - Management Company	1,434	4,132
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	723	627
Payable to Securities and Exchange Commission of Pakistan (SECP)	(2,834)	(2,116)
Payable to Meezan Bank Limited (MBL)	(866)	(86)
Accrued expenses and other liabilities	(5,797)	(9,660)
Payable against purchase of investments (net)	27,089	11,996
	19,749	4,893
Net cash (used in) / generated from operating activities	(319,882)	430,189
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	743,604	1,316,391
Payment against redemption and conversion of units	(414,675)	(1,273,598)
Dividend paid	-	(17,985)
Net cash generated from / (used in) financing activities	328,929	(777,709)
Net increase / (decrease) in cash and cash equivalents during the quarter	9,047	(347,520)
Cash and cash equivalents at beginning of the quarter	218,236	565,374
Cash and cash equivalents at end of the quarter	227,283	217,854

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (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. The objective of the Fund is to provide the maximum total return to the unitholders from investment in "Shariah Complaint" equity investments for the given level of risks, while abiding by the regulations and any other prevailing rules and regulations. At least seventy percent of its net assets shall remain invested in listed equity securities during the year based on quarterly average investments calculated on daily basis. The remaining net assets shall be invested in cash and near cash instruments. 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 principle of Shariah.
- 1.3** The Fund is an open-end fund listed on the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). 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 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 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 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 2003, the NBFC Regulations 2008 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 2003, the NBFC Regulations 2008 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, 2016.

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, 2016.

5. INVESTMENTS	Note	(Unaudited)	(Audited)
		September 30, 2016	June 30, 2016
(Rupees in '000)			
Investment 'at fair value through profit or loss'	5.1	4,844,040	4,316,510
- Investment - 'available for sale'	5.2	1,039,903	947,515
		5,883,943	5,264,025
5.1 Investments at 'fair value through profit or loss'			
Ordinary shares - held for trading	5.1.1	4,844,040	4,316,510

5.1.1 Ordinary Shares- held for trading

5.1.1 Held for trading - shares of listed companies

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus shares	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss) as at September 30, 2016	Percentage in relation to		
									Net assets of the Fund on the basis of market value (note 5.1.1.3)	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

Construction and materials (Cement)

Attock Cement Pakistan Limited	9,721	-	-	-	9,721	2,320	2,441	121	0.04	0.04	0.01
DG Khan Cement Company Limited	686,405	413,500	-	75,000	1,024,905	201,483	190,509	(10,974)	3.16	3.24	0.23
Fauji Cement Company Limited	5,256,000	-	-	200,000	5,056,000	181,005	178,325	(2,680)	2.95	3.03	0.37
Kohat Cement Company Limited	465,400	-	-	-	465,400	121,898	119,687	(2,211)	1.98	2.03	0.30
Cherat Cement Company Limited	1,515,940	-	-	-	1,515,940	181,261	195,041	13,780	3.23	3.31	0.86
Lucky Cement Company Limited	206,390	47,000	-	17,000	236,390	155,225	160,097	4,872	2.65	2.72	0.07
Maple Leaf Cement Ltd	917,500	450,000	-	100,000	1,267,500	130,299	121,427	(8,872)	2.01	2.06	0.24
Pakcem Limited (formerly Lafarge Pakistan)	386,000	-	-	386,000	-	-	-	-	-	-	-
Pioneer Cement Limited	1,098,500	200,000	-	-	1,298,500	139,002	137,238	(1,764)	2.27	2.33	0.57
									18.29	18.76	2.65

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus shares	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss) as at September 30, 2016	Percentage in relation to		
									Net assets of the Fund on the basis of market value (note 5.1.1.3)	Total Market value of investments	Paid-up capital of the investee company (with face value of investments)
					(Number of shares)	(Rupees in '000)			%		
Oil and Gas Exploration Companies											
Pakistan Oilfields Limited	367,751	-	-	-	367,751	127,786	147,582	19,796	2.44	2.51	0.16
Oil and Gas Development Company Limited	650,000	190,000	-	-	840,000	116,964	118,633	1,669	1.97	2.02	0.02
Pakistan Petroleum Limited	692,233	191,000	-	-	883,233	139,188	144,559	5,371	2.39	2.46	0.04
Mari Petroleum Company Limited	310,300	-	-	-	310,300	281,821	296,191	14,370	4.91	5.03	0.28
									11.71	12.02	0.50
Oil & Gas Marketing Companies											
Attock Petroleum Limited	61,500	-	-	-	61,500	26,909	31,980	5,071	0.53	0.54	0.07
Pakistan State Oil Company Limited	411,920	-	-	-	411,920	154,679	170,593	15,914	2.83	2.90	0.15
Sui Northern Gas Pipeline Limited	-	2,384,500	-	-	2,384,500	113,665	119,511	5,846	1.98	2.03	0.38
Hascol Petroleum Limited	183,860	-	-	174,400	9,460	1,848	2,084	236	0.03	0.04	0.01
									5.37	5.51	0.61
Engineering											
Crescent Steel & Allied Product Limited	441,100	-	-	305,000	136,100	15,598	17,150	1,552	0.28	0.29	0.18
Amrco Steels Limited	619,500	-	-	-	619,500	29,129	44,164	15,035	0.73	0.75	0.21
K.S.B. PUMPS Company Limited	65,400	-	-	-	65,400	15,935	17,587	1,652	0.29	0.30	0.50
									1.30	1.34	0.89
Automobile Assembler											
Indus Motor Company Limited	80,814	-	-	-	80,814	75,928	121,252	45,324	2.01	2.06	0.10
Honda Atlas Cars Pakistan Limited	237,500	100,900	-	82,200	256,200	97,788	150,630	52,842	2.50	2.56	0.18
Millat Tractors Limited	60,750	-	-	-	60,750	34,643	41,248	6,605	0.68	0.70	0.14
Pak Suzuki Motor Company Limited	2,989	-	-	2,989	-	-	-	-	5.19	5.32	0.42
Automobile Parts and Accessories											
Agriautos Industries Limited (note 5.1.1.1)	20	-	-	-	20	4	6	2	-	-	-
Thal Limited (note 5.1.1.1)	117,613	-	-	112,400	5,213	1,475	2,115	640	0.04	0.04	0.01
									0.04	0.04	0.01
Technology and Communication											
Pakistan Telecommunication Company Limited "A"	19,670	-	-	-	19,670	296	360	64	0.01	0.01	-
Chemicals											
Sitara Chemical Industries Limited	107,000	-	-	50,000	57,000	20,748	27,391	6,643	0.45	0.47	0.27
ICI Pakistan Limited	50,022	-	-	-	50,022	36,380	42,928	6,548	0.71	0.73	0.05
Dynex Pakistan	1,000	-	-	-	1,000	46	59	13	-	-	0.01
Ghani Gases Limited	264,500	-	-	258,000	6,500	127	160	33	-	-	0.01
									1.16	1.20	0.34
Fertilizer											
Fauji Fertilizer Company Limited	201	-	-	201	-	-	-	-	-	-	-
Engro Fertilizers Limited	4,282,000	-	-	-	4,282,000	276,103	264,028	(12,075)	4.37	4.49	0.32
Engro Corporation Limited (note 5.1.1.2)	1,469,400	45,000	-	15,000	1,499,400	497,841	436,700	(61,141)	7.23	7.42	0.29
Dawood Hercules Corporation	605,200	100,000	-	-	705,200	105,296	93,763	(11,533)	1.55	1.59	0.15
									13.15	13.50	0.76
Paper and Board											
Packages Limited	282,700	-	-	-	282,700	179,859	189,203	9,344	3.13	3.22	0.32
Cherat Packaging Limited	108,900	-	-	-	108,900	37,219	41,927	4,708	0.69	0.71	0.37
									3.82	3.93	0.69
Food and personal care products											
Engro Foods Limited	124,000	640,000	-	-	764,000	112,310	111,781	(529)	1.85	1.90	0.10
Al-Shaheer Corporation Limited	741,200	-	-	301,000	440,200	22,983	28,080	5,097	0.47	0.48	0.36
									2.32	2.38	0.46
Power Generation and Distribution											
The Hub Power Company Limited	2,457,000	-	-	-	2,457,000	294,987	292,801	(2,186)	4.85	4.98	0.21
Kot Addu Power Company Limited	341,500	-	-	341,500	-	-	-	-	-	-	-
Kohinoor Energy Limited	104,500	-	-	100,000	4,500	185	201	16	-	-	-
Lalpur Power Limited	993,000	-	-	993,000	-	-	-	-	-	-	-
K-Electric Limited (note 5.1.1)	19,354,000	6,800,000	-	1,250,000	24,904,000	205,296	229,366	24,070	3.80	3.90	0.26
									8.65	8.88	0.47
Cable and Electrical Goods											
Pak Elektron Limited	1,516,000	300,000	-	100,000	1,716,000	118,466	127,457	8,991	2.11	2.17	0.34
Pharmaceuticals											
Abbot Laboratories Pakistan Limited	143,200	-	-	10,000	133,200	100,433	113,020	12,585	1.87	1.92	0.14
The Searle Company Limited	191,184	-	-	-	191,184	102,503	109,644	7,141	1.82	1.86	0.16
Ferozsons Laboratories Limited	49,400	-	-	16,850	32,550	33,557	28,334	(5,223)	0.47	0.48	0.11
Highnoon Laboratories Limited	39,392	-	-	9,800	29,592	17,040	16,234	(806)	0.27	0.28	0.13
									4.43	4.54	0.54
Textile Composite											
Kohinoor textile Mills Limited	60,000	-	-	60,000	-	-	-	-	-	-	-
Nishat Mills Limited	12,300	580,000	-	200,000	392,300	47,833	55,275	7,442	0.92	0.94	0.11
									0.92	0.94	0.11
Refinery											
Attock Refinery Limited	181,800	-	-	-	181,800	50,929	59,245	8,316	0.98	1.01	0.21
Miscellaneous											
Shifa International Hospitals	139,490	-	-	-	139,490	41,847	46,033	4,186	0.76	0.78	0.26
Total						4,648,137	4,844,040	195,901			

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

5.1.1.2 150,000 shares (June 30, 2016: 150,000 shares) of Engro Corporation Limited, having market value of Rs 43.687 million (June 30, 2016 : 49.95 million) as at September 30, 2016 , have been pledged as collateral in favour of National Clearing Company Pakistan Limited against exposure margins and mark to market losses.

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

5.2 Available for sale - Shares of listed companies

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus shares	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss) as at September 30, 2016	Percentage in relation to		
									Net assets of the Fund on the basis of market value (note 5.1.1.3)	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											
BankIslami Pakistan Limited	875	-	-	-	875	5	11	6	-	-	-
Construction and materials (Cement)											
Lucky Cement Company Limited	465,027	-	-	-	465,027	162,848	314,944	152,096	5.22	5.35	0.14
D.G. Khan Cement Company Limited	3,500	-	-	-	3,500	288	650	362	0.01	0.01	-
									5.23	5.36	0.14
Power Generation and Distribution											
The Hub Power Company Limited	1,445,600	-	-	-	1,445,600	88,458	172,272	83,814	2.85	2.93	0.12
Oil and gas Exploration Companies											
Pakistan Oilfields Limited	31,340	-	-	-	31,340	8,043	12,577	4,534	0.21	0.21	0.01
Oil and Gas Marketing Companies											
Attock Petroleum Limited	240	-	-	-	240	83	124	41	-	-	-
Pakistan State Oil Company Limited	371,147	-	-	-	371,147	101,078	153,706	52,628	2.55	2.61	0.14
Automobile Assembler											
Honda Atlas Cars Pakistan Limited	96,000	-	-	-	96,000	32,982	58,734	25,752	0.97	1.00	0.07
Indus Motor Company Limited	16,200	-	-	-	16,200	3,961	24,306	20,345	0.40	0.41	0.02
									1.37	1.41	0.09
Fertilizer											
Fauji Fertilizer Company Limited	457	-	-	457	-	-	-	-	-	-	-
Chemical											
ICI Pakistan Limited	91,557	-	-	-	91,557	34,618	59,716	25,098	0.99	1.01	0.10
Paper and Board											
Packages Limited	362,878	-	-	-	362,878	186,266	242,863	56,597	4.02	4.13	0.41
Total						618,630	1,039,903	421,273			

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

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Market value of investments	1,039,903	947,515
Less: Cost of investments	618,630	618,712
Less: Net unrealised appreciation on re-measurement of investments classified as 'available for sale' at beginning of the year	421,273	328,803
	328,850	317,454
	92,423	11,349

6. CONTINGENCIES AND COMMITMENTS

- 6.1 There were no any contingencies and commitments outstanding as at September 30, 2016 other than as disclosed in the annual financial statements for the year ended June 30, 2016.

7. WORKERS WELFARE FUND

The status of Workers' Welfare Fund (WWF) is the same as disclosed in the annual financial statements for the year ended June 30 2016. The Management Company, as a matter of abundant caution, has recognised WWF charge for the period from January 1, 2013 to June 30, 2015 amounting to Rs. 34.83 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.11 per unit (0.58 percent). The unrecorded accumulated balance of WWF provision from the date of its application till December 31, 2012, in case if required to be paid, shall be borne by the Management Company. The mutual funds have been excluded from levy of WWF vide Finance Act, 2015, hence, effective from July 1, 2015, no provision of WWF has been made in the Fund.

8. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current year as the management company intends to distribute sufficient income of the Fund for the year ended June 30, 2017 as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly Supertax introduced in Finance Act, 2015 is also not applicable on funds (Section 4B of Income Tax Ordinance, 2001).

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 Executives of the Management

Company, Meezan Islamic Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Asset Allocation Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund – II, Meezan Gold Fund 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 - Employees 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 Regulations and the Trust Deed.

Detail of transactions with connected persons and balance with them are as follows:

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	9,862	8,744
Sales load payable	598	292
Sindh Sales Tax and Federal Excise Duty on management fee payable	37,268	37,212
Sindh Sales Tax and Federal Excise Duty on sales load payable	3,712	3,813
Allocated expense payable	496	441
Investments of 40,555,641 units (June 30, 2016: 42,781,722 units)	775,018	769,643
Meezan Bank Limited (MBL)		
Balances with bank	15,288	31,882
Sales load payable	-	866
Profit receivable on saving accounts	182	102
Investments of 16,850,411 units (June 30, 2016 : 10,807,322 units)	322,011	194,424
Meezan Capital Preservation Fund -II		
Investments of 5,186,722 units (June 30, 2016: nil units)	99,118	-
Meezan Financial Planning Fund of Funds - MCPP - I		
Investments of 2,330,253 units (June 30, 2016: nil units)	44,531	-
Meezan Financial Planning Fund of Funds - MCPP - II		
Investments of 4,912,176 units (June 30, 2016: 4,912,176 units)	93,872	88,370
Meezan Financial Planning Fund of Funds - MAAP - I		
Investments of 3,263,441 units (June 30, 2016: 3,263,441 units)	62,364	58,709
Meezan Financial Planning Fund of Funds - MAAP - III		
Investments of 17,952,133 units (June 30, 2016: 17,952,133 units)	343,065	322,959
Meezan Financial Planning Fund of Funds - MAAP - IV		
Investments of 3,764,581 units (June 30, 2016: nil)	71,941	-

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	1,163	519
Sindh Sales tax on Trustee fee payable	173	94
Deposit	238	238
Pakistan Kuwait Investment Company (Private) Limited		
Investments of 16,895,690 units (June 30, 2016: 16,895,690 units)	322,877	303,953
Directors and executives of the Management Company		
Investments of 19,101,826 units (June 30, 2016: 19,103,830 units)	365,036	343,678
Unit Holders holding 10% or more units of the Fund		
	-	769,643
	Quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	29,699	20,591
Sindh Sales Tax and Federal Excise Duty on management fee for the quarter	3,861	6,606
Units redeemed : 2,226,081 units (September 30, 2015: nil)	42,000	-
Allocated expenses	1,484	-
Meezan Bank Limited		
Profit on saving accounts with bank	182	165
Shariah Advisor fee	134	-
Units issued: 6,043,089 units (September 30, 2015: nil)	115,000	-
Meezan Capital Preservation Fund - II		
Units issued: 5,186,722 units (September 30, 2015 : nil)	100,000	-
Meezan Financial Planning Fund of Funds		
Units issued : 3,499,470 units (September 30, 2015 : nil)-MCPP I	66,000	-
Units issued : 3,764,581 units (September 30, 2015 : nil)-MAAP IV	71,000	-
Units redeemed : 1,169,217 units (September 30, 2015 : nil) - MCPP I	22,000	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	1,737	1,305
Sindh Sales tax on Trustee payable	226	-
CDS Charges	49	-
Directors and officers of the Management Company		
Units issued: 20,092 units (September 30, 2015 : 7,170 units)	378	120
Redemptions : 22,096 units (September 30, 2015 : 643 units)	419	10

10. FAIR VALUES OF FINANCIAL INSTRUMENTS

The additional disclosures due to the adoption of IFRS 13 *Fair value measurement* are as follows:

Note	Carrying amount				Fair value				
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
Financial assets - measured at fair value					(Rupees in '000)				
Investments	5,883,943	-	-	-	5,883,943	5,883,943	-	-	5,883,943
Financial assets - not measured at fair value									
Balances with banks	10.1	-	-	227,283	-	-	-	-	-
Receivable against sale of investments (net)	10.1	-	34,243	-	-	-	-	-	-
Dividend receivable	10.1	-	46,785	-	-	-	-	-	-
Deposits and other receivables	10.1	-	8,104	-	-	-	-	-	-
		5,883,943	89,132	227,283	-	5,883,943	-	-	5,883,943
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	10.1	-	-	-	51,936	-	-	-	-
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	10.1	-	-	-	1,336	-	-	-	-
Payable on redemption and conversion of units	10.1	-	-	-	9,765	-	-	-	-
Accrued expenses and other liabilities	10.1	-	-	-	18,501	-	-	-	-
Payable against purchase of investments - net	10.1	-	-	-	38,604	-	-	-	-
Dividend payable	10.1	-	-	-	4,772	-	-	-	-
		-	-	-	124,914	-	-	-	-

10.1 The Fund has not disclosed fair values for these financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

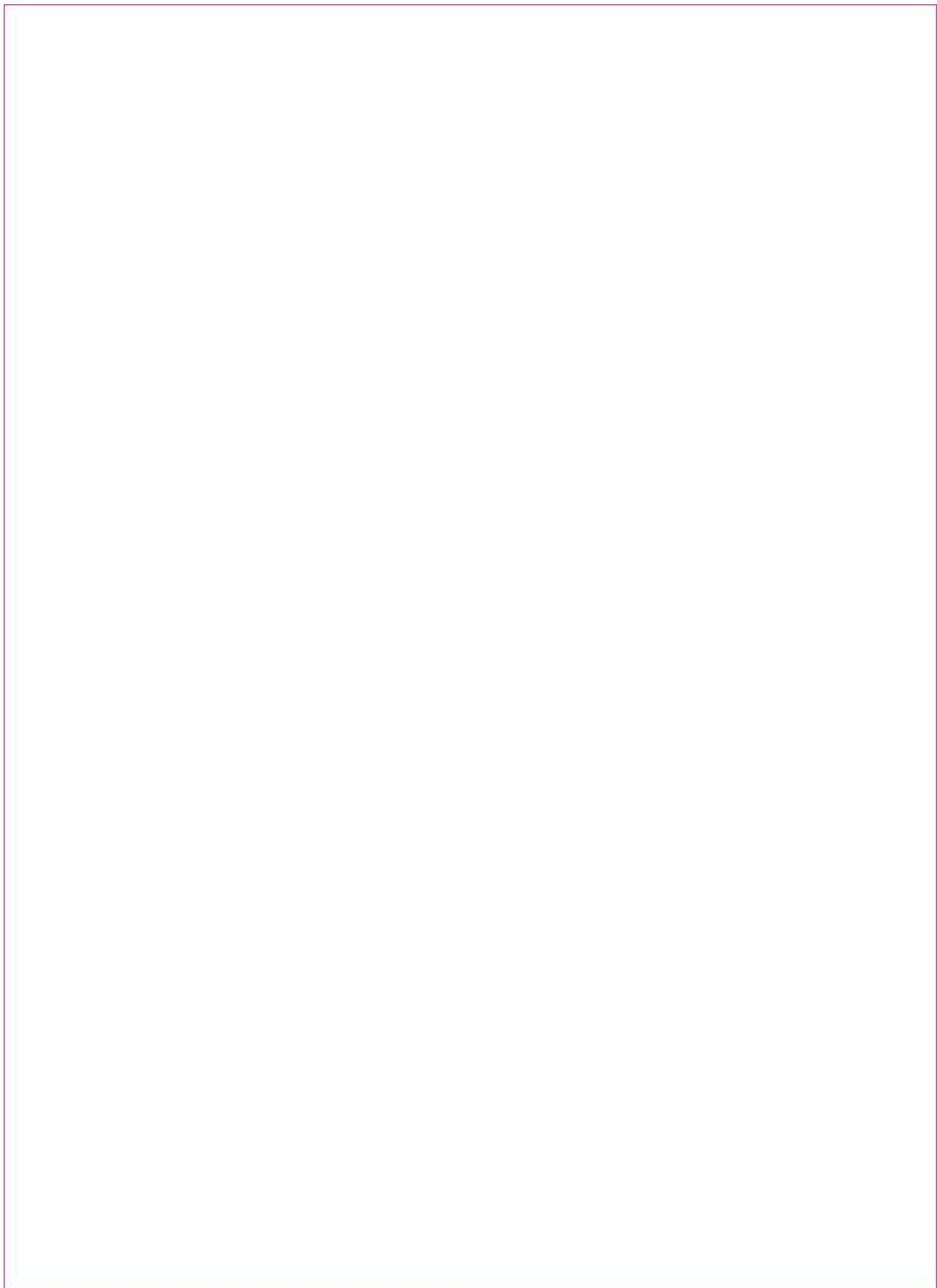
11. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 06, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





KSE Meezan Index Fund

KSE Meezan Index Fund (KMIF) is a Shariah compliant index fund that strives to present investors with an opportunity to closely track the performance of KSE –Meezan Index 30 (KMI 30) by investing in companies of the index in relation to their weight ages.

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. Abdullah Ahmed Muhammad	Non-Executive	
Syed Amir Ali	Non-Executive	
Mr. Atif Azim	Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Moin M. Fudda	Independent	
Mr. Mazhar Sharif	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

Dubai Islamic Bank - Hill Park
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 SEPTEMBER 30, 2016

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
(Rupees in '000)			
Assets			
Balances with banks		12,632	12,896
Investments	5	913,533	881,793
Receivable against sale of investments - (net)		-	5,237
Receivable on issuance and conversion of units		-	1,533
Dividend receivable		9,916	2,630
Deposits and other receivable		2,743	2,677
Preliminary expenses and floatation costs		262	361
Total assets		939,086	907,127
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan)			
- Management Company		6,834	6,773
Payable to Central Depository Company of Pakistan Limited (CDC)			
- Trustee		367	160
Payable to Securities and Exchange Commission of Pakistan (SECP)		220	832
Payable to Meezan Bank Limited (MBL)		-	265
Payable on redemption and conversion of units		687	117
Accrued expenses and other liabilities		17,264	17,306
Dividend payable		-	45
Total liabilities		25,372	25,498
Net assets		913,714	881,629
Contingencies and commitments			
Unitholders' fund (as per statement attached)	6	913,714	881,629
(Number of units)			
Number of units in issue		11,158,910	11,172,537
(Rupees)			
Net assets value per unit		81.88	78.91

The annexed notes 1 to 11 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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Note	Quarter ended September 30, 2016 (Rupees in '000)	2015
Income			
Net realised gain on sale of investments		1,610	6,747
Dividend income		10,264	19,884
Profit on saving accounts with banks		182	136
Other income		101	48
		<u>12,157</u>	<u>26,815</u>
Unrealised appreciation/(diminution) on re-measurement of investments 'at fair value through profit or loss' (net)	5.1	<u>25,662</u>	<u>(69,310)</u>
Total income		37,819	(42,495)
Expenses			
Remuneration to Al Meezan Investment Management Limited (Al Meezan)- Management Company		2,316	2,552
Sindh Sales Tax and Federal Excise Duty on Management Fee		301	822
Allocated expense		232	-
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		463	491
Sindh Sales Tax on Trustee Fee		60	69
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		220	242
Auditors' remuneration		97	124
Brokerage		76	336
Charity expense		128	251
Bank and settlement charges		117	200
Amortisation of preliminary expenses and floatation costs		99	101
Fees and subscription		177	31
Legal and professional charges		33	100
Printing expenses		10	13
Total expenses		<u>4,329</u>	<u>5,332</u>
Net income/ (loss) from operating activities		33,490	(47,827)
Element of loss and capital losses included in prices of units sold less those in units redeemed (net)		(330)	(5,531)
Net income/(loss) for the quarter before taxation		33,160	(53,358)
Taxation	9	-	-
Net income / (loss) for the quarter after taxation		33,160	(53,358)
Other comprehensive income for the quarter		-	-
Total comprehensive income / (loss) for the quarter		33,160	(53,358)

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016 (Rupees in '000)	2015
Undistributed income brought forward		
- Realised	326,799	257,863
- Unrealised	92,968	110,537
	419,767	368,400
Final distribution for the year ended June 30, 2016		
- cash dividend nil per unit (June 30, 2015: 3.70% i.e. Rs. 1.85 per unit)	-	(29,160)
Net income / (loss) for the quarter	33,160	(53,358)
Undistributed income carried forward	452,927	285,882
Undistributed income / accumulated (loss) carried forward		
- Realised	427,265	355,192
- Unrealised	25,662	(69,310)
	452,927	285,882

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016 (Rupees in '000)	2015
Net assets at beginning of the quarter	881,629	1,159,323
Issuance of 498,306 units (September 30, 2015: 263,714 units)	40,754	19,482
Issuance of units for re-investment of cash dividend (September 30, 2015: 330,912)	-	23,726
Redemption of 511,933 units (September 30, 2015: 3,842,184 units)	(42,159)	(281,588)
	(1,405)	(238,380)
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed (net)	330	5,531
Net realised gain on sale of investments	1,610	6,747
Unrealised appreciation/(diminution) on re-measurement of investments 'at fair value through profit or loss' (net)	25,662	(69,310)
Other net income for the quarter	5,888	9,205
Total comprehensive income / (loss) for the quarter	33,160	(53,358)
Final distribution for the year ended June 30, 2016 - cash dividend nil per unit (June 30, 2015: 3.70% i.e. Rs. 1.85 per unit)	-	(29,160)
Net assets at end of the quarter	913,714	843,956
	(Rupees)	
Net asset value per unit as at the beginning of the quarter	78.91	73.55
Net asset value per unit as at the end of the quarter	81.88	67.44

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

Note	Quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the quarter	33,160	(53,358)
Adjustments for		
Amortisation of preliminary expenses and floatation costs	99	101
Unrealised (appreciation)/diminution on re-measurement of investments at fair value through profit or loss (net)	(25,662)	69,310
Element of loss and capital losses included in prices of units sold less those in units redeemed (net)	330	5,531
	7,927	21,584
(increase)/Decrease in assets		
Investments (net)	(6,078)	263,116
Receivable against investments - (net)	5,237	62,060
Dividend receivable	(7,286)	(14,428)
Deposits and other receivable	(66)	(3,422)
	(8,193)	307,326
(increase)/Decrease in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	61	121
Payable to Central Depository Company of Pakistan Limited (CDC)-Trustee	207	(22)
Payable to Securities and Exchange Commission of Pakistan (SECP)	(612)	(950)
Payable to Meezan Bank Limited (MBL)	(265)	(23)
Accrued expenses and other liabilities	(42)	(1,098)
	(651)	(1,972)
Net cash generated from operating activities	(917)	326,938
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	42,287	272,887
Payment against redemption and conversion of units	(41,589)	(577,075)
Dividend paid	(45)	(29,160)
Net cash used in financing activities	653	(333,348)
Net decrease in cash and cash equivalents during the quarter	(264)	(6,410)
Cash and cash equivalents at beginning of the quarter	12,896	11,061
Cash and cash equivalents at end of the quarter	12,632	4,651

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (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 Company (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 Pakistan stock Exchange (formerly karachi stock exchange Limited). 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 Trust Deed, the Non- Banking Finance Companies (Establishment and Regulation) (the NBFC Rules), Rules,2003 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, 2003, the NBFC Regulations, 2008 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, 2016.

The Fund's financial and unitholders' risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2016.

5. INVESTMENTS	Note	(Unaudited)	(Audited)
		September 30, 2016	June 30, 2016
(Rupees in '000)			
Investments at fair value through profit or loss held for trading	5.1	912,587	880,846
Investment in ordinary share - unlisted		947	947
		913,533	881,793

5.1 Held for trading - shares of listed companies

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss)	Percentage in relation to		
									Net assets of the Fund on the basis of market value (see note 5.1.1)	Paid-up capital of the investee company (with face value of investments)	Total Market value of investments
									(Number of shares)	(Rupees in '000)	%
Sectors/ Companies											
Automobile Assembler											
Honda Atlas Cars (Pakistan) Limited	30,700	1,300	-	1,000	31,000	11,239	18,966	7,727	2.08	0.02	2.08
Pak Suzuki Motor Company Limited	23,500	600	-	600	23,500	9,039	13,605	4,566	1.49	0.03	1.49
									3.57	0.05	3.57
Cable & Electrical Goods											
Pak Elektron Limited	214,875	8,000	-	6,500	216,375	14,027	15,312	1,285	1.68	0.01	1.68
Cement											
Cherat Cement Company Limited	123,627	4,900	-	4,100	124,427	14,902	16,008	1,106	1.75	0.07	1.75
D.G. Khan Cement Company Limited	259,900	10,600	-	9,400	261,100	49,772	48,533	(1,239)	5.31	0.06	5.31
Fauji Cement Company Limited	817,294	31,000	-	26,000	822,294	29,476	29,002	(474)	3.17	0.06	3.17
Lucky Cement Limited	139,390	5,300	-	4,500	140,190	91,020	94,945	3,925	10.39	0.04	10.39
Maple Leaf Cement Factory Limited	256,000	8,800	-	7,200	257,600	27,164	24,678	(2,486)	2.70	0.05	2.70
Pioneer Cement Limited	134,598	5,200	-	4,200	135,598	14,574	14,331	(243)	1.57	0.06	1.57
									24.89	0.34	24.89
Fertilizer											
Dawood Hercules Corporation Limited	363,100	12,900	-	10,600	365,400	54,436	48,583	(5,853)	5.32	0.08	5.32
Engro Corporation Limited	282,300	10,900	-	9,400	283,800	94,361	82,656	(11,705)	9.05	0.05	9.05
Engro Fertilizers Limited	359,000	13,500	-	12,500	360,000	23,239	22,197	(1,042)	2.43	0.03	2.43
Fauji Fertilizer Company Limited	1	-	-	1	-	-	-	-	0.00	0.00	0.00
Fauji Fertilizer Bin Qasim Limited	20	-	-	20	-	-	-	-	0.00	0.00	0.00
Fatima Fertilizer Company Limited	453,200	15,000	-	14,000	454,200	15,403	15,742	339	1.72	0.02	1.72
									18.52	0.18	18.52
Food & Personal Care Products											
Engro Foods Limited	124,200	4,200	-	3,800	124,600	20,265	18,230	(2,035)	2.00	0.02	2.00
Treet Corporation Limited	66,200	4,500	-	4,000	66,700	3,333	3,643	310	0.40	0.05	0.40
									2.40	0.07	2.40
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	23,794	900	-	800	23,894	21,735	22,807	1,072	2.50	0.02	2.50
Pakistan Oilfields Limited	116,664	4,800	-	4,100	117,364	40,926	47,099	6,173	5.15	0.05	5.16
Pakistan Petroleum Limited (note 5.1.3)	518,978	19,600	-	17,100	521,478	80,989	85,350	4,361	9.34	0.03	9.34
									16.99	0.10	17.00

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss)	Percentage in relation to		
									Net assets of the Fund on the basis of market value (see note 5.1.1)	Paid-up capital of the investee company (with face value of investments)	Total Market value of investments
					(Number of shares)	(Rupees in '000)			%		
Oil & Gas Marketing Companies											
Hasco Petroleum Limited	45,640	1,800	-	1,500	45,940	9,030	10,118	1,088	1.11	0.04	1.11
Sui Northern Gas Pipeline Limited	206,000	9,000	-	8,500	206,500	7,574	10,349	2,775	1.13	0.03	1.13
Shell Pakistan Limited	22	-	-	22	-	-	-	-	0.00	0.00	0.00
Sui Southern Gas Company Limited	284,500	14,000	-	12,500	286,000	7,924	11,594	3,670	1.27	0.03	1.27
									1.11	0.04	3.51
Pharmaceuticals											
GlaxoSmithKline Pakistan Limited	55,032	12,100	-	11,900	55,232	11,699	11,924	225	1.31	0.02	1.31
The Searle Company Limited	46,306	1,800	-	1,600	46,506	24,984	26,671	1,687	2.92	0.04	2.92
									4.23	0.06	4.23
Power Generation & Distribution											
K-Electric Limited (note 5.1.2)	2,974,653	100,500	-	86,500	2,988,653	24,138	27,525	3,387	3.01	0.03	3.01
Kot Addu Power Company Limited	475,000	18,500	-	16,500	477,000	42,559	39,920	(2,639)	4.37	0.05	4.37
The Hub Power Company Limited	810,762	31,800	-	27,400	815,162	97,990	97,154	(836)	10.63	0.07	10.63
									18.01	0.15	18.01
Refinery											
Attock Refinery Limited	36,785	1,500	-	1,300	36,985	10,417	12,053	1,636	1.32	0.04	1.32
Byco Petroleum Pakistan Limited	209,500	11,000	-	7,000	213,500	4,411	5,049	638	0.55	0.02	0.55
									1.87	0.06	1.87
Technology & Communication											
Pakistan Telecommunication Company Limited "A"	635,323	23,500	-	21,000	637,823	9,613	11,659	2,046	1.28	0.02	1.28
Textile Composite											
Nishat Mills Limited	189,600	8,000	-	6,800	190,800	20,686	26,884	6,198	2.94	0.05	2.94
Total						886,925	912,587	25,662			

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

5.1.2 All shares have a nominal value of Rs.10 each except for the shares of K-Electric Limited having nominal value of Rs. 3.50 each.

5.1.3 417,000 shares (June 30, 2016: 417,000 shares) of Pakistan Petroleum Limited having market value of Rs. 68.250 million as at September 30, 2016 (June 30, 2016: Rs. 64.656 million), have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

5.2 Investment in ordinary shares-unlisted

Name Of Investee Company	September 30, 2016 (Unaudited)	June 30, 2016 (Audited)
	Number Of Shares	Carrying value (Rupees in '000)
GlaxoSmithKline consumer Healthcare Pakistan Limited	<u>15,279</u>	<u>947</u>

6. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2016 other than as disclosed in the annual financial statements for the year ended June 30, 2016

7. WORKERS' WELFARE FUND

The status of Workers' Welfare Fund (WWF) is the same as disclosed in the annual financial statements for the year ended June 30, 2016. The Management Company, as a matter of abundant caution, has recognised WWF charge for the period from January 1, 2013 to June 30, 2015 amounting to Rs. 12.897 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs.1.16 per unit (1.41%). The unrecorded accumulated balance of WWF provision from the date of its application till December 31, 2012, in case if required to be paid, shall be borne by the Management Company. The mutual funds have been excluded from levy of WWF vide Finance Act, 2015, hence, effective from July 1, 2015, no provision of WWF has been made in the Fund.

8. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include AI Meezan Investment Management Limited (AI 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 Executives of the Management Company, Meezan Islamic Fund, AI Meezan Mutual Fund, Meezan Balanced Fund, Meezan Islamic Income Fund, Meezan Asset Allocation Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund – II, Meezan Gold Fund 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, AI 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 provisions of NBFC Rules, NBFC Regulations, 2008 and the Trust Deed.

Details of transactions with connected persons and balances with them for the quarter ended September 30, 2016 are as follows:

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	748	700
Sindh Sales Tax and Federal Excise Duty on management fee payable	5,481	5,502
Sales load payable	96	76
Sindh sales tax and Federal Excise Duty on sales load payable	434	425
Allocated expenses payable	75	70
Investments as at September 30, 2016: 3,465,993 units (June 30, 2016: 3,529,375 units)	283,796	278,503
Meezan Bank Limited		
Sales load payable	-	265
Bank balance	2,880	4,299
Investments as at September 30, 2016: 2,113,224 units (June 30, 2016: 2,113,224 units)	173,031	166,754
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	287	140
Sindh Sales Tax on Trustee Fee payable	80	20
Deposits	103	103
Directors and executives of the Management Company		
Investments as at September 30, 2016: 432,596 units (June 30, 2016: 432,596 units)	35,421	34,136
	Quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Company Limited - Management Company		
Remuneration for the quarter	2,316	2,552
Sindh Sales Tax and Federal Excise Duty on management fee for the quarter	301	822
Allocation Expense	232	-
Units issued: nil units (September 30, 2015: 46,195)	-	3,312
Redemption: 63,382 units (September 30, 2015: nil units)	5,000	-
Cash dividend paid	-	3,680
Meezan Bank Limited		
Profit on saving account	40	13
Cash dividend paid	-	3,909
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	463	491
Sindh Sales Tax on Trustee Fee for the quarter	60	69
CDS charges	21	48

**Quarter ended
September 30,**

Meezan Capital Preservation Fund - III

Units issued: nil units (September 30, 2015: 119,682 units)
Redemption: nil units (September 30, 2015: 2,399,076)
Cash dividend paid

2016	2015
-	8,581
-	175,800
-	8,581

Meezan Capital Preservation Fund - II

Units issued: nil units (September 30, 2015: 44,749 units)
Redemption: nil units (September 30, 2015: 1,165,932)
Cash dividend paid

-	3,208
-	85,100
-	3,208

Directors and executives of the Management Company

Units issued: nil units (September 30, 2015: 9,563 units)
Redemption: nil units (September 30, 2015: units)
Cash dividend paid

-	686
-	-
-	762

9. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2017 as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of part IV to the second schedule of income tax ordinance 2001. Accordingly Supertax introduced in finance Act ,2015 is also not applicable on funds (section 4B of Income Tax ordinance).

10 FINANCIAL INSTRUMENTS

The additional disclosures due to the adoption of IFRS 13 *Fair value measurement* are as follows:

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
September 30, 2016 (Rupees in '000)									
Financial assets									
- measured at fair value									
Investments - Held for trading	912,586	-	-	-	912,586	912,586	-	-	912,586
	912,586	-	-	-	912,586	912,586	-	-	912,586
Financial assets									
- not measured at fair value									
Balances with banks	10.1	-	-	12,632	-	12,632	-	-	-
Investments - unlisted	10.1	947	-	-	-	947	-	-	-
Receivable against investments - (net)	10.1	-	-	-	-	-	-	-	-
Dividend receivable	10.1	-	9,916	-	-	9,916	-	-	-
Deposits and other receivables	10.1	-	2,743	-	-	2,743	-	-	-
		947	12,659	12,632	-	26,238	-	-	-
		913,533	12,659	12,632	-	938,824	912,586	-	912,586
Financial liabilities									
- not measured at fair value									
Payable to Al Meezan Investment Management Limited - Management Company	10.1	-	-	-	6,834	6,834	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	10.1	-	-	-	367	367	-	-	-
Payable on redemption and conversion of units	10.1	-	-	-	687	687	-	-	-
Accrued expenses and other liabilities	10.1	-	-	-	2,867	2,867	-	-	-
		-	-	-	10,755	10,755	-	-	-

10.1 The Fund has not disclosed the fair values for these financial assets and liabilities, as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

11. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 06, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director



Meezan Balanced Fund

Meezan Balanced Fund (MBF) is Pakistan's first Shariah compliant balanced scheme. It seeks to generate long term capital appreciation as well as current income by creating a balanced portfolio that is invested both in high quality Shariah compliant equity and Income Instruments.

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. Abdullah Ahmed Muhammad	Non-Executive	
Syed Amir Ali	Non-Executive	
Mr. Atif Azim	Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Moin M. Fudda	Independent	
Mr. Mazhar Sharif	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)
Askari Bank Limited - Islamic Banking
Bank Islami Pakistan Limited
Bank Alfalah - Islamic Banking Branch
Bunj Bank Limited
Dubai Islamic Bank

Habib Metropolitan Bank Limited - Islamic Banking
MCB Bank Limited - Islamic Banking
Meezan Bank Limited
National Bank of Pakistan - Islamic Banking
Sindh Bank
Samba Bank Limited
UBL Ameen - Islamic Banking

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 SEPTEMBER 30, 2016

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
(Rupees in '000)			
Assets			
Balances with banks		1,278,499	660,332
Investments	5	4,577,858	4,072,532
Receivables on issuance and conversion of units		3,227	84,926
Dividend receivable		24,079	7,571
Receivables against investments (net)		-	4,020
Deposit and other receivable		49,743	28,304
Total assets		5,933,406	4,857,685
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan)			
- Management Company		52,850	49,265
Payable to Central Depository Company of Pakistan Limited (CDC)			
- Trustee		1,215	534
Payable to Securities and Exchange Commission of Pakistan (SECP)		1,124	3,768
Payable on redemption and conversion of units		7,571	11,793
Payable against investments (net)		48,640	-
Accrued expenses and other liabilities		43,960	64,639
Dividend payable		8,337	19,999
Total liabilities		163,697	149,998
Net assets		5,769,709	4,707,687
Contingencies and commitments	6		
Unitholders' fund (as per statement attached)		5,769,709	4,707,687
(Number of units)			
Number of units in issue		350,666,137	297,201,395
(Rupees)			
Net assets value per unit		16.45	15.84

The annexed notes 1 to 12 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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Note	Quarter ended September 30,	
		2016	2015
(Rupees in '000)			
Income			
Net realised gain on sale of investments		19,523	2,870
Dividend income		29,603	39,776
Profit on saving accounts with banks		15,303	12,370
Profit on term deposit receipts		-	2,804
Profit on sukuk certificates		22,649	16,042
		<u>87,078</u>	<u>73,862</u>
Unrealised appreciation / (diminution) on re-measurement of investments - 'at fair value through profit or loss' (net)	5.1.1.1, 5.1.1.5, 5.1.2.1 & 5.1.2.2	127,313	(119,728)
Total income		214,391	(45,866)
Expenses			
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company		26,440	20,070
Sindh Sales Tax and Federal Excise Duty on management fee		3,437	6,470
Allocated expense		1,322	-
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		1,574	1,255
Sindh Sales Tax on trustee fee		205	176
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		1,124	853
Auditors' remuneration		148	172
Charity expense		331	384
Fees and subscription		166	38
Legal and professional charges		33	133
Brokerage expense		844	1,000
Bank and settlement charges		286	376
Printing expense		5	-
Total expenses		35,915	30,927
Net income / (loss) from operating activities		178,476	(76,793)
Element of income and capital gains included in prices of units issued less those in units redeemed (net)		28,282	23,678
Net income / (loss) for the quarter before taxation		206,758	(53,115)
Taxation	10	-	-
Net income / (loss) for the quarter after taxation		206,758	(53,115)
Other comprehensive income for the quarter			
Items that can be reclassified to income statements in subsequent periods			
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale'	5.2.1	5,368	(7,146)
Total comprehensive income for the quarter		212,126	(60,261)

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Undistributed income brought forward		
- Realised	607,343	408,678
- Unrealised	336,134	189,493
	943,477	598,171
Net income / (loss) for the quarter	206,758	(53,115)
Element of income and capital gains included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments (net)	3,014	2,761
Undistributed income carried forward	<u>1,153,249</u>	<u>547,817</u>
Undistributed income / accumulated (loss) carried forward		
- Realised	1,025,936	667,545
- Unrealised	127,313	(119,728)
	<u>1,153,249</u>	<u>547,817</u>

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30, 2016	2015
	(Rupees in '000)	
Net assets at the beginning of the quarter	4,707,687	3,383,460
Issuance of 81,613,752 units (September 30, 2015: 91,203,331 units)	1,340,474	1,370,457
Redemption of 28,149,010 units (September 30, 2015: 17,426,677 units)	(462,297)	(261,713)
	878,178	1,108,744
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(28,282)	(23,678)
Net realised gain on sale of investments	19,523	2,870
Unrealised appreciation / (diminution) in the value of investments (net)	127,313	(119,728)
Other net income for the quarter	65,290	56,597
Total comprehensive income for the quarter	212,126	(60,261)
Net assets at end of the quarter	5,769,709	4,408,265
	(Rupees)	
Net assets value per unit at beginning of the quarter	15.84	14.67
Net assets value per unit at end of the quarter	16.45	14.48

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30, 2016	2015
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income/(loss) for the quarter	206,758	(53,115)
Adjustments for		
Unrealised (appreciation) /diminution on re-measurement of investments - 'at fair value through profit or loss' (net)	(127,313)	(119,728)
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(28,282)	(23,678)
	51,163	(76,793)
(Increase) / decrease in assets		
Investments - (net)	(372,645)	(551,663)
Dividend receivable	(16,508)	(32,084)
Receivables against investments (net)	4,020	-
Deposits, prepayments and other receivables	(21,439)	(11,014)
Other assets	-	(1,407)
	(406,572)	(596,168)
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	3,585	4,653
Payable to Central Depository Company of Pakistan Limited -Trustee	681	150
Payable to Securities and Exchange Commission of Pakistan (SECP)	(2,644)	(1,282)
Payable against investments (net)	48,640	22,549
Accrued expenses and other liabilities	(20,679)	(15,172)
	29,583	10,898
Net cash used in operating activities	(325,826)	(662,063)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	1,422,173	1,568,497
Payment against redemption of units	(466,519)	(262,487)
Dividend paid	(11,662)	(32,366)
Net cash generated from financing activities	943,992	1,273,644
Net increase in cash and cash equivalents during the quarter	618,167	611,581
Cash and cash equivalents at beginning of the quarter	660,332	438,024
Cash and cash equivalents at end of the quarter	1,278,499	1,049,605

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (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 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, 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.

1.2 The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP.

1.3 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 Shariah Compliant equity securities and Islamic income instruments such as TFCs, Islamic Sukuks (certificates of Islamic investment), musharaka certificates, Government Securities, Cash in bank accounts, Money Market Placements, Deposits, Certificates of Deposits, TDRs, Commercial Papers, Reverse Repos, Spread Transactions, and other Shariah compliant instruments as indicated by the Commission. 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.

1.4 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.

1.5 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 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, 2016.

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, 2016.

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
(Rupees in '000)			
5. INVESTMENTS (net)			
Investments - 'at fair value through profit or loss'	5.1	3,908,210	3,408,204
Investments - 'available for sale'	5.2	244,648	239,328
Investments - 'Loans and receivables'	5.3	425,000	425,000
		4,577,858	4,072,532
5.1 Investments - 'at fair value through profit or loss'			
Held for trading	5.1.1	3,058,748	2,589,926
Investments at fair value through profit or loss upon initial recognition	5.1.2	849,462	818,278
		3,908,210	3,408,204
5.1.1 Held for trading			
Shares of listed companies 'Ordinary shares'	5.1.1.1	2,937,070	2,469,034
Sukuk certificates	5.1.1.5	121,678	120,892
		3,058,748	2,589,926

5.1.1 Shares of listed companies 'Ordinary shares'

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss) as at September 30, 2016	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)			%		
Sector / Companies											
Banks											
Meezan Bank Limited (an associate company of the Fund)	255,000	-	-	250,000	5,001	213	275	62	0.00	0.00	0.01
Automobile and parts											
Indus Motors Company Limited	1,100	-	-	-	1,100	1,033	1,650	617	0.03	0.00	0.04
Pakistan Suzuki Motor Company Limited	60	-	-	-	60	23	35	12	0.00	0.00	0.00
Honda Atlas Cars	251,500	37,100	-	45,000	243,600	91,484	149,040	57,556	2.58	0.17	3.26
									2.62	0.17	3.30
Automobile assemblers											
Millat Tractors Company Limited	800	-	-	-	800	456	543	87	0.01	0.00	0.01
Cable & Electrical Goods											
Pak Elektron	808,750	120,000	-	-	928,750	60,876	65,728	4,852	1.14	0.12	1.44
Chemicals											
ICI Pakistan Limited	95	75,000	-	-	75,095	48,682	48,976	294	0.85	0.08	1.07
Sitara Chemical Industries Limited	2,100	-	-	-	2,100	764	1,009	245	0.02	0.00	0.02
									0.87	0.08	1.09
Cement											
Attock Cement Pakistan Limited	403	-	-	-	403	96	101	5	0.00	0.00	0.00
Cherat Cement Company Limited	699,000	-	-	-	699,000	83,579	89,933	6,354	1.56	0.40	1.96
DG Khan Cement Company Limited	294,760	310,000	-	-	604,760	120,501	112,413	(8,088)	1.95	0.14	2.46
Fauji Cement Company Limited	2,436,500	-	-	-	2,436,500	87,227	85,935	(1,292)	1.49	0.18	1.88
Kohat Cement Limited	347,900	67,500	-	-	415,400	108,082	106,828	(1,254)	1.85	0.27	2.33
Lucky Cement Limited	331,400	45,000	-	-	376,400	245,391	254,921	9,530	4.42	0.12	5.57
Maple Leaf Cement Limited	280,000	250,000	-	-	530,000	54,003	50,774	(3,229)	0.88	0.10	1.11
Pioneer Cement Limited	578,000	400,000	-	-	978,000	105,741	103,365	(2,376)	1.79	0.43	2.26
									13.93	1.63	17.56
Fertilizers											
Dawood Hercules	338,000	-	-	-	338,000	50,318	44,940	(5,378)	0.78	0.07	0.98
Engro Fertilizers Limited	2,173,500	-	-	-	2,173,500	140,147	134,018	(6,129)	2.32	0.16	2.93
Engro Corporation Pakistan Limited (note 5.1.1.4)	905,500	45,000	-	-	950,500	314,755	276,833	(37,922)	4.80	0.18	6.05
Fatima Fertilizer Limited	6,500	-	-	-	6,500	221	225	4	0.00	0.00	0.00
									7.90	0.42	9.96
Technology & Communication											
Pakistan Telecommunication Company Limited "A"	10	-	-	-	10	0	0	0	0.00	0.00	0.00
Paper & Board											
Packages Limited	322,900	-	-	80,000	242,900	154,537	162,567	8,030	2.82	0.29	3.55
Refinery											
Attock Refinery Limited	43,000	-	-	-	43,000	12,046	14,013	1,967	0.24	0.01	0.31
Miscellaneous											
Shifa International Hospital Limited	64,584	-	-	-	64,584	19,375	21,313	1,938	0.37	0.01	0.47
Oil & Gas Exploration											
Oil and Gas Development Company Limited	450,000	50,000	-	-	500,000	69,107	70,615	1,508	1.22	0.07	1.54
Pakistan Oilfields Limited	240,725	51,500	-	-	292,225	104,398	117,274	12,876	2.03	0.04	2.56
Pakistan Petroleum Limited	339,396	75,000	-	-	414,396	64,757	67,824	3,067	1.18	0.02	1.48
Mari Petroleum Company Limited	84,250	-	-	-	84,250	76,518	80,419	3,901	1.39	0.08	1.76
									4.61	0.20	5.81
Oil and Gas Marketing											
Pakistan State Oil Company Limited	332,204	75,000	-	-	407,204	155,661	168,639	12,978	2.92	0.15	3.68
Hascol Petroleum Limited	1,473	-	-	-	1,473	288	324	36	0.01	0.00	0.01
Sui Northern Gas Pipeline Limited	5,500	1,577,500	-	-	1,583,000	75,465	79,340	3,875	1.38	0.25	1.73
									4.30	0.40	5.42
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	83,300	-	-	-	83,300	62,808	70,680	7,872	1.23	0.09	1.54
Ferozsons (Lab)	20,400	-	-	-	20,400	21,031	17,757	(3,274)	0.31	0.07	0.39
The Searle Company	156,364	-	-	-	156,364	83,835	89,674	5,839	1.55	0.18	1.96
Highnoon (Lab)	12,320	-	-	-	12,320	7,101	6,759	(342)	0.12	0.06	0.15
									3.20	0.40	4.04
Food & Personal Care Products											
Engro Foods Limited	-	505,900	-	50,000	455,900	64,935	66,703	1,768	1.16	0.06	1.46
Al-Shaheer Corporation Limited	431,500	-	-	160,000	271,500	14,175	17,319	3,144	0.30	0.04	0.38
									1.46	0.09	1.84
Power Generation & Distribution											
The Hub Power Company Limited	1,433,097	-	-	100,000	1,333,097	160,052	158,865	(1,187)	2.75	0.12	3.47
K-Electric Limited (note 5.1.1.2)	11,125,000	5,438,500	-	-	16,563,500	137,697	152,550	14,853	2.64	0.06	3.33
									5.39	0.18	6.79
Real Estate Investment Trust											
Dolmen City REIT	2,728,000	-	-	-	2,728,000	29,463	28,590	(873)	0.50	0.12	0.62
Engineering											
Crescent Steel	382,250	-	-	237,000	145,250	16,647	18,303	1,656	0.32	0.23	0.40
Total						2,843,488	2,937,070	93,582			

5.1.1.2 All shares have a face value of Rs 10 each except for the shares of K Electric which have a face value of Rs. 3.5 each.

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

5.1.1.4 150,000 shares of Engro Corporation Limited, having market value of Rs 43.687 million as at September 30, 2016 (June 30, 2016: Rs. 49.945 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 Sukuk certificates

Name of the security	Maturity date	Profit rate	As at July 01, 2016	Purchases during the quarter	Sales / Matured during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain	Percentage in relation to	
			----- (Number of certificates) -----			----- (Rupees in '000) -----			----- (%) -----		
GoP Ijarah Sukuk Certificates -XVII (Note 5.1.1.6)	February 15, 2019	Weighted Average 6 months T-Bills	1,190	-	-	1,190	120,892	121,678	786	2.11	2.66
Total							120,892	121,678	786		

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

Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016	
	(Rupees in '000)		
5.1.2 Investments - 'at fair value through profit or loss upon initial recognition'			
Shares of listed companies 'Ordinary shares'	5.1.2.1	80,624	53,258
Sukuk certificates	5.1.2.2	768,838	765,020
		849,462	818,278

5.1.2.1 Shares of listed companies 'Ordinary shares'

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain	Percentage in relation to		
									----- (Number of shares) -----		
Sector / Companies											
Automobile and parts											
Indus Motor Company Limited	42,455	-	-	-	42,455	39,888	63,699	23,811	1.10	0.05	1.39
Banks											
Meezan Bank Limited (an associate company of the Fund)	277,593	-	-	-	277,593	11,797	15,270	3,473	0.26	0.03	0.33
Paper and Board Packages Limited											
Packages Limited	2,473	-	-	-	2,473	1,573	1,655	82	0.03	0.00	0.04
Total						53,258	80,624	27,366			

5.1.2.2 Sukuk certificates

Name of the investee company	Maturity	Profit rate	As at July 01, 2016	Purchases during the quarter	Redemptions /Matured during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016*	Market value as at September 30, 2016*	Unrealised gain	Percentage in relation to		
										(Number of certificates)	(Rupees in '000)	Net assets of the fund on the basis of market value (note 5.1.1.3)
									----- % -----			
Secured												
Engro Fertilizer Pakistan Limited - II (A+, PACRA, non-traded) (note 5.1.2.3)	July 9, 2019	6 months KIBOR plus base rate of 1.75%	12,580		340	12,240	63,422	63,541	119	1.10	0.00	1.39
K Electric Limited - (7 years) (note 5.1.2.3) (AA, JCR-VIS, non-traded)	June 17, 2022	6 months KIBOR plus base rate of 1%	87,253	-	-	87,253	441,762	447,172	5,410	7.75	0.01	9.77
Security Leasing * Corporation Limited II (note 5.1.2.3 & 5.1.2.4)	January 19, 2022	Nil	1,540	-	-	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	-	-	-	-	-	-
Hascol Petroleum Limited - Sukuk (note 5.1.2.3)	January 7, 2022	3 months KIBOR plus base rate of 1.50%	50,000	-	-	50,000	258,075	258,125	50	4.47	0.01	5.64
Total							763,259	768,838	5,579			

* In case of debt securities against which provision has been made, these are carried at carrying value less provision.

5.1.2.3 The nominal value of these sukuk certificates is Rs 5,000 each except for the sukuk certificates of Eden Housing Limited having nominal value of Rs. 984.375 each.

5.1.2.4 The Fund is compliant with all the requirements of circular 7 of 2009 dated March 6, 2009 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 certificates which are below ' investments grade' securities:

Name of the investee company	Type of investments	Value of investment before provision	Provision held as at September 30, 2016	Value of investment 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	-	-	-
		37,623	37,623	-		

5.2 Investments - 'available for sale'

Shares of listed companies (Ordinary shares)

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain	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)			%		
Automobile and parts										
Indus Motor Company Limited	2,075	-	-	2,075	454	3,113	2,659	0.05	0.00	0.07
Banks										
Meezan Bank Limited (an associate of the Fund)	1,207	-	-	1,207	17	66	49	0.00	0.00	0.00
BankIslami Pakistan Limited	875	-	-	875	5	11	6	0.00	0.00	0.00
								0.00	0.00	0.00
Fertilizers										
Fauji Fertilizer Company Limited	599	-	599	-	-	-	-	-	-	-
Chemicals										
ICI Pakistan Limited	21	-	-	21	3	14	11	0.00	0.00	0.00
Cement										
Attock Cement Pakistan Limited	287	-	-	287	11	72	61	0.00	0.00	0.00
DG Khan Cement Company Limited	249	-	-	249	10	46	36	0.00	0.00	0.00
Lucky Cement Limited	7,451	-	-	7,451	887	5,046	4,159	0.09	0.00	0.11
								0.09	0.00	0.11
Power Generation & Distribution										
The Hub Power Company Limited	1,134,050	-	-	1,134,050	41,921	135,145	93,224	2.34	0.10	2.95
Paper and Board										
Packages Limited	150,000	-	-	150,000	77,511	100,391	22,880	1.74	0.18	2.19
Oil & Gas										
Pakistan Petroleum Limited	4,548	-	-	4,548	558	744	186	0.01	0.00	0.02
Total					121,377	244,648	123,271			

5.2.1 Net unrealised appreciation / (diminution) on re-measurement of investment classified as 'available for sale'

Note	(Unaudited) September 30, 2016 (Rupees in '000)	(Audited) June 30, 2016
Market value of investments	244,234	250,166
Less: Cost of investments	121,377	135,568
	123,271	114,598
Less: Net unrealised appreciation on re-measurement of investments classified as 'available for sale' at beginning of the period	117,903	98,514
	5,368	16,084

5.3 Investment loans and receivables'

5.3.1	425,000	425,000
	425,000	425,000

5.3.1 Sukuk Certificates

Name of the investee company	Maturity	Profit rate	As at July 01, 2016	Matured during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain	Percentage of market value of total investments
			----- (Number of shares) -----			----- (Rupees in '000) -----			----- % -----
Lalpir Power Limited-CP Sukuk (note 5.3.1.1)	November 4, 2016	6 months KIBOR plus base rate of 0.25%	25,000	-	25,000	125,000	125,000	-	2.73
Engro Fertilizers Limited-CP Sukuk (note 5.3.1.1)	November 25, 2016	6 months KIBOR plus base rate of 0.40%	60,000	-	60,000	300,000	300,000	-	6.55
Total						425,000	425,000		-

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

5.3.1.2 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. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2016 other than as disclosed in the annual financial statements for the year ended June 30, 2016

7. WORKERS' WELFARE FUND (WWF)

The status of Workers' Welfare Fund (WWF) is the same as disclosed in the annual financial statements for the year ended June 30, 2016. The Management Company, as a matter of abundant caution, has recognised WWF amounting to Rs. 37.909 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.11 per unit (0.66 %). The mutual funds have been excluded from levy of WWF vide Finance Act, 2015, hence, effective from July 1, 2015, no provision of WWF has been made in the Fund.

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 this 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 gain / (loss) on the appreciation / (diminution) in the value of the investments.

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

	For the quarter ended September 30, 2016			For the quarter ended September 30, 2015		
	Equity sub-portfolio	Debt sub-portfolio	Total	Equity sub-portfolio	Debt sub-portfolio	Total
	(Rupees in '000)			(Rupees in '000)		
Total net segment income / (loss)	163,733	34,511	198,244	(81,388)	19,348	(62,040)
Unallocated expenses	-	-	8,514	-	-	8,925
Total net income / (loss)	163,733	34,511	206,758	(81,388)	19,348	(53,115)

	As at September 30, 2016			As at June 30, 2016		
	Equity sub-portfolio	Debt sub-portfolio	Total	Equity sub-portfolio	Debt sub-portfolio	Total
	(Rupees in '000)			(Rupees in '000)		
Total segment assets	3,286,421	1,341,344	4,627,765	2,769,191	1,325,115	4,094,306
Unallocated assets	-	-	1,305,641	-	-	763,379
Total assets	3,286,421	1,341,344	5,933,406	2,769,191	1,325,115	4,857,685
Total segment liabilities	2,892	-	2,892	15,475	-	15,475
Unallocated liabilities	-	-	160,805	-	-	134,523
Total liabilities	2,892	-	163,697	15,475	-	149,998

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 executives of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Asset Allocation Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund -II, Meezan Gold Fund 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 unitholders holding 10% 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.

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

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	9,258	7,719
Sindh Sales Tax and Federal Excise Duty payable on management fee	31,993	31,870
Sales load payable	3,805	2,171
Sindh Sales Tax and Federal Excise Duty payable on sales load	7,331	7,119
Allocated expense	463	386
Investment of 853,671 units (June 30, 2016: 853,671 units)	14,043	13,522
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	1,075	468
Sindh sale tax on Trustee fee	140	66
Deposits	300	300
Meezan Bank Limited		
Bank balance	159,920	65,144
Investment in 283,800 shares (June 30, 2016: 533,800 shares)	15,611	22,686
Investment of 18,886,746 units (June 30, 2016: 18,886,746 units)	310,687	299,166
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 415,371 units (June 30, 2016: 415,371 units)	6,833	6,578
Directors and Executives of the Management Company		
Investment of 5,920,119 units (June 30, 2016: 2,387,815 units)	97,386	37,823
For the quarter ended September 30,		
	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	26,440	20,070
Sindh Sales Tax and Federal Excise Duty on management fee	3,437	6,470
Allocated expense	1,322	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	1,574	1,255
Sindh Sales tax on Trustee fee	205	-
CDS Charges for the quarter	37	40
Meezan Bank Limited		
Profit on saving account	193	411
Profit on term deposit receipts	-	2,804
Cash dividend income during the quarter	-	2,367
Sale of shares: 250,000 shares (September 30, 2015: 375,000)	14,050	18,392
Directors and Executives of the Management Company		
Units issued: 3,595,268 (September 30, 2015: 108,920 units)	59,573	1,625
Units redeemed: 62,964 (September 30, 2015: 39,405 units)	1,016	587

11.1 The Fund has not disclosed fair values for these financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 06, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director



Meezan Asset Allocation Fund

Meezan Asset Allocation Fund (MAAF) is a Shariah Compliant Asset Allocation Scheme. It is designed to help investors build wealth by long-term capital appreciation, diversification across asset classes and the flexibility to change investment portfolio exposure as per the outlook.

The objective of MAAF is to earn a potentially high return through asset allocation between Shariah Compliant Equity, Fixed Income and Money Market Instruments based on the fund manager's view on macroeconomic outlook of such asset classes.

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. Abdullah Ahmed Muhammad	Non-Executive	
Syed Amir Ali	Non-Executive	
Mr. Atif Azim	Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Moin M. Fudda	Independent	
Mr. Mazhar Sharif	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 Sultan Trust 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)
Bankislami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited - Islamic Banking
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 SEPTEMBER 30, 2016

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
(Rupees in '000)			
Assets			
Balances with banks		155,133	95,752
Investments	5	582,416	274,328
Dividend receivable		4,404	780
Receivable on issuance and conversion of units		3,032	96,144
Deposits and other receivable		3,511	3,352
Preliminary expenses and floatation costs		822	867
Total assets		749,318	471,223
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		3,261	3,095
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		133	70
Payable to Securities and Exchange Commission of Pakistan (SECP)		146	50
Payable to Meezan Bank Limited (MBL)		-	159
Payable against investments - (net)		510	5,894
Payable on redemption and conversion of units		1,299	1,250
Accrued expenses and other liabilities		310	913
Total liabilities		5,659	11,431
Net assets		743,659	459,792
Contingencies and commitments	6		
Unitholders' fund (as per statement attached)		743,659	459,792
(Number of units)			
Number of units in issue		14,099,971	9,005,322
(Rupees)			
Net assets value per unit		52.74	51.06

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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Note	Quarter ended September 30, 2016 (Rupees in '000)
Income		
Net realised gain on sale of investments		286
Dividend income		5,072
Profit on saving accounts with banks		1,336
		<u>6,694</u>
Unrealised appreciation on re-measurement of investments 'at fair value through profit or loss' (net)	5.1	12,482
Total income		<u>19,176</u>
Expenses		
Remuneration to Al Meezan Investment Management Limited (Al Meezan)'- Management Company		2,308
Sindh Sales Tax on Management Fee		300
Allocated expenses		154
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		308
Sindh Sales Tax on Trustee Fee		40
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		146
Auditors' remuneration		69
Brokerage expenses		622
Charity expense		54
Bank and settlement charges		157
Amortisation of preliminary expenses and floatation costs		46
Fees and subscription		63
Total expenses		<u>4,267</u>
Net income from operating activities		<u>14,909</u>
Element of income and capital gains included in prices of units sold less those in units redeemed (net)		8,825
Net income for the quarter before taxation		<u>23,734</u>
Taxation	8	-
Net income for the quarter after taxation		<u>23,734</u>
Other comprehensive income for the quarter		-
Total comprehensive income for the quarter		<u>23,734</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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

September 30,
2016
(Rupees in '000)

Undistributed income / (loss) brought forward	
- Realised	(5)
- Unrealised	9,530
	<u>9,525</u>
Net income for the quarter	23,734
Undistributed income carried forward	<u>33,259</u>
Undistributed income carried forward	
- Realised	20,777
- Unrealised	12,482
	<u>33,259</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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	September 30, 2016 (Rupees in '000)
Net assets at beginning of the quarter	459,792
Issue of 6,528,117 units	344,253
Redemption of 1,433,468 units	(75,295)
	268,958
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(8,825)
Net realised gain on sale of investments	286
Unrealised appreciation on re-measurement of investments 'at fair value through profit or loss' (net)	12,482
Other net income for the quarter	10,966
Total comprehensive income for the quarter	23,734
Net assets at end of the quarter	743,659
	(Rupees)
Net asset value per unit as at the beginning of the quarter	51.06
Net asset value per unit as at the end of the quarter	52.74

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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Note	September 30, 2016 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter		23,734
Adjustments for		
Amortisation of preliminary expenses and floatation costs		46
Unrealised appreciation on re-measurement of investments at fair value through profit or loss (net)	5.1	(12,482)
Element of income and capital gains included in prices of units sold less those in units redeemed (net)		(8,825)
		<u>2,473</u>
(Increase) / decrease in assets		
Investments (net)		(295,607)
Dividend receivable		(3,624)
Deposits and other receivable		(159)
		<u>(299,390)</u>
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited (Al-Meezan) - Management Company		166
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		63
Payable to Securities and Exchange Commission of Pakistan (SECP)		96
Payable to Meezan Bank Limited (MBL)		(159)
Payable against purchase of investments (net)		(5,384)
Accrued expenses and other liabilities		(603)
		<u>(5,821)</u>
Net cash used in operating activities		<u>(302,738)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units		437,365
Payment against redemption of units		(75,246)
Net cash generated from financing activities		<u>362,119</u>
Net increase in cash and cash equivalents during the quarter		59,381
Cash and cash equivalents at beginning of the quarter		95,752
Cash and cash equivalents at end of the quarter		<u>155,133</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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Asset Allocation Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Company (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was executed on November 25, 2015 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) on November 16, 2015. The initial offering period of the Fund was from April 18, 2016 to April 20, 2016 and fund commenced its operation from April 21, 2016. 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 objective of the Fund is to earn potentially high return through asset allocation between Shariah Compliant Equity Instruments, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instrument as permitted by the SECP and Shariah Advisor.
- 1.3** The Fund is an open-end Shariah Compliant Asset Allocation Scheme. 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 in the process of listing on Pakistan Stock Exchange (formerly Karachi Stock Exchange Limited).
- 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 Trust Deed, the NBFC Rules, 2003, the NBFC Regulations 2008 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 2003, and the NBFC Regulations 2008, 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, 2016.

The Fund's financial and unitholders' risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2016.

5. INVESTMENTS	Note	(Unaudited)	(Audited)
		September 30, 2016	June 30, 2016
(Rupees in '000)			
Investments at 'fair value through profit or loss'			
Ordinary shares - Held for trading	5.1	582,416	274,328
		582,416	274,328

5.1 Held for trading - shares of listed companies

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss) as at September 30, 2016	Percentage in relation to		
									Net assets of the Fund on the basis of market value (see note 5.1.1)	Paid-up capital of the investee company (with face value of investments)	Total Market value of investments
					(Number of shares)	(Rupees in '000)	%				
Sectors/ Companies											
Automobile Assembler											
Honda Atlas Cars (Pakistan) Limited	24,000	-	-	-	24,000	8,618	14,684	6,066	1.97	0.02	2.52
Cable & Electrical Goods											
Pak Elektron Limited	125,000	222,000	-	-	347,000	23,905	24,557	652	3.30	0.07	4.22
Cement											
Cherat Cement Company Limited	40,000	-	-	-	40,000	4,783	5,146	363	0.69	0.02	0.88
D.G. Khan Cement Company Limited	25,000	150,000	-	-	175,000	34,630	32,529	(2,101)	4.37	0.04	5.59
Fauji Cement Company Limited	100,000	130,000	-	-	230,000	8,535	8,112	(423)	1.09	0.02	1.39
Kohat Cement Company Limited	10,000	-	-	-	10,000	2,619	2,572	(47)	0.35	0.01	0.44
Lucky Cement Limited	10,000	74,500	-	-	84,500	58,037	57,228	(809)	7.70	0.03	9.83
Maple Leaf Cement Factory Limited	-	351,000	-	-	351,000	35,384	33,626	(1,758)	4.52	0.07	5.77
Pioneer Cement Limited	30,000	50,000	-	-	80,000	9,049	8,455	(594)	1.14	0.04	1.45
									19.86	0.23	25.35
Engineering											
Crescent Steel and Allied Products Limited	30,000	-	-	-	30,000	3,438	3,780	342	0.51	0.04	0.65
K.S.B Pumps Company Limited	6,000	-	-	-	6,000	1,462	1,614	152	0.22	0.05	0.28
									0.73	0.09	0.93
Fertilizer											
Dawood Hercules Corporation Limited	30,000	100,000	-	-	130,000	19,666	17,285	(2,381)	2.32	0.03	2.97
Engro Corporation Limited (note 5.1.3)	90,000	-	-	-	90,000	29,967	26,213	(3,754)	3.52	0.02	4.50
Engro Fertilizers Limited	835,000	-	-	-	835,000	53,841	51,486	(2,355)	6.92	0.06	8.84
									12.76	0.11	16.31
Food & Personal Care Products											
Al-Shaheer Corporation Limited	25,000	-	-	-	25,000	1,305	1,595	290	0.21	0.02	0.27
Engro Foods Limited	-	240,000	-	-	240,000	35,065	35,114	49	4.72	0.03	6.03
									4.93	0.05	6.30
Oil & Gas Exploration Companies											
Oil and Gas Development Company Limited	60,000	10,000	-	-	70,000	9,679	9,886	207	1.33	0.00	1.70
Pakistan Petroleum Limited	190,000	-	-	-	190,000	29,460	31,097	1,637	4.18	0.01	5.34
									5.51	0.01	7.04
Oil & Gas Marketing Companies											
Pakistan State Oil Company Limited	40,000	26,000	-	-	66,000	25,521	27,333	1,812	3.68	0.02	4.69
Sui Northern Gas Pipeline Limited	-	510,000	-	-	510,000	24,491	25,561	1,070	3.44	0.08	4.39
									7.12	0.10	9.08

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Bonus issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss) as at September 30, 2016	Percentage in relation to				
									Net assets of the Fund on the basis of market value (see note 5.1.1)	Paid-up capital of the investee company (with face value of investments)	Total Market value of investments		
					----- (Number of shares) -----			----- (Rupees in '000) -----			----- % -----		
Paper & Board													
Cherat Packaging Limited	10,000	-	-	-	10,000	3,418	3,850	432	0.52	0.03	0.66		
Packages Limited	29,000	13,200	-	-	42,200	27,743	28,243	500	3.80	0.05	4.85		
									4.32	0.08	5.51		
Pharmaceuticals													
Abbott Laboratories (Pakistan) Limited	34,050	-	-	-	34,050	25,674	28,891	3,217	3.88	0.03	4.96		
The Searle Company Limited	-	30,000	-	-	30,000	16,740	17,205	465	2.31	0.03	2.95		
									6.19	0.06	7.91		
Power Generation & Distribution													
K-Electric Limited (note 5.1.2)	1,075,000	1,795,000	-	-	2,870,000	23,740	26,433	2,693	3.55	0.03	4.54		
The Hub Power Company Limited	80,000	45,000	-	-	125,000	15,425	14,896	(529)	2.00	0.01	2.56		
									5.55	0.04	7.10		
Refinery													
Attock Refinery Limited	20,000	-	-	-	20,000	5,603	6,518	915	0.88	0.02	1.12		
Technology & Communication													
Pakistan Telecommunication Company Limited 'A'	700,000	-	-	200,000	500,000	7,515	9,140	1,625	1.23	0.01	1.57		
Textile Composite													
Nishat Mills Limited	-	185,000	-	-	185,000	21,621	26,067	4,446	3.51	0.05	4.48		
Miscellaneous													
Shifa International Hospital Limited	10,000	-	-	-	10,000	3,000	3,300	300	0.44	0.02	0.57		
Total						569,934	582,416	12,482					

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

5.1.2 All shares have a nominal value of Rs. 10 each except for the shares of K-Electric Limited which have nominal value of Rs. 3.50 each

5.1.3 30,000 shares (June 30, 2016: 30,000 shares) of Engro Corporation Limited, having market value of Rs. 8.738 million as at September 30, 2016 (June 30, 2016: Rs. 9.99 million), have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

6. CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at September 30, 2016.

7. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include AI Meezan Investment Management Limited (AI 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 Executives of the Management Company, Meezan Islamic Fund, AI Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund – II, Meezan Gold Fund 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, AI Meezan Investment Management Limited – Employees 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 provisions of NBFC Regulations, 2008 and the Trust Deed.

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

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	885	460
Sindh Sales Tax and Federal Excise Duty on management fee payable	260	209
Sales load payable	689	868
Sindh sales tax and Federal Excise Duty on sales load payable	464	623
Allocated expense payable	59	31
Formation cost payable	904	904
Meezan Bank Limited		
Sales load payable	-	159
Bank balance	46,230	2,507
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	118	61
Sindh Sales Tax on Trustee Fee payable	15	9
Deposits	100	100
Unitholders holding 10% or more units of the fund	-	50,747

(Unaudited)
September 30,
2016
(Rupees in '000)

Al Meezan Investment Management Company Limited - (Al-Meezan) Management Company	
Remuneration for the quarter	2,308
Sindh Sales Tax and Federal Excise Duty on management fee for the quarter	300
Allocated expense	154
Meezan Bank Limited	
Profit on saving account	96
Shariah advisor fee	63
Central Depository Company of Pakistan Limited (CDC) - Trustee	
Remuneration for the quarter	308
Sindh Sales Tax on Trustee Fee for the quarter	40
CDS charges	19

8. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current year as the Management Company intends to distribute sufficient income of the Fund for the year ended June 30, 2017, as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly Supertax introduced in Finance Act, 2015 is also not applicable on funds (Section 4B of Income Tax Ordinance, 2001).

9. FINANCIAL INSTRUMENTS

The additional disclosures due to the adoption of IFRS 13 *Fair value measurement* are as follows:

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
September 30, 2016									
Financial assets - measured at fair value									
Investments	582,416	-	-	-	582,416	582,416	-	-	582,416
Financial assets - not measured at fair value									
Balances with banks	-	-	155,133	-	155,133	-	-	-	-
Dividend receivable	-	4,404	-	-	4,404	-	-	-	-
Receivable on issuance and conversion of units	9.1	3,032	-	-	3,032	-	-	-	-
Deposits and other receivable	9.1	3,337	-	-	3,337	-	-	-	-
	582,416	10,773	155,133	-	165,906	582,416	-	-	582,416
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited									
- Management Company	9.1	-	-	3,261	3,261	-	-	-	-
Payable to Central Depository Company of Pakistan Limited									
- Trustee	9.1	-	-	133	133	-	-	-	-
Payable to Meezan Bank Limited	9.1	-	-	-	-	-	-	-	-
Payable against investments - net	9.1	-	-	510	510	-	-	-	-
Payable on redemption and conversion of units	9.1	-	-	1,299	1,299	-	-	-	-
Accrued expenses and other liabilities	9.1	-	-	310	310	-	-	-	-
	-	-	-	5,513	5,513	-	-	-	-

9.1 The Fund has not disclosed the fair values for these financial assets and liabilities, as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

10. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 06, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





Meezan Gold Fund

Meezan Gold Fund (MGF) is Pakistan's first Shariah Compliant Gold Fund. It invests in gold instruments in the most efficient manner, to provide maximum exposure to prices of Gold in a Shariah Compliant (Islamic) manner. This is done by investing significant portion of the Fund's net assets in deliverable gold based contracts available on Pakistan Mercantile Exchange (PMEX).

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 Independent	Chairman
Mr. P. Ahmed	Non-Executive Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive Independent	
Syed Amir Ali	Non-Executive Independent	
Mr. Atif Azim	Non-Executive Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive Independent	
Mr. Moin M. Fudda	Non-Executive Independent	
Mr. Mazhar Sharif	Non-Executive Independent	
Syed Amir Ali Zaidi	Non-Executive Independent	
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

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 SEPTEMBER 30, 2016

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
(Rupees in '000)			
Assets			
Balances with bank		51,945	126,315
Investment in gold	5	341,840	280,244
Profit receivable on saving account		281	142
Receivables on issuance and conversion of units		-	20,197
Total assets		394,066	426,898
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		1,365	1,676
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		62	48
Payable to Securities and Exchange Commission of Pakistan (SECP)		70	106
Payable on redemption and conversion of units		1,693	101,318
Accrued expenses and other liabilities		1,726	1,724
Dividend payable		-	912
Total liabilities		4,916	105,784
Net assets		389,150	321,114
Contingencies and commitments	6		
Unitholders' fund (as per statement attached)		389,150	321,114
(Number of units)			
Number of units in issue		7,183,755	5,889,254
(Rupees)			
Net assets value per unit		54.17	54.53

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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

		September 30, 2016	For the period from August 18, 2015 to September 30, 2015
	Note	(Rupees in '000)	
Income			
Profit on saving account with bank		398	130
Unrealised diminution on re-measurement of investment in gold	5.1	(547)	(2,512)
Total income		<u>(149)</u>	<u>(2,382)</u>
Expenses			
Remuneration to Al Meezan Investment Management Limited (Al Meezan)- Management Company		1,405	175
Allocated Expenses		94	-
Sindh Sales Tax and Federal Excise Duty on Management Fee		183	57
Remuneration to Central Depository Company of Pakistan Limited (CDC) -Trustee		159	20
Sindh Sales Tax on Trustee Fee		21	3
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		70	9
Auditors' remuneration		67	38
Brokerage expense		9	9
Fees and subscription		64	-
Bank and settlement charges		644	130
Total expenses		<u>2,716</u>	<u>441</u>
Net income/ (loss) from operating activities		<u>(2,865)</u>	<u>(2,823)</u>
Element of income/ (loss) and capital gains/(losses) included in prices of units issued / sold less those in units redeemed (net)		312	(430)
Net loss for the quarter before taxation		<u>(2,553)</u>	<u>(3,253)</u>
Taxation	8	-	-
Net loss for the quarter after taxation		<u>(2,553)</u>	<u>(3,253)</u>
Other comprehensive income for the quarter		-	-
Total comprehensive income for the quarter		<u><u>(2,553)</u></u>	<u><u>(3,253)</u></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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	September 30, 2016	For the period from August 18, 2015 to September 30, 2015
	(Rupees in '000)	
Undistributed income brought forward		
- Realised	224	-
- Unrealised	22,866	-
	23,090	-
Net loss for the quarter	(2,553)	(3,253)
Undistributed income/ accumulated loss carried forward	20,537	(3,253)
Undistributed income/ accumulated loss carried forward		
- Realised	21,084	(741)
- Unrealised	(547)	(2,512)
	20,537	(3,253)

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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	September 30, 2016	For the period from August 18, 2015 to September 30, 2015
	(Rupees in '000)	
Net assets at the beginning of the quarter	321,114	-
Issue of 3,281,552 units (August 18,2015 to September 30,2015 : 2,456,686 units)	180,984	122,328
Redemption of 1,987,051 units (August 18,2015 to September 30,2015 : 215,494 units)	(110,083)	(10,698)
	70,901	111,630
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(312)	430
Unrealised diminution on re-measurement of investment in gold	(547)	(2,512)
Other net loss for the quarter	(2,006)	(741)
Total Comprehensive income/ (loss) for the quarter	(2,553)	(3,253)
Net assets at end of the quarter	389,150	108,807
	(Rupees)	
Net assets value per unit at beginning of the quarter	54.53	-
Net assets value per unit at end of the quarter	54.17	48.55

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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

September 30,
2016

For the period from
August 18, 2015 to
September 30, 2015

(Rupees in '000)

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss for the quarter	(2,553)	(3,253)
Adjustments for:		
Unrealised diminution on re-measurement of investment in gold	547	2,512
Element of income / (loss) and capital gains/ (losses) included in prices of units sold less those in units redeemed (net)	(312)	430
	(2,318)	(311)
(Increase)/ decrease in assets		
Investment in gold (net)	(62,143)	(83,710)
Receivable against sale of investments (net)	-	(98)
Profit receivable on saving account	(139)	(60)
	(62,282)	(83,868)
(Decrease)/ increase in liabilities		
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	(311)	314
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	14	23
Payable to Securities and Exchange Commission of Pakistan (SECP)	(36)	9
Accrued expenses and other liabilities	2	103
	(331)	449
Net cash used in operating activities	(64,931)	(83,730)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	201,181	122,328
Payment against redemption of units	(209,708)	(10,688)
Dividend paid	(912)	-
Net cash (used in)/ generated from financing activities	(9,439)	111,640
Net decrease in cash and cash equivalents during the quarter	(74,370)	27,910
Cash and cash equivalents at beginning of the quarter	126,315	-
Cash and cash equivalents at end of the quarter	51,945	27,910

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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Gold Fund (the Fund) was established under a trust deed executed between Al Meezan Investment Management Company (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was executed on October 15, 2014 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) on September 23, 2014. The initial offering period of the Fund was from August 13, 2015 to August 18, 2015 and Fund commence its operations from August 18, 2015. 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 is an open-ended Shariah Compliant Commodity Fund that aims to provide maximum exposure to prices of Gold in a Shariah Compliant (Islamic) manner, by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on Pakistan Mercantile Exchange (PMEX). Furthermore, all investments of the Fund's property shall be in accordance with the Shariah as advised by the Shariah Advisor. The Fund shall also be subject to the rules and regulations framed by the State Bank of Pakistan with regard to the foreign currency . The investments in Gold contracts listed at the Commodity Exchange shall be subject to the PMEX Regulations and/or rules and regulations of the pertinent Commodity Exchange, if the Commodity Exchange is other than PMEX. All pertinent contracts, agreements and documents of PMEX shall be approved by Shariah Advisor. 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. The Fund is in the process of listing on the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited) and due to the integration of the stock exchanges, the approval of listing is under process.
- 1.3** 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 Commodity 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 statements 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 2003, the NBFC Regulations, 2008 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 2003, the NBFC Regulations 2008 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, 2016.

The Fund's financial and unitholders' fund risk management objectives and policies consistent with those disclosed in the annual financial statements for the year ended June 30, 2016.

5. INVESTMENT IN GOLD	Note	(Unaudited) September 30, 2016 (Rupees in '000)	(Audited) June 30, 2016
Investment in gold	5.1	341,840	280,244

5.1 Investment in gold

Commodity	As at July 01, 2016	Purchases during the quarter	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised loss	Percentage in relation to Net assets of the Fund on the basis of market value (see note 5.1.1)
	----- (Total) -----				----- (Rupees in '000) -----			----- % -----
TOLAGOLD	5,200	1,135	1	6,334	342,387	341,840	(547)	87.84
Total					342,387	341,840	(547)	

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

5.1.2 The Pakistan Merchantile Exchange (PMEX) delivers refined Gold in 10 TOLA Bars. These are physically held by PMEX under their custody in the vaults of a commercial bank.

5.1.3 The investment in gold of Rs. 341.840 million has been measured at fair value based on the quoted market price in active markets.

6. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2016.

7. 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 Executives of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Asset Allocation Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, 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 – Employees 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 provisions of NBFC Regulations and the Trust Deed.

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

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	489	366
Sindh Sales Tax and Federal Excise Duty on management fee payable	452	439
Sales load payable	85	485
Sindh sales tax and Federal Excise Duty on sales load payable	306	362
Allocated expenses	33	24
Investments as at September 30, 2016: 702,463 units (June 30, 2016 : 384,001 units)	38,052	20,940
Meezan Bank Limited		
Bank balance	51,945	126,315
Investments as at September 30, 2016: 1,000,000 units (June 30, 2016 : 1,000,000 units)	54,170	54,530
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	55	42
Sindh Sales Tax on trustee fee payable	7	6
Directors and executives of the Management Company		
Investments as at September 30, 2016: 144,218 units (June 30, 2016 : 167,824 units)	7,812	9,151

September 30, 2016 For the period from August 18, 2015 to September 30, 2015

(Rupees in '000)

Al Meezan Investment Management Company Limited - Management Company

Remuneration for the quarter	1,405	175
Sindh Sales Tax and Federal Excise Duty on management fee for the quarter	183	57
Units issued: 1,040,545 units (August 18, 2015 to September 30, 2015 : 506,796 units)	58,000	25,000
Units redeemed: 722,083 units (August 18, 2015 to September 30, 2015 : nil)	40,000	-
Allocated expenses	94	-

Meezan Bank Limited

Profit on saving account	398	130
Units issued: nil (August 18, 2015 to September 30, 2015 : 1,000,000 units)	-	50,000
Shariah Advisor fee	64	-

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the quarter	159	20
Sindh Sales Tax on trustee fee	21	-

Directors and executives of the Management Company

Units issued: 4,151 units (August 18, 2015 to September 30, 2015: 1,000 units)	229	50
Units redeemed: 27,757 units (August 18 2015 to September 30, 2015: nil)	1,531	-

8. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the Non- Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current year as Management Company intends to distribute sufficient income of the Fund for the year ended June 30, 2017 as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income tax Ordinance, 2001. Accordingly Supertax introduced in Finance Act, 2015 is also not applicable on funds (Section 4B of Income Tax Ordinance, 2001).

9. FINANCIAL INSTRUMENTS - FAIR VALUE

The additional disclosures due to the adoption of IFRS 13 *Fair value measurement* are as follows:

Note	Carrying amount				Fair value			
	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
September 30, 2016 (Rupees in '000)								
Financial assets - measured at fair value								
	-	-	-	-	-	-	-	-
Financial assets - not measured at fair value								
Balances with bank	9.1	51,945	-	51,945	-	-	-	-
Profit receivable on saving account	9.1	281	-	281	-	-	-	-
Receivables on issuance and conversion of units		-	-	-	-	-	-	-
		281	51,945	-	52,226			
Financial assets - not measured at fair value								
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	9.1	-	-	1,365	1,365	-	-	-
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	9.1	-	-	62	62	-	-	-
Payable on redemption and conversion of units	9.1	-	-	1,693	1,693	-	-	-
Accrued expenses and other liabilities	9.1	-	-	598	598	-	-	-
		-	-	3,718	3,718			

9.1 The Fund has not disclosed the fair values for these financial assets and liabilities, as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

10. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 06, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director



Meezan Islamic Income Fund

Meezan Islamic Income Fund is Pakistan's first Shariah compliant income fund scheme. The purpose of Meezan Islamic Income Fund is to provide investors with a safe and stable stream of Halal income on their investments and to generate superior long term risk adjusted returns.

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 Independent	Chairman
Mr. P. Ahmed	Non-Executive Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive Independent	
Syed Amir Ali	Non-Executive Independent	
Mr. Atif Azim	Non-Executive Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive Independent	
Mr. Moin M. Fudda	Non-Executive Independent	
Mr. Mazhar Sharif	Non-Executive Independent	
Syed Amir Ali Zaidi	Non-Executive Independent	
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

Allied Bank Limited	Habib Bank Limited - Islamic Banking
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 Al Habib Limited - Islamic Banking	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan - Islamic Banking
Bankislami Pakistan Limited	Samba Bank Limited
Burj Bank Limited	Sindh Bank Limited
Dubai Islamic Bank Pakistan Limited	UBL Ameen - Islamic Banking
Faysal 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 SEPTEMBER 30, 2016

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
(Rupees in '000)			
Assets			
Balances with banks	5	3,741,581	2,505,300
Investments	6	7,368,152	6,098,995
Receivable on issuance and conversion of units		9,544	858,248
Deposits, prepayments and other receivables		102,997	85,746
Total assets		11,222,274	9,548,289
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		67,675	65,583
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		828	734
Payable to Securities and Exchange Commission of Pakistan (SECP)		1,917	6,220
Payable to Meezan Bank Limited (MBL)		-	1,234
Payable on redemption and conversion of units		2,198	337,862
Accrued expenses and other liabilities		53,551	85,239
Total liabilities		126,169	496,872
Net assets		11,096,105	9,051,417
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		11,096,105	9,051,417
(Number of units)			
Number of units in issue		213,502,180	176,505,403
(Rupees)			
Net assets value per unit		51.97	51.28

The annexed notes 1 to 12 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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Note	September 30,	
		2016	2015
		(Rupees in '000)	
Income			
Profit on saving accounts with banks		57,028	41,596
Profit on term deposit receipts		30,872	23,300
Profit on sukuk certificates		71,781	41,874
Net realised (loss) / gain on sale of sukuk certificates		(385)	1,171
Other income		67	1,748
		159,363	109,689
Unrealised appreciation on re-measurement of investments 'at fair value through profit or loss' (net)	6.1.1 & 6.1.3	26,169	8,671
Total income		185,532	118,360
Expenses			
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company		38,357	22,077
Sindh Sales Tax and Federal Excise Duty on Management Fee		4,986	7,118
Allocated expenses		2,557	-
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		2,193	1,428
Sindh Sales Tax on Trustee Fee		285	200
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		1,918	1,104
Auditors' remuneration		203	201
Fees and subscription		304	76
Legal and professional charges		33	133
Brokerage expense		-	30
Bank and settlement charges		53	25
Printing expense		49	-
Total Expenses		50,938	32,392
Net income from operating activities		134,594	85,968
Element of income and capital gains included in prices of units issued less those in units redeemed (net)		12,894	38,309
Net income for the quarter before taxation		147,488	124,277
Taxation	10	-	-
Net income for the quarter after taxation		147,488	124,277
Other comprehensive income for the quarter		-	-
Total comprehensive income for the quarter		147,488	124,277

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	September 30,	
	2016	2015
	(Rupees in '000)	
Undistributed income brought forward		
- Realised	115,433	308,543
- Unrealised	24,368	22,460
	139,801	331,003
Final distribution for the period ended June 30, 2016		
- cash dividend: nil (June 30, 2015: @ 6.80% i.e. Rs. 3.40 per unit)	-	(267,165)
Net income for the quarter	147,488	124,277
Undistributed income carried forward	287,289	188,115
Undistributed income carried forward		
- Realised	261,120	179,444
- Unrealised	26,169	8,671
	287,289	188,115

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	September 30, 2016	2015
	(Rupees in '000)	
Net assets at beginning of the quarter	9,051,417	4,263,000
Issuance of 116,422,127 units (September 30, 2015: 94,016,510 units)	6,011,996	4,828,551
Issuance of units for re-investment of cash dividend: nil (September 30, 2015: 4,720,443 units)	-	240,035
Redemption of 79,425,350 units (September 30, 2015: 18,497,190 units)	(4,101,902)	(950,084)
	1,910,094	4,118,502
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(12,894)	(38,309)
Net realised (loss) / gain on sale of sukuk certificates	(385)	1,171
Unrealised appreciation on re-measurement of investments 'at fair value through profit or loss' (net)	26,169	8,671
Other net income for the quarter	121,704	114,435
Total comprehensive income for the quarter	147,488	124,277
Final distribution for the period ended June 30, 2016 - cash dividend: nil (June 30, 2015: @ 6.80% i.e. Rs. 3.40 per unit)	-	(267,165)
Net assets at end of the quarter	11,096,105	8,200,305
	(Rupees)	
Net asset value per unit as at beginning of the quarter	51.28	54.25
Net asset value per unit as at end of the quarter	51.97	51.63

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

Note	September 30,	
	2016	2015
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter	147,488	124,277
Adjustments for		
Unrealised appreciation on re-measurement of investments 'at fair value through profit or loss' (net)	(26,169)	(8,671)
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(12,894)	(38,309)
	108,425	77,297
(Increase) / decrease in assets		
Investments (net)	(1,242,989)	(274,849)
Deposits, prepayments and other receivables	(17,251)	15,635
	(1,260,240)	(259,214)
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	2,092	6,271
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	94	160
Payable to Securities and Exchange Commission of Pakistan (SECP)	(4,303)	(3,657)
Payable to Meezan Bank Limited (MBL)	(1,234)	(350)
Accrued expenses and other liabilities	(31,688)	(4,488)
	(35,039)	(2,064)
Net cash used in operating activities	(1,186,853)	(183,981)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	6,860,700	4,828,551
Receipts against re-investment of cash dividend	-	240,035
Payments against redemption and conversion of units	(4,437,566)	(2,457,013)
Dividend paid	-	(267,165)
Net cash generated from financing activities	2,423,134	2,344,408
Net increase in cash and cash equivalents during the quarter	1,236,281	2,160,427
Cash and cash equivalents at beginning of the quarter	2,505,300	2,559,304
Cash and cash equivalents at end of the quarter	3,741,581	4,719,731

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (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 listed on the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). 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 Open End Shariah Compliant (Islamic) Income Scheme in accordance with Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP).
- 1.4** The Fund has been given a stability rating of A-(f) by JCR - VIS Credit Rating Company Limited. 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 the 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, 2003, the NBFC Regulations, 2008

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, 2003, the NBFC Regulations, 2008 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, 2016.

The Fund's financial and unit holders' fund risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2016.

	Note	(Unaudited) September 30, 2016 (Rupees in '000)	(Audited) June 30, 2016
5. BALANCES WITH BANKS			
On saving accounts	5.1	3,735,003	2,488,524
On current accounts		6,578	16,776
		3,741,581	2,505,300

5.1 The balance in saving accounts have an expected profit ranging from 2.40% to 6.10% per annum (June 30, 2016: 2.50% to 6.10% per annum).

	Note	(Unaudited) September 30, 2016 (Rupees in '000)	(Audited) June 30, 2016
6. INVESTMENTS			
Investments - 'at fair value through profit or loss'	6.1	3,353,152	3,337,995
Investments - 'loans and receivables'	6.2	4,015,000	2,761,000
		7,368,152	6,098,995

6.1 Investments at fair value through profit or loss

- Held for trading	6.1.1	1,286,930	1,278,746
- Investments at fair value through profit or loss upon initial recognition	6.1.3	2,066,222	2,059,249
		3,353,152	3,337,995

6.1.1 Held for trading - Sukuk certificates

Name of the security	Maturity date	Profit rate	As at July 01, 2016	Purchases during the quarter	Sales / matured during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain	Percentage in relation to	
			----- (Number of certificates) -----			----- (Rupees in '000) -----			----- (%) -----		
GoP Ijarah Sukuk Certificates - XVI (note 6.1.2)	December 18, 2018	Weighted average 6 months T-Bills	340	-	-	340	34,269	34,367	99	0.31	0.47
GoP Ijarah Sukuk Certificates - XVII (note 6.1.2)	February 15, 2019	Weighted average 6 months T-Bills	12,250	-	-	12,250	1,244,477	1,252,563	8,085	11.29	17.00
Total							1,278,746	1,286,930	8,184		

6.1.2 The nominal value of these sukuk certificates is Rs 100,000 each.

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

Name of the security	Maturity date	Profit rate	As at July 01, 2016	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2016	*Carrying value as at September 30, 2016	*Market value as at September 30, 2016	Unrealised gain	Percentage in relation to		
			----- (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	-	-	-	0.00	9.46	0.00
Eden Housing Limited (note 6.1.4 & 6.1.5) *	September 29, 2014	6 months Kibor plus base rate of 2.5%	59,400	-	-	59,400	-	-	-	0.00	12.32	0.00
Security Leasing Corporation Limited II (note 6.1.4 & 6.1.5) *	January 19, 2022	Nil	3,081	-	-	3,081	-	-	-	0.00	6.67	0.00
Engro Fertilizer Limited (note 6.1.4) (AA-, PACRA, non-traded)	July 9, 2019	6 months Kibor plus base rate of 1.75%	78,625	-	2,125	76,500	396,395	397,130	735	3.58	13.28	5.39
Hascol Petroleum Limited (note 6.1.4) (AA-, JCR-VIS, non-traded)	January 06, 2022	3 months Kibor plus base rate of 1.50%	60,000	-	-	60,000	309,675	309,750	75	2.79	15.00	4.20
K-Electric Limited (sukuk 2) (note 6.1.4) (AA-, JCR-VIS, non-traded)	March 19, 2017	3 months Kibor plus base rate of 2.25%	35,600	-	-	35,600	177,649	180,592	2,943	1.63	4.75	2.45
K-Electric Limited (sukuk 4) (note 6.1.4) (AA+, JCR-VIS, traded)	June 17, 2022	3 months Kibor plus base rate of 1.00%	230,000	-	-	230,000	1,164,518	1,178,750	14,232	10.62	5.23	16.00
Total							2,048,237	2,066,222	17,985			

* In case of debt securities against which provision has been made, these are carried at carrying value less provision

6.1.4 The nominal value of these sukuk certificates is Rs 5,000 each except for the sukuk certificates of Eden Housing Limited having nominal value of Rs. 984.375 each.

6.1.5 The Fund is compliant with all the requirements of circular 7 of 2009 dated March 6, 2009 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 (if any)	Value of investment after provision	Percentage of net assets	Percentage of total assets
		(Rupees in '000)			%	
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	-	-	-

Note	(Unaudited)	(Audited)		
	September 30, 2016	June 30, 2016		
(Rupees in '000)				
6.2	Investments - loans and receivables			
	Term deposit receipts - having original maturity of more than 3 months	6.2.1	3,115,000	1,861,000
	Sukuk Certificates	6.2.2	900,000	900,000
			4,015,000	2,761,000

Name of the bank	Maturity date	Profit rate	As at July 01, 2016	Made during the quarter	Matured during the quarter	As at September 30, 2016	Percentage of total market value of investments
		----	(Rupees in '000)				----
BankIslami Pakistan Limited	December 29, 2016	6.15	920,000	-	-	920,000	12.49
Dubai Islamic Bank Pakistan Limited	September 4, 2017	6.10	506,000	550,000	506,000	550,000	7.46
Dubai Islamic Bank Pakistan Limited	November 21, 2016	6.25 to 6.50	435,000	-	-	435,000	5.90
MCB Bank Limited	September 6, 2017	6.10	-	700,000	-	700,000	9.50
Habib Metropolitan Bank Limited	March 22, 2017	6.15	-	510,000	-	510,000	6.92
			1,861,000	1,760,000	506,000	3,115,000	

Name of the security	Maturity date	Profit rate	As at July 01, 2016	Purchases during the quarter	Sales / redemptions during the quarter	As at September 30, 2016	*Carrying value as at September 30, 2016	*Market value as at September 30, 2016	Unrealised gain	Percentage of total market value of investments
			(Number of certificates)			(Rupees in '000)			----	----
Engro Fertilizer Limited CP Sukuk (note 6.2.2.1 & 6.2.2.2) (AA-, PACRA)	November 25, 2016	6 months Kibor plus base rate of 0.40%	750	-	-	750	750,000	750,000	-	10.18
Lalpir Power Limited CP Sukuk (note 6.2.2.1 & 6.2.2.2)	November 04, 2016	6 months Kibor plus base rate of 0.25%	30,000	-	-	30,000	150,000	150,000	-	2.04
Total							900,000	900,000	-	

6.2.2.1 The nominal value of these sukuk certificates is Rs 5,000 each except for the CP sukuk of Engro Fertilizer Limited having nominal value of Rs. 1,000,000 each.

6.2.2.2 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.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2016.

8. WORKERS' WELFARE FUND

The status of Workers' Welfare Fund (WWF) is the same as disclosed in the annual financial statements for the year ended June 30, 2016. The Management Company, as a matter of abundant caution, has recognised WWF charge for the period from January 1, 2013 to June 30, 2016 amounting to Rs. 45.46 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.21 per unit (0.41%). The mutual funds have been excluded from levy of WWF vide Finance Act, 2015, hence, effective from July 1, 2015, no provision of WWF has been made in the Fund.

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 Executives of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Asset Allocation Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund – II, Meezan Gold Fund 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 - 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 provisions of NBFC Regulations and the Trust Deed.

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

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	12,885	10,990
Sales load payable	825	405
Allocated expenses	859	733
Certificate charges payable	1	1
Sindh Sales Tax and Federal Excise Duty on management fee	50,670	50,534
Sindh Sales Tax and Federal Excise Duty on sales load	2,435	2,920
Investments as at September 30, 2016: 25,893,092 units (June 30, 2016: 17,419,761 units)	1,345,664	893,285
Meezan Bank Limited		
Sales load payable	-	1,234
Balances with bank	14,502	366,815
Profit receivable on saving accounts	-	238
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	733	644
Sindh Sales Tax on Trustee Fee	95	90
Security deposit	100	100

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Meezan Capital Preservation Fund - II		
Investments as at September 30, 2016: 7,892,323 units (June 30, 2016: nil)	<u>410,164</u>	<u>-</u>
MFPF - Meezan Asset Allocation Plan - II		
Investments as at September 30, 2016: 1,670,002 units (June 30, 2016: 1,670,002 units)	<u>86,790</u>	<u>85,638</u>
MFPF - Meezan Asset Allocation Plan - III		
Investments as at September 30, 2016: 16,768,844 units (June 30, 2016: 7,853,066 units)	<u>871,477</u>	<u>402,702</u>
MFPF - Meezan Asset Allocation Plan - IV		
Investments as at September 30, 2016: 4,666,916 units (June 30, 2016: 2,139,131 units)	<u>242,540</u>	<u>109,695</u>
AI Meezan Investment Management Limited - Employees Gratuity Fund		
Investments as at September 30, 2016: 202,725 units (June 30, 2016: 202,725 units)	<u>10,536</u>	<u>10,396</u>
Directors and executives of the Management Company		
Investments as at September 30, 2016: 228,041 units (June 30, 2016: 1,422,459 units)	<u>11,851</u>	<u>72,944</u>
	For the quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
AI-Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	<u>38,357</u>	<u>22,077</u>
Sindh Sales Tax & Federal Excise Duty on management fee for the quarter	<u>4,986</u>	<u>7,118</u>
Allocated expenses	<u>2,557</u>	<u>-</u>
Units issued: 10,032,623 units (September 30, 2015: 487,521 units)	<u>517,000</u>	<u>24,790</u>
Units redeemed: 1,559,292 units (September 30, 2015: nil)	<u>80,000</u>	<u>-</u>
Cash dividend paid	<u>-</u>	<u>33,054</u>
Meezan Bank Limited		
Profit on saving accounts	<u>406</u>	<u>268</u>
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	<u>2,193</u>	<u>1,428</u>
Sindh Sales Tax on trustee fee for the quarter	<u>285</u>	<u>200</u>
CDS Charges for the quarter	<u>2</u>	<u>2</u>
Meezan Capital Preservation Fund - III		
Units issued: nil (September 2015: 24,086,268 units)	<u>-</u>	<u>1,239,364</u>
Cash dividend paid	<u>-</u>	<u>7</u>

	For the quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Meezan Capital Preservation Fund - II		
Units issued: 7,892,323 units (September 2015: 19,625,154 units)	410,006	1,009,682
Units redeemed: nil (September 2015: 29,337 units)	-	1,500
Cash dividend paid	-	3,582
MFPF - Meezan Asset Allocation Plan - III		
Units issued: 9,704,412 units (September 2015: nil)	499,500	-
Units redeemed: 788,634 units (September 2015: nil)	40,770	-
MFPF - Meezan Asset Allocation Plan - IV		
Units issued: 8,731,455 units (September 2015: nil)	448,120	-
Units redeemed: 6,203,670 units (September 2015: nil)	318,735	-
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Units issued: nil (September 2015: 2,563 units)	-	130
Cash dividend paid	-	130
Directors and executives of the Management Company		
Units issued: 71,543 units (September 2015: 118,790 units)	3,687	6,061
Units redeemed: 1,265,961 units (September 2015: 58,326 units)	65,335	2,980
Cash dividend paid	-	4,205

10. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2017 as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly Supertax introduced in Finance Act, 2015 is also not applicable on funds (Section 4B of Income Tax Ordinance, 2001).

11. FINANCIAL INSTRUMENTS

The additional disclosures due to the adoption of IFRS 13 Fair value measurement are as follows:

September 30, 2016	Note	Carrying amount				Total	Fair value			
		Investments	Other receivables	Cash and cash equivalents	Other payables		Level 1	Level 2	Level 3	Total
(Rupees in '000)										
Financial assets - measured at fair value										
		1,286,930	-	-	-	1,286,930	-	1,286,930	-	1,286,930
		2,066,222	-	-	-	2,066,222	-	2,066,222	-	2,066,222
Financial assets - not measured at fair value										
	11.1	-	-	3,741,581	-	3,741,581	-	-	-	-
	11.1	4,015,000	-	-	-	4,015,000	-	-	-	-
	11.1	-	9,544	-	-	9,544	-	-	-	-
	11.1	-	101,571	-	-	101,571	-	-	-	-
		7,368,152	111,115	3,741,581	-	11,220,848	-	3,353,152	-	3,353,152
Financial liabilities - not measured at fair value										
	11.1	-	-	-	67,675	67,675	-	-	-	-
	11.1	-	-	-	828	828	-	-	-	-
	11.1	-	-	-	2,198	2,198	-	-	-	-
	11.1	-	-	-	965	965	-	-	-	-
		-	-	-	71,666	71,666	-	-	-	-

11.1 The Fund has not disclosed fair values for these financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

12. DATE OF AUTHORISATION FOR ISSUE AND GENERAL

This condensed interim financial information was authorised for issue on October 06, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





Meezan Sovereign Fund

Meezan Sovereign Fund is Pakistan's first Shariah compliant government securities fund. The purpose of the fund is to provide maximum possible preservation of capital and a reasonable rate of return by investing primarily in Shariah compliant Government Securities.

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

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	Habib Metropolitan Bank Limited - Islamic Banking
Bank Alfalah Limited - Islamic Banking	MCB Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking	Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited	National Bank of Pakistan - Islamic Banking
Faysal Bank Limited - Islamic Banking	Sindh Bank Limited - Islamic Banking
Habib Bank Limited - 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 SEPTEMBER 30, 2016

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
(Rupees in '000)			
Assets			
Balances with banks	5	2,035,268	3,709,604
Investments	6	7,469,467	6,112,385
Receivable on issuance and conversion of units		27,113	641,331
Deposits, prepayments and other receivables		115,019	85,882
Total assets		9,646,867	10,549,202
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		86,096	86,166
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		1,436	737
Payable to Securities and Exchange Commission of Pakistan (SECP)		1,660	6,797
Payable to Meezan Bank Limited (MBL)		-	232
Payable on redemption and conversion of units		31,617	2,354,412
Accrued expenses and other liabilities		140,380	156,112
Total liabilities		261,189	2,604,456
Net assets		9,385,678	7,944,746
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		9,385,678	7,944,746
(Number of units)			
Number of units in issue		182,006,331	156,386,988
(Rupees)			
Net assets value per unit		51.57	50.80

The annexed notes 1 to 12 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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Note	Quarter ended September 30,	
		2016	2015
(Rupees in '000)			
Income			
Profit on saving accounts with banks		29,699	35,927
Profit on sukuk certificates		101,269	142,514
Net realised loss on sale of sukuk certificates		-	(16,413)
		<u>130,968</u>	<u>162,028</u>
Unrealised appreciation / (diminution) on re-measurement of investments 'at fair value through profit or loss' (net)	6.1	31,832	(13,613)
Total income		<u>162,800</u>	<u>148,415</u>
Expenses			
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company		22,139	24,201
Sindh Sales Tax and Federal Excise Duty on Management Fee		2,878	7,802
Allocated expenses		2,214	-
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		1,849	2,006
Sindh Sales Tax on Trustee Fee		242	281
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		1,660	1,815
Auditors' remuneration		133	153
Fees and subscription		340	67
Legal and professional charges		33	133
Brokerage expense		147	199
Bank and settlement charges		32	70
Printing expenses		-	72
Total expenses		<u>31,667</u>	<u>36,799</u>
Net income from operating activities		<u>131,133</u>	<u>111,616</u>
Element of Income / (loss) and capital gains/ (losses) included in prices of units less those in units redeemed (net)		8,378	(27,909)
Net income for the quarter before taxation		<u>139,511</u>	<u>83,707</u>
Taxation		-	-
Net income for the quarter after taxation		<u>139,511</u>	<u>83,707</u>
Other comprehensive income for the quarter			
Items that can be reclassified to income statement in subsequent periods			
Net unrealised diminution on re-measurement of investments classified as 'available for sale'		-	(6,872)
Total comprehensive income for the quarter		<u>139,511</u>	<u>76,835</u>

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Undistributed income / accumulated (loss) brought forward		
- Realised	193,509	783,971
- Unrealised	47,688	(47,805)
	241,197	736,166
Final distribution for the year ended June 30, 2016		
- cash dividend: nil (June 30, 2015: 6.9% i.e. Rs. 3.45 per unit)	-	(553,891)
Net income for the quarter	139,511	83,707
Element of income and capital gains included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments (net)	-	1,436
Undistributed income carried forward	380,708	267,418
Undistributed income / accumulated (loss) carried forward		
- Realised	348,876	281,031
- Unrealised	31,832	(13,613)
	380,708	267,418

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30, 2016	2015
	(Rupees in '000)	
Net assets at beginning of the quarter	7,944,746	8,656,701
Issuance of 131,624,819 units (September 30, 2015: 93,900,417 units)	6,752,118	4,773,200
Issuance of nil units for re-investment of cash dividend (September 30, 2015: 6,576,704 units)	-	331,926
Redemption of 106,005,476 units (September 30, 2015: 120,248,761 units)	(5,442,319)	(6,129,479)
	1,309,799	(1,024,353)
Element of (Income)/loss and capital (gains)/losses included in prices of units less those in units redeemed (net)	(8,378)	27,909
Net realised loss on sale of sukuk certificates	-	(16,413)
Unrealised appreciation / (diminution) on re-measurement of investments 'at fair value through profit or loss' (net)	31,832	(20,485)
Other net income for the quarter	107,679	113,733
Total other comprehensive income for the quarter	139,511	76,835
Final distribution for the year ended June 30, 2016 - cash dividend nil per unit (June 30, 2015: 6.9% i.e. Rs. 3.45 per unit)	-	(553,891)
Net assets at end of the quarter	9,385,678	7,183,201
	(Rupees)	
Net assets value per unit at beginning of the quarter	50.80	53.92
Net assets value per unit at end of the quarter	51.57	51.03

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

Note	Quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter	139,511	83,707
Adjustments for		
Unrealised (appreciation)/diminution on re-measurement of investments 'at fair value through profit or loss' (net)	(31,832)	13,613
Element of (Income)/loss and capital (gains)/losses included in prices of units less those in units redeemed (net)	(8,378)	27,909
	99,301	125,229
(Increase) / decrease in assets		
Investments (net)	(1,325,250)	4,185,728
Deposits, prepayments and other receivables	(29,137)	57,543
	(1,354,387)	4,243,271
(Decrease) / increase in liabilities		
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	(70)	1,509
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	699	(69)
Payable to Securities and Exchange Commission of Pakistan (SECP)	(5,137)	(8,398)
Payable to Meezan Bank Limited (MBL)	(232)	(499)
Accrued expenses and other liabilities	(15,732)	(5,658)
	(20,472)	(13,115)
Net cash (used in) / generated from operating activities	(1,275,558)	4,355,385
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	7,366,336	5,184,609
Payments against redemption of units	(7,765,114)	(9,002,994)
Dividend paid	-	(553,891)
Net cash used in financing activities	(398,778)	(4,372,276)
Net decrease in cash and cash equivalents during the quarter	(1,674,336)	(16,891)
Cash and cash equivalents at beginning of the quarter	3,709,604	3,234,525
Cash and cash equivalents at end of the quarter	5 2,035,268	3,217,634

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (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 Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). 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 annual financial statements of the Fund for the year ended June 30, 2016.

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, 2016.

5. BALANCES WITH BANKS	Note	(Unaudited)	(Audited)
		September 30, 2016	June 30, 2016
(Rupees in '000)			
On saving accounts	5.1	2,014,931	3,693,945
On current accounts		20,337	15,659
		<u>2,035,268</u>	<u>3,709,604</u>

5.1 The balances in saving accounts have an expected profit ranging from 2.40% to 6.10% per annum (June 30, 2016: 2.50% to 6.10% per annum).

6. INVESTMENTS

Investments - 'at fair value through profit or loss'	Note	(Unaudited)	(Audited)
		September 30, 2016	June 30, 2016
(Rupees in '000)			
	6.1	<u>7,469,467</u>	<u>6,112,385</u>

6.1 Investments - 'At Fair Value Through Profit & Loss' - Sukuk Certificates

Name of the security	Maturity date	Profit rate	As at July 01, 2016	Purchases during the quarter	Sales / Matured during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain	Percentage in relation to Net assets of the fund on the basis of market value	Total market value of investments
			----- (Number of certificates) -----			----- (Rupees in '000) -----			----- (%) -----		
GoP Ijarah Sukuk Certificates - XVI (note 6.1.1)	December 18, 2018	Weighted average 6 months T-Bills	33,340	-	-	33,340	3,360,339	3,370,006	9,667	35.91	45.11
GoP Ijarah Sukuk Certificates - XVII (note 6.1.1)	February 15, 2019	Weighted average 6 months T-Bills	26,350	13,000	-	39,350	4,002,146	4,023,538	21,392	42.87	53.87
GoP Ijarah Sukuk Certificates - XVIII (note 6.1.1)	March 29, 2019	Weighted average 6 months T-Bills	750	-	-	750	75,150	75,923	773	0.81	1.02
Total							<u>7,437,635</u>	<u>7,469,467</u>	<u>31,832</u>		

6.1.1 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 September 30, 2016 other than as disclosed in the annual financial statements for the year ended June 30, 2016.

8. WORKERS' WELFARE FUND

The status of Workers' Welfare Fund (WWF) is the same as disclosed in the annual financial statements for the year ended June 30, 2016. The Management Company, as a matter of abundant caution, has recognized WWF charge amounting to Rs. 133.886 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.74 per unit (1.43%). The mutual funds have been excluded from levy of WWF vide Finance Act, 2015, hence, effective from July 1, 2015, no provision of WWF has been made in the Fund.

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, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Asset Allocation Fund, Meezan Islamic Income Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund – II, Meezan Gold Fund 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 unitholders holding 10 percent or more 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 Regulations, 2008 and the Trust Deed respectively.

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

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	7,588	7,841
Sindh Sales Tax and Federal Excise Duty payable on management fee	74,242	74,353
Sales load payable	1,166	855
Sindh Sales Tax and Federal Excise Duty payable on sales load	2,340	2,331
Allocated expense payable	760	786
Meezan Bank Limited		
Balances with bank	236,751	43,281
Profit receivable on saving accounts	636	243
Sales load payable	-	232
Investments as at September 30, 2016: 21,593,102 units (30 June, 2016: 21,593,102 units)	1,113,556	1,096,930

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	1,269	647
Sales Tax payable on trustee fee	167	90
Deposits	100	100
Meezan Financial Planning Fund of Funds		
Investment as at September 30, 2016: 2,751,005 units		
- Aggressive Allocation Plan (June 30, 2016: 2,649,024 units)	141,869	134,570
Investment as at September 30, 2016: 5,804,915 units		
- Conservative Allocation Plan (June 30, 2016: 4,354,237 units)	299,359	221,195
Investment as at September 30, 2016: 4,076,164 units		
- Moderate Allocation Plan (June 30, 2016: 3,609,944 units)	210,208	183,385
Investment as at September 30, 2016: 9,792,930 units		
- MCPP - I (June 30, 2016: 12,153,662 units)	505,021	617,406
Investment as at September 30, 2016: 38,459,251 units		
- MCPP - II (June 30, 2016: 38,471,290 units)	1,983,344	1,954,342
Investment as at September 30, 2016: 7,399,027 units		
- MAAP - I (June 30, 2016: 3,011,305 units)	381,568	152,974
Investment as at September 30, 2016: 3,951,873 units		
- MAAP - II (June 30, 2016: 876,557 units)	203,798	44,529
Meezan Capital Preservation Funds II		
Investments as at September 30, 2016: nil units (30 June 2016: 4,447,943 units)	-	225,956
Directors and Executives of the Management Company		
Investments as at September 30, 2016: 43,020 units (30 June 2016: 67,068 units)	2,219	3,407
For the quarter ended September 30,		
	2016	2015
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	22,139	24,201
Sindh Sales Tax and Federal Excise Duty on management fee for the quarter	2,878	7,802
Units issued: nil units (September 30, 2015: 1,374,436 units)	-	70,000
Allocated expenses	2,214	-
Meezan Bank Limited		
Profit on saving accounts	393	424
Redemption: nil units (September 30, 2015: 21,608,412 units)	-	1,102,029
Cash dividend paid	-	195,638
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	1,849	2,006
Sindh Sales Tax on trustee fee for the quarter	242	281
CDS Charges for the quarter	1	2
AI Meezan Investment Management Limited - Staff Gratuity Fund		
Units issued: nil units (September 30, 2015: 3,064 units)	-	155
Cash dividend paid	-	155

	For the quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
MFPF - Aggressive Allocation Plan		
Units issued: 184,606 units (September 30, 2015: 248,081 units)	9,492	12,562
Redemptions: 82,625 units (September 30, 2015: 142,997 units)	4,230	7,282
Cash dividend paid	-	6,682
MFPF - Conservative Allocation Plan		
Units issued: 1,566,350 units (September 30, 2015: 1,066,359 units)	80,115	54,096
Redemptions: 115,672 units (September 30, 2015: 2,467,615 units)	5,925	124,785
Cash dividend paid	-	17,196
MFPF - Moderate Allocation Plan		
Units issued: 667,317 units (September 30, 2015: 313,936 units)	34,270	15,875
Redemptions: 201,097 units (September 30, 2015: 840,150 units)	10,300	42,561
Cash dividend paid	-	12,025
MFPF - Meezan Capital Preservation Plan I		
Units issued: 1,497,148 units (September 30, 2015: 9,152,912 units)	77,000	465,988
Redemptions: 3,857,880 units (September 30, 2015: 13,682,876 units)	196,900	697,687
Cash dividend paid	-	15,628
MFPF - Meezan Capital Preservation Plan II		
Units issued: 47,121,818 units (September 30, 2015: 14,893,463 units)	2,424,385	756,979
Redemptions: 47,133,857 units (September 30, 2015: 23,583,023 units)	2,423,200	1,202,706
Cash dividend paid	-	29,979
MFPF - Meezan Asset Allocation Plan I		
Units issued: 4,960,432 units (September 30, 2015: 15,328,111 units)	253,000	780,000
Redemptions: 572,710 units (September 30, 2015: 15,328,111 units)	29,410	781,014
MFPF - Meezan Asset Allocation Plan II		
Units issued: 3,096,427 units (September 30, 2015: nil units)	158,000	-
Redemptions: 21,111 units (September 30, 2015: nil units)	1,080	-
Meezan Capital Preservation Fund III		
Units issued: nil units (September 30, 2015: 3,836,414 units)	-	194,889
Redemptions: nil units (September 30, 2015: 9,369,567 units)	-	477,647
Cash dividend paid	-	19,089
Meezan Capital Preservation Fund II		
Units issued: 3,163,924 units (September 30, 2015: 2,061,055 units)	161,500	104,585
Redemptions: 7,611,867 units (September 30, 2015: 7,709,043 units)	390,928	393,024
Cash dividend paid	-	19,486
Directors and officers of the Management Company		
Units issued: nil units (September 30, 2015: 105,086 units)	-	5,444
Redemptions: 24,048 units (September 30, 2015: 161,284 units)	1,227	8,213
Cash dividend paid	-	612

10. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2017 as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly Supertax introduced in Finance Act, 2015 is also not applicable on funds (Section 4B of Income Tax Ordinance, 2001)."

11. FINANCIAL INSTRUMENTS

The additional disclosures due to the adoption of IFRS 13 *Fair value measurement* are as follows:

September 30, 2016	Note	Carrying amount				Fair value				
		Investments	Trade and other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----										
Financial assets - measured at fair value										
Investments		7,469,467	-	-	-	7,469,467	-	7,469,467	-	7,469,467
Financial assets - not measured at fair value										
Balances with banks	11.1			2,035,268		2,035,268	-	-	-	-
Receivable on issuance and conversion of units	11.1	-	27,113	-	-	27,113	-	-	-	-
Deposit and other receivables	11.1	-	114,893	-	-	114,893	-	-	-	-
		7,469,467	142,006	2,035,268	-	9,646,741	-	7,469,467	-	7,469,467
Financial liabilities - not measured at fair value										
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	11.1	-	-	-	86,096	86,096	-	-	-	-
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	11.1	-	-	-	1,436	1,436	-	-	-	-
Payable on redemption and conversion of units	11.1	-	-	-	31,617	31,617	-	-	-	-
Accrued expenses and other liabilities	11.1	-	-	-	2,869	2,869	-	-	-	-
		-	-	-	122,018	122,018	-	-	-	-

11.1 The Fund has not disclosed fair values for these financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue on October 06, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director



Meezan Cash Fund

Meezan Cash Fund is Pakistan's first Shariah compliant money market fund. MCF aims to bring you stable and Halal returns through avoiding volatility of both long-term fixed income securities and stock markets.

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 Independent	Chairman
Mr. P. Ahmed	Non-Executive	
Mr. Abdullah Ahmed Muhammad	Non-Executive	
Syed Amir Ali	Non-Executive Independent	
Mr. Atif Azim	Non-Executive Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive Independent	
Mr. Moin M. Fudda	Non-Executive	
Mr. Mazhar Sharif	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

Askari Bank Limited - Islamic Banking	Habib Metropolitan Bank Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking	MCB Bank Limited - Islamic Banking
Bank Alfalah Limited - Islamic Banking	Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited	National Bank of Pakistan - Islamic Banking
Faysal Bank Limited - Islamic Banking	Sindh Bank Limited - Islamic Banking
Habib Bank Limited - 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 SEPTEMBER 30, 2016

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
(Rupees in '000)			
Assets			
Balances with banks	5	2,615,834	2,038,551
Investments	6	800,000	800,000
Receivable on issuance and conversion of units		56,682	1,143,931
Profit receivable		29,539	42,088
Deposits and prepayments		534	564
Total assets		3,502,589	4,025,134
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		28,324	28,124
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		301	616
Payable to Securities and Exchange Commission of Pakistan (SECP)		638	3,752
Payable on redemption and conversion of units		14,924	485,498
Dividend payable		-	25
Accrued expenses and other liabilities		61,252	75,337
Total liabilities		105,439	593,352
Net assets		3,397,150	3,431,782
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		3,397,150	3,431,782
(Number of units)			
Number of units in issue		66,959,275	68,440,635
(Rupees)			
Net assets value per unit		50.73	50.14

The annexed notes 1 to 12 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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Note	Quarter ended September 30,	
		2016	2015
(Rupees in '000)			
Income			
Profit on saving accounts with banks		39,028	72,566
Profit on Term Deposit Receipts		8,076	8,340
Profit on sukuk certificates		4,998	2,796
Profits on Government of Pakistan (GoP) Ijrah Sukuks		-	9,949
Realised gain on sale of sukuk certificates (net)		-	(3,572)
		52,102	90,079
Unrealised diminution on re-measurement of investments 'at fair value through profit or loss' (net)		-	(4)
Total income		52,102	90,075
Expenses			
Remuneration to Al Meezan Investment Management Limited (Al Meezan)			
- Management Company		8,504	14,254
Sindh Sales Tax and Federal Excise Duty on management fee		1,106	4,596
Allocated Expenses		850	
Remuneration to Central Depository Company of Pakistan Limited (CDC)			
- Trustee		827	1,258
Sindh Sales Tax on trustee fee		107	176
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		638	1,069
Auditors' remuneration		145	143
Fees and subscription		272	68
Legal and Professional Charges		33	33
Brokerage expense		-	73
Bank and settlement charges		60	79
Total expenses		12,542	21,749
Net income from operating activities		39,560	68,326
Element of Income and capital gains included in prices of units issued less those in prices of units issued less those in units redeemed (net)		83	28,049
Net income for the quarter before taxation		39,643	96,375
Taxation	10	-	-
Net income for the quarter after taxation		39,643	96,375
Other comprehensive income for the quarter		-	-
Total comprehensive income for the quarter		39,643	96,375

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Undistributed income brought forward		
- Realised	16,456	11,339
- Unrealised	-	1,796
	16,456	13,135
Net income for the period	39,643	96,375
Undistributed income carried forward	56,099	109,510
Undistributed income carried forward		
- Realised	56,099	109,514
- Unrealised	-	(4)
	56,099	109,510

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	2016	2015
	Quarter ended September 30, (Rupees in '000)	
Net assets at beginning of the quarter	3,431,782	7,617,739
Issue of 64,597,944 units (2015: 85,695,382 units)	3,268,398	4,432,411
Redemption of 66,079,304 units (2015: 82,428,904 units)	(3,342,590)	(4,141,915)
	(74,192)	290,496
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(83)	(28,049)
Unrealised diminution on re-measurement of investments 'at fair value through profit or loss' (net)	-	(4)
Realised loss on sale of sukuk certificates (net)	-	(3,572)
Other net income for the quarter	39,643	99,951
Total comprehensive income for the quarter	39,643	96,375
Net assets at end of the quarter	<u>3,397,150</u>	<u>7,976,561</u>
	(Rupees)	
Net assets value per unit at beginning of the quarter	<u>50.14</u>	<u>50.10</u>
Net assets value per unit at end of the quarter	<u>50.73</u>	<u>50.71</u>

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

Quarter ended
September 30,
2016 2015
(Rupees in '000)

CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the quarter	39,643	96,375
Adjustments for:		
Unrealised diminution on re-measurement of investments at fair value through profit or loss (net)	-	4
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(83)	(28,049)
	39,560	68,330
Decrease / (Increase) in assets		
Investments (net)	-	481,809
Profit receivable	12,549	(40,751)
Deposits and prepayments	30	42
	12,579	441,100
(Decrease) / Increase in liabilities		
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	200	4,293
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	(315)	610
Payable to Securities and Exchange Commission of Pakistan - (SECP)	(3,114)	(1,906)
Brokerage payable	-	(25)
Accrued expenses and other liabilities	(14,085)	(15,514)
	(17,314)	(12,542)
Net cash generated from operating activities	34,825	496,888
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	4,355,647	7,937,526
Payments against redemption of units	(3,813,164)	(4,448,747)
Dividend paid	(25)	(3,820)
Net cash generated from financing activities	542,458	3,484,959
Net increase in cash and cash equivalents during the quarter	577,283	3,981,847
Cash and cash equivalents at beginning of the quarter	2,038,551	3,177,258
Cash and cash equivalents at end of the quarter	5.2 2,615,834	7,159,105

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2016 (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 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 in time. The Fund shall seek to maximise preservation of capital and a reasonable rate of return via investing primarily in liquid shariah compliant money market and shriaah compliant debt securities. 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 Pakistan Stock Exchange (formerly: 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.
- 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 Trust Deed, the NBFC Rules, 2003, the NBFC Regulations, 2008 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 2003, the NBFC Regulations 2008 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 annual financial statements of the Fund for the year ended June 30, 2016

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, 2016.

	Note	(Unaudited) September 30, 2016 (Rupees in '000)	(Audited) June 30, 2016
5. BALANCES WITH BANKS			
On saving accounts	5.1	2,614,578	2,025,730
On current accounts		1,256	12,821
		2,615,834	2,038,551

5.1 The balances in saving accounts have an expected profit ranging from 2.40% to 6.10% per annum (June 30, 2016 : 2.50% to 6.20% per annum).

	Note	(Unaudited) September 30, 2016 (Rupees in '000)	(Audited) June 30, 2016
6. INVESTMENTS			
Investments - 'loans and receivables' - Term Deposit Receipts	6.1	500,000	500,000
Investments - 'loans and receivables' - Sukuk Certificates	6.2	300,000	300,000
		800,000	800,000

6.1 Loans and receivables - Term deposit receipts (TDR)

Name of the bank	Maturity date	Profit rate	As at July 01, 2016	Placements made during the period	Matured during the period	As at September 30, 2016	Percentage in relation to	
							Net assets of the fund on the basis of market value	Total market value of investments
		---- (%) ----	----- (Rupees in '000) -----				----- % -----	
Habib Metropolitan Bank Limited	March 22, 2017	6.15%	-	500,000	-	500,000	14.72	62.50
Bank Alfalah Limited	September 23, 2016	6.20%	500,000	-	(500,000)	-	-	-
Total						500,000		

6.2 Loans and receivables - Sukuk Certificates

Name of the Issuer	Maturity date	Profit rate	As at July 01, 2016	Purchases during the period	Sales / redemptions during the period	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain	Percentage in relation to	
			----- (Number of certificates) -----			----- (Rupees in '000) -----				Net assets of the fund on the basis of market value	Total market value of investments
Lalpir Power Limited - Sukuk (Note 6.2.1 & 6.2.2)	November 04, 2016	6 months KIBOR plus base rate of 0.25%	300,000	-	-	300,000	300,000	300,000	-	-	37.50
Total							300,000	300,000	-		

6.2.1 The nominal value of the sukuk certificate is Rs 5,000 each.

6.2.2 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.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2016.

8. WORKERS' WELFARE FUND

The status of Workers' Welfare Fund (WWF) is the same as disclosed in the annual financial statements for the year ended June 30, 2015. The Management Company, as a matter of abundant caution, has recognised WWF charge for the period from January 1, 2013 to June 30, 2016 amounting to Rs. 58.585 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.88 per unit (1.72 percent). The mutual funds have been excluded from levy of WWF vide Finance Act, 2015, hence, effective from July 1, 2015, no provision of WWF has been made in the Fund.

9. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include AI Meezan Investment Management Limited (AI 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 Executives of the Management Company, Meezan Islamic Fund, AI Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Asset Allocation Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund – II, Meezan Gold Fund, 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, AI 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 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) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	2,731	2,772
Sindh Sales Tax and Federal Excise Duty payable on management fee	25,043	25,075
Back office expense	550	277
Meezan Bank Limited		
Balances with bank	8,205	36,056
Profit receivable on saving accounts	291	414
Central Depository Company of Pakistan Limited (CDC) - Trustee		
Trustee fee payable	266	540
Sindh Sales Tax on Trustee Fee Payable	35	76
Deposits	100	100
Meezan Financial Planning Fund of Funds - Meezan Capital Preservation Plan-I		
Investments as at September 30, 2016: 6,278,510 units (June 30, 2016: 46,814 units)	318,509	2,347
Meezan Capital Preservation Fund - II		
Investment as at September 30, 2016: Nil units (June 30, 2016: 2,531,020 units)	-	126,905
Directors and Executives of the Management Company		
Investment as at September 30, 2016: 108,426 units (June 30, 2016: 184,356 units)	5,500	9,244
For the quarter ended September 30,		
	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	8,504	14,254
Sindh Sales Tax and Federal Excise Duty on management fee	1,106	4,596
Allocated expenses	850	-
Units issued: Nil units (2015 :1,389,330 units)	-	70,000
Units redeemed: Nil units (2015: 495,691 units)	-	25,000
Meezan Bank Limited		
Profit on saving accounts	181	444
Profit on Placement	-	8,340
Central Depository Company of Pakistan Limited (CDC) - Trustee		
Trustee fee for the period	827	1,258
Sindh Sales Tax on trustee for the period	107	-
CDS Charges	1	2
Meezan Financial Planning Fund of Funds - Meezan Capital Preservation Plan-I		
Units issued: 6,231,696units (2015: 15,405,154 units)	316,000	780,337
Units redeemed: Nil units (2015: 234,512units)	-	11,800

	For the quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Meezan Financial Planning Fund of Funds - Meezan Capital Preservation Plan-II		
Units issued: 38,464,575 units (2015 : 33,733,179 units)		
Units redeemed: 38,464,575 units (2015: 8,592,905 units)		
	1,949,000	1,706,386
	1,949,385	431,620
Meezan Capital Preservation Fund - II		
Units issued: Nil units (2015 : 2,809,688 units)		
Units redeemed: 2,531,020 units (2015: 4,028,477 units)		
	-	141,500
	128,348	202,020
Meezan Capital Preservation Fund - III		
Units redeemed: Nil units (2015: 299,082 units)		
	-	15,050
Meezan Financial Planning Fund of Funds - Meezan Asset Allocation Plan-I		
Units issued: Nil units (2015 : 11,616,862 units)		
	-	588,514
Directors and officers of the Management Company		
Units issued: 6,726 units (2015 : 88,937 units)		
Units redeemed: 82,656 units (2015: 100,048 units)		
	340	4,479
	4,169	5,045

10. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2017 as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly Supertax introduced in Finance Act, 2015 is also not applicable on funds (Section 4B of Income Tax Ordinance, 2001).

11. FINANCIAL INSTRUMENTS

The additional disclosures due to the adoption of IFRS 13 *Fair value measurement* are as follows:

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
September 30, 2016 (Rupees in '000)									
Financial assets - not measured at fair value									
Balances with banks	11.1	-	-	2,615,834	-	2,615,834	-	-	-
Term Deposit Receipts	11.1	500,000	-	-	-	500,000	-	-	-
Corporate sukuk certificates	11.1	300,000	-	-	-	300,000	-	-	-
Receivable on issuance and conversion of units		-	56,682	-	-	56,682	-	-	-
Other receivables	11.1	-	30,073	-	-	30,073	-	-	-
		800,000	86,755	2,615,834	-	3,502,589			
September 30, 2016									
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	11.1	-	-	-	28,324	28,324	-	-	-
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	11.1	-	-	-	301	301	-	-	-
Payable on redemption and conversion of units	11.1	-	-	-	14,924	14,924	-	-	-
Accrued expenses and other liabilities	11.1	-	-	-	112	112	-	-	-
		-	-	-	43,661	43,661	-	-	-

11.1 The Fund has not disclosed the fair values for these financial assets and liabilities, as these are for short term or reprice over short term.

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 06, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





Meezan Financial Planning Fund of Funds

Meezan Financial Planning Fund of Funds invests in Shariah compliant Fixed Income and Equity mutual funds in line with the risk tolerance of the investor and in doing so; it strives to generate returns on investment aligned with respective allocation plans.

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. Abdullah Ahmed Muhammad	Non-Executive	
Syed Amir Ali	Non-Executive	
Mr. Atif Azim	Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Moin M. Fudda	Independent	
Mr. Mazhar Sharif	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

Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited - Islamic Banking
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 SEPTEMBER 30, 2016

		As at September 30, 2016 (Unaudited)									
		Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
Note		(Rupees in '000)									
Assets											
	Balances with banks	709	11,640	12,114	9,603	7,407	9,678	13,272	4,134	3,642	72,199
5	Investments	472,898	420,416	399,146	1,647,640	3,098,519	1,329,962	967,130	2,989,667	917,424	12,242,802
	Preliminary expenses and floatation cost	-	-	307	-	-	-	-	-	-	307
	Receivable on issuance and conversion of units	-	19	10	-	-	-	-	-	-	29
	Receivable against sale of investments (net)	800	-	-	-	170	-	20	2,360	-	3,350
	Profit receivable on saving accounts with banks	11	38	15	29	18	15	28	80	67	301
	Total assets	474,418	432,113	411,592	1,657,272	3,106,114	1,339,655	980,450	2,996,241	921,133	12,318,988
Liabilities											
	Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	465	1,000	619	4,585	9,651	3,387	1,911	7,022	2,752	31,392
	Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	37	29	36	114	205	94	69	211	65	860
	Payable to Securities and Exchange Commission of Pakistan (SECP)	111	94	87	392	739	319	232	712	205	2,891
	Payable on redemption and conversion of units	239	12	256	-	161	2	21	-	-	691
	Payable against purchase of investments (net)	-	5,000	7,000	-	-	-	-	-	-	12,000
	Accrued expenses and other liabilities	3,010	2,512	1,546	2,758	516	525	88	238	153	11,346
	Total liabilities	3,862	8,647	9,544	7,849	11,272	4,327	2,321	8,183	3,175	59,180
	Net assets	470,556	423,466	402,048	1,649,423	3,094,842	1,335,328	978,129	2,988,058	917,958	12,259,808
Contingencies and Commitments											
	Unitholders' fund (as per statement attached)	470,556	423,466	402,048	1,649,423	3,094,842	1,335,328	978,129	2,988,058	917,958	12,259,808
(Number of units)											
	Number of units in issue	6,092,112	6,220,765	6,446,163	28,265,828	58,947,267	23,320,553	16,880,986	52,248,043	18,182,125	
(Rupees)											
	Net assets value per unit	77.24	68.07	62.37	58.35	52.50	57.26	57.94	57.19	50.49	

The annexed notes 1 to 11 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 ASSETS AND LIABILITIES

AS AT SEPTEMBER 30, 2016

As at June 30, 2016 (Audited)											
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total	
Note	(Rupees in '000)										
Assets											
Balance with banks	1,250	8,622	2,701	11,454	5,398	8,009	21,477	11,225	48,753	118,889	
Investments	5	448,568	366,770	294,927	1,591,746	3,061,757	1,282,841	913,648	2,862,723	443,913	11,266,893
Preliminary expenses and floatation cost	-	-	357	-	-	-	-	-	-	-	357
Receivable on issuance and conversion of units	956	351	33,854	-	-	-	-	-	-	59,215	94,376
Profit receivable on saving accounts with banks	22	18	9	29	16	14	33	80	176	397	
Total assets	450,796	375,761	331,848	1,603,229	3,067,171	1,290,864	935,158	2,874,028	552,057	11,480,912	
Liabilities											
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	468	539	547	4,581	9,647	3,386	1,912	7,015	3,888	31,983	
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	35	26	29	112	205	92	67	205	21	792	
Payable to Meezan Bank Limited (MBL)	3	-	-	-	-	-	-	-	1,035	1,038	
Payable to Securities and Exchange Commission of Pakistan (SECP)	366	305	233	1,488	2,912	951	419	904	22	7,600	
Payable on redemption and conversion of units	411	1,020	208	-	1	32	-	-	-	1,672	
Dividend Payable	25	165	53	142	802	3,788	2,629	356	269	8,229	
Accrued expenses and other liabilities	6,619	7,105	4,122	21,260	18,970	4,709	4,904	14,541	14,889	97,119	
Total liabilities	7,927	9,160	5,192	27,583	32,537	12,958	9,931	23,021	20,124	148,433	
Net assets	442,869	366,601	326,656	1,575,646	3,034,634	1,277,906	925,227	2,851,007	531,933	11,332,479	
Contingencies and Commitments											
Unitholders' fund (as per statement attached)	442,869	366,601	326,656	1,575,646	3,034,634	1,277,906	925,227	2,851,007	531,933	11,332,479	
(Number of units)											
Number of units in issue	6,036,493	5,612,498	5,380,605	28,317,037	59,824,077	23,650,020	16,899,207	52,765,904	10,985,112		
(Rupees)											
Net assets value per unit	73.37	65.32	60.71	55.64	50.73	54.03	54.75	54.03	48.42		

The annexed notes 1 to 11 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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

For the quarter ended September 30, 2016										
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
Note	(Rupees in '000)									
Income										
Realised gain on sale of investments	907	935	319	21,811	47,126	10,564	7,116	22,498	596	111,872
Realised loss on sale of investments	-	-	-	(184)	-	-	-	-	(21)	(205)
Back end load income	-	-	-	143	2,334	561	36	891	41	4,006
Profit on saving accounts with banks	37	93	51	64	44	31	119	75	248	762
	944	1,028	370	21,834	49,504	11,156	7,271	23,464	864	116,435
Unrealised appreciation on re-measurement of investments at 'fair value through profit or loss' (net)	5.1									
	22,923	14,910	9,300	56,167	58,836	65,967	47,446	145,216	27,670	448,435
Total income	23,867	15,938	9,670	78,001	108,340	77,123	54,717	168,680	28,534	564,870
Expenses										
Remuneration to Al Meezan - Management Company	9	21	17	31	23	15	46	25	80	267
Sindh Sales Tax on Management Fee	1	3	2	4	3	2	6	3	10	34
Allocated Expenses	117	99	91	412	777	335	244	749	216	3,040
Remuneration to CDC - Trustee	90	76	70	317	599	258	188	577	166	2,341
Sindh Sales Tax on Trustee Fee	12	10	9	41	78	34	24	75	22	305
Annual fee to SECP	111	94	87	392	739	319	232	712	205	2,891
Auditors' remuneration	5	4	4	17	27	13	10	30	9	119
Fees and subscription	3	3	3	16	29	13	8	28	7	110
Amortisation of preliminary expenses and floatation costs	-	-	50	-	-	-	-	-	-	50
Bank and settlement charges	-	1	-	-	1	-	-	-	-	2
Printing charges	1	1	1	4	8	4	1	7	1	28
Total expenses	349	312	334	1,234	2,284	993	759	2,206	716	9,187
Net income from operating activities	23,518	15,626	9,336	76,767	106,056	76,130	53,958	166,474	27,818	555,683
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)	89	1,507	1,366	(141)	(1,367)	(906)	(59)	(1,443)	9,728	8,774
Net income for the quarter before taxation	23,607	17,133	10,702	76,626	104,689	75,224	53,899	165,031	37,546	564,457
Taxation	9	-	-	-	-	-	-	-	-	-
Net income for the quarter after taxation	23,607	17,133	10,702	76,626	104,689	75,224	53,899	165,031	37,546	564,457
Other comprehensive income for the quarter	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter	23,607	17,133	10,702	76,626	104,689	75,224	53,899	165,031	37,546	564,457

The annexed notes 1 to 11 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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

		For the quarter ended September 30, 2015						
		Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	Total
	Note	(Rupees in '000)						
Income								
Realised gain on sale of investments		46	646	763	2,920	1,547	1,014	6,936
Realised loss on sale of investments		(645)	(2,831)	(7,715)	(32,954)	(73,503)	-	(117,648)
Dividend income		15,455	18,791	20,421	61,405	86,359	-	202,431
Back end load		-	-	-	1,475	925	-	2,400
Profit on saving accounts with banks		55	57	141	51	120	384	808
		14,911	16,663	13,610	32,897	15,448	1,398	94,927
Unrealised diminution on re-measurement of investments at 'fair value through profit or loss' (net)	5.1	(23,040)	(18,858)	(12,017)	(50,613)	(41,853)	(26,676)	(173,057)
Total income		(8,129)	(2,195)	1,593	(17,716)	(26,405)	(25,278)	(78,130)
Expenses								
Remuneration to Al Meezan - Management Company		11	85	80	7	3	35	221
Sindh Sales Tax and Federal Excise Duty on Management Fee		5	30	28	4	2	12	81
Remuneration to CDC - Trustee		942	58	61	292	562	70	1,985
Sindh Sales Tax on Trustee Fee		153	10	10	47	92	11	323
Annual fee to SECP		85	77	58	296	746	97	1,359
Auditors' remuneration		6	6	4	75	67	7	165
Fees and subscription		4	4	6	4	4	-	22
Preliminary expenses and floatation cost		-	-	50	-	-	-	50
Legal and Professional Fee		9	8	6	38	73	-	134
Bank and settlement charges		-	-	1	-	-	-	1
Printing charges		-	-	-	2	6	-	8
Total expenses		1,215	278	304	765	1,555	232	4,349
Net (loss) / income from operating activities		(9,344)	(2,473)	1,289	(18,481)	(27,960)	(25,510)	(82,479)
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed (net)		(433)	(8)	281	(556)	(362)	(2,760)	(3,838)
Net (loss) / income for the quarter before taxation		(9,777)	(2,481)	1,570	(19,037)	(28,322)	(28,270)	(86,317)
Taxation	9	-	-	-	-	-	-	-
Net (loss) / income for the quarter after taxation		(9,777)	(2,481)	1,570	(19,037)	(28,322)	(28,270)	(86,317)
Other comprehensive income for the quarter		-	-	-	-	-	-	-
Total comprehensive income for the quarter		(9,777)	(2,481)	1,570	(19,037)	(28,322)	(28,270)	(86,317)

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

For the quarter ended September 30, 2016										
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
(Rupees in '000)										
Undistributed income / (accumulated loss) brought forward										
- Realised	107,345	66,828	56,767	120,478	24,832	20,488	16,973	41,877	(5,726)	449,862
- Unrealised	16,462	4,508	(4,108)	43,914	18,860	74,917	63,294	170,835	(11,597)	377,085
	123,807	71,336	52,659	164,392	43,692	95,405	80,267	212,712	(17,323)	826,947
Net income for the quarter	23,607	17,133	10,702	76,626	104,689	75,224	53,899	165,031	37,546	564,457
Undistributed income carried forward	147,414	88,469	63,361	241,018	148,381	170,629	134,166	377,743	20,223	1,391,404
Undistributed income / (accumulated loss) carried forward										
- Realised	124,491	73,559	54,061	184,851	89,545	104,662	86,720	232,527	(7,447)	942,969
- Unrealised	22,923	14,910	9,300	56,167	58,836	65,967	47,446	145,216	27,670	448,435
	147,414	88,469	63,361	241,018	148,381	170,629	134,166	377,743	20,223	1,391,404

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	For the quarter ended September 30, 2015						Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	
	----- (Rupees in '000) -----						
Undistributed income brought forward							
- Realised	61,683	35,241	29,192	14,093	2,929	-	143,138
- Unrealised	42,171	30,353	26,499	101,204	10,737	-	210,964
	103,854	65,594	55,691	115,297	13,666	-	354,102
Final distribution for the year ended June 30, 2015							
- cash dividend:							
MCPP-I @ 0.04% i.e. Rs. 0.02 per unit	-	-	-	590	-	-	590
MCPP-II @ 0.10% i.e. Rs. 0.05 per unit	-	-	-	-	3,068	-	3,068
Net (loss) / income for the quarter	(9,777)	(2,481)	1,570	(19,037)	(28,322)	(28,270)	(86,317)
Undistributed income / (accumulated loss) carried forward	94,077	63,113	57,261	96,850	(11,588)	(28,270)	271,443
Undistributed income / (accumulated loss) carried forward							
- Realised	117,117	81,971	69,278	147,463	30,265	(1,594)	444,500
- Unrealised	(23,040)	(18,858)	(12,017)	(50,613)	(41,853)	(26,676)	(173,057)
	94,077	63,113	57,261	96,850	(11,588)	(28,270)	271,443

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

For the quarter ended September 30, 2016										
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
(Rupees in '000)										
Net assets at beginning of the quarter	442,869	366,601	326,656	1,575,646	3,034,634	1,277,906	925,227	2,851,007	531,933	11,332,479
Issue of units:										
Aggressive: 400,834 units,										
Moderate: 1,142,235 units,										
Conservative: 1,847,946 units,										
MCPPI-I: nil,										
MCPPI-II: nil,										
MAAP-I: nil,										
MAAP-II: nil,										
MAAP-III: nil,										
MAAP-IV: 7,901,651 units	30,610	77,138	114,482	-	-	-	-	-	393,818	616,048
Redemption of units:										
Aggressive: 345,215 units,										
Moderate: 533,968 units,										
Conservative: 782,388 units,										
MCPPI-I: 51,209 units,										
MCPPI-II: 876,810 units,										
MAAP-I: 329,467 units,										
MAAP-II: 18,221 units,										
MAAP-III: 517,861 units,										
MAAP-IV: 704,638 units	(26,441)	(35,899)	(48,426)	(2,990)	(45,848)	(18,708)	(1,056)	(29,423)	(35,611)	(244,402)
	4,169	41,239	66,056	(2,990)	(45,848)	(18,708)	(1,056)	(29,423)	358,207	371,646
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(89)	(1,507)	(1,366)	141	1,367	906	59	1,443	(9,728)	(8,774)
Realised gain on sale of investments	907	935	319	21,811	47,126	10,564	7,116	22,498	596	111,872
Realised loss on sale of investments	-	-	-	(184)	-	-	-	-	(21)	(205)
Unrealised appreciation on re-measurement of investments at 'fair value through profit or loss' (net)	22,923	14,910	9,300	56,167	58,836	65,967	47,446	145,216	27,670	448,435
Net other (loss) / income for the quarter	(223)	1,288	1,083	(1,168)	(1,273)	(1,307)	(663)	(2,683)	9,301	4,355
Total comprehensive income for the quarter	23,607	17,133	10,702	76,626	104,689	75,224	53,899	165,031	37,546	564,457
Net assets at end of the quarter	470,556	423,466	402,048	1,649,423	3,094,842	1,335,328	978,129	2,988,058	917,958	12,259,808
(Rupees)										
Net assets value per unit at beginning of the quarter	73.37	65.32	60.71	55.64	50.73	54.03	54.75	54.03	48.42	
Net assets value per unit at end of the quarter	77.24	68.07	62.37	58.35	52.50	57.26	57.94	57.19	50.49	

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	For the quarter ended September 30, 2015						Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	
	(Rupees in '000)						
Net assets at beginning of the quarter	356,415	320,046	237,421	1,590,238	3,081,799	-	5,585,919
Issue of units: Aggressive: 345,473, Moderate: 421,712, Conservative: 898,255, MCPP I: Nil, MCPP II: Nil, MAAP I: 20,223,743	24,573	27,967	56,308	-	-	1,015,035	1,123,883
Issue of units for re-investment of cash dividend: Aggressive: Nil Conservative: Nil Moderate: Nil MCPP I: 9,364, MCPP II: 48,728	-	-	-	581	2,737	-	3,318
Redemption of units: Aggressive: 367,008, Moderate: 646,520, Conservative: 806,506, MCPP I: 537,430, MCPP II: 403,577, MAAP I: 2,156,407	(26,514)	(42,429)	(50,406)	(29,595)	(20,901)	(114,424)	(284,268)
	(1,942)	(14,462)	5,903	(29,013)	(18,164)	900,611	842,933
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed (net)	433	8	(281)	556	362	2,760	3,838
Realised gain on sale of investments	46	646	763	2,920	1,547	1,014	6,936
Realised loss on sale of investments	(645)	(2,831)	(7,715)	(32,954)	(73,503)	-	(117,648)
Unrealised diminution on re-measurement of investments 'at fair value through profit or loss' (net)	(23,040)	(18,858)	(12,017)	(50,613)	(41,853)	(26,676)	(173,057)
Net other income / (loss) for the quarter	13,862	18,562	20,539	61,610	85,487	(2,608)	197,452
Total comprehensive income for the quarter	(9,777)	(2,481)	1,570	(19,037)	(28,322)	(28,270)	(86,317)
Final distribution for the year ended June 30, 2015 - cash dividend: MCPP-I @ 0.04% i.e. Rs. 0.02 per unit MCPP-II @ 0.10% i.e. Rs. 0.05 per unit	-	-	-	(590)	-	-	(590)
	-	-	-	-	(3,068)	-	(3,068)
Net assets at end of the quarter	345,129	303,111	244,613	1,542,154	3,032,607	875,101	6,342,715
	(Rupees)						
Net assets value per unit at beginning of the quarter	70.06	64.29	61.27	53.91	50.22	-	
Net assets value per unit at end of the quarter	68.13	63.77	61.67	53.23	49.71	48.44	

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

For the quarter ended September 30, 2016										
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
(Rupees in '000)										
CASH FLOWS FROM OPERATING ACTIVITIES										
Net income for the quarter	23,607	17,133	10,702	76,626	104,689	75,224	53,899	165,031	37,546	564,457
Adjustments for										
Unrealised diminution re-measurement of investments at fair value through profit or loss' (net)	(22,923)	(14,910)	(9,300)	(56,167)	(58,836)	(65,967)	(47,446)	(145,216)	(27,670)	(448,435)
Amortisation of preliminary expenses and floatation costs	-	-	50	-	-	-	-	-	-	50
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(89)	(1,507)	(1,366)	141	1,367	906	59	1,443	(9,728)	(8,774)
	595	716	86	20,600	47,220	10,163	6,512	21,258	148	107,298
(Increase) / decrease in assets										
Investments (net)	(1,407)	(38,736)	(94,919)	273	22,074	18,846	(6,036)	18,272	(445,841)	(527,474)
Receivable against sale of investments (net)	(800)	-	-	-	(170)	-	(20)	(2,360)	-	(3,350)
Profit receivable on saving accounts with banks	11	(20)	(6)	(2)	(1)	(1)	5	-	109	96
	(2,196)	(38,756)	(94,925)	273	21,902	18,845	(6,051)	15,912	(445,732)	(530,728)
(Decrease) / increase in liabilities										
Remuneration to Al Meezan - Management Company	(3)	461	72	4	4	1	(1)	7	(1,136)	(591)
Remuneration to CDC - Trustee	2	3	7	2	-	2	2	6	44	68
Payable to MBL	(3)	-	-	-	-	-	-	-	(1,035)	(1,038)
Annual fee to SECP	(255)	(211)	(146)	(1,096)	(2,173)	(632)	(187)	(192)	183	(4,709)
Payable against purchase of investments (net)	-	5,000	7,000	-	-	-	-	-	-	12,000
Accrued expenses and other liabilities	(3,609)	(4,593)	(2,576)	(18,502)	(18,454)	(4,184)	(4,816)	(14,303)	(14,736)	(85,773)
	(3,868)	660	4,357	(19,592)	(20,623)	(4,813)	(5,002)	(14,482)	(16,680)	(80,043)
Net cash (used in) / generated from operating activities	(5,469)	(37,380)	(90,482)	1,281	48,499	24,195	(4,541)	22,688	(462,264)	(503,473)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts against issuance and conversion of units	31,566	77,470	148,326	-	-	-	-	-	453,033	710,395
Payments against redemption and conversion of units	(26,613)	(36,907)	(48,378)	(2,990)	(45,688)	(18,738)	(1,035)	(29,423)	(35,611)	(245,383)
Dividend paid	(25)	(165)	(53)	(142)	(802)	(3,788)	(2,629)	(356)	(269)	(8,229)
Net cash generated / (used in) from financing activities	4,928	40,398	99,895	(3,132)	(46,490)	(22,526)	(3,664)	(29,779)	417,153	456,783
Net (decrease) / increase in cash and cash equivalents during the quarter	(541)	3,018	9,413	(1,851)	2,009	1,669	(8,205)	(7,091)	(45,111)	(46,690)
Cash and cash equivalents at beginning of the quarter	1,250	8,622	2,701	11,454	5,398	8,009	21,477	11,225	48,753	118,889
Cash and cash equivalents at end of the quarter	709	11,640	12,114	9,603	7,407	9,678	13,272	4,134	3,642	72,199

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	For the quarter ended September 30, 2015						Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	
(Rupees in '000)							
CASH FLOWS FROM OPERATING ACTIVITIES							
Net (loss) / income for the quarter	(9,777)	(2,481)	1,570	(19,037)	(28,322)	(28,270)	(86,317)
Adjustments for							
Unrealised appreciation on re-measurement of investments - 'at fair value through profit or loss' (net)	23,040	18,858	12,017	50,613	41,853	26,676	173,057
Preliminary expenses and floatation costs	-	-	50	-	-	-	50
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed (net)	433	8	(281)	556	362	2,760	3,838
	13,696	16,385	13,356	32,132	13,893	1,166	90,628
(Increase) / decrease in assets							
Investments (net)	(22,256)	54,993	102,530	(321)	6,116	(896,014)	(754,952)
Profit receivable on saving accounts with bank	(12)	41	4	5	6	(383)	(339)
	(22,268)	55,034	102,534	(316)	6,122	(896,397)	(755,291)
Increase / (decrease) in liabilities							
Payable to Al Meezan Investment Management Limited - Management Company	37	8	56	1	(76)	20,698	20,724
Payable to the Central Depository Company of Pakistan Limited-Trustee	1,044	17	26	78	(29)	81	1,217
Payable to Securities and Exchange Commission of Pakistan	85	77	58	296	746	97	1,359
Payable to Meezan Bank Limited (MBL)	(1)	(2)	-	-	-	-	(3)
Accrued expenses and other liabilities	3,750	(335)	(55)	22	6	16	3,404
	4,915	(235)	85	397	647	20,892	26,701
Net cash (used in) / generated from operating activities	(3,657)	71,184	115,975	32,213	20,662	(874,339)	(637,962)
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds against issuance of units	36,927	51,551	56,329	581	2,737	1,015,035	1,163,160
Payments against redemption of units	(31,513)	(162,204)	(206,715)	(29,595)	(20,595)	(114,423)	(565,044)
Dividend payable	-	-	-	(590)	(3,068)	-	(3,658)
Net cash generated from / (used in) financing activities	5,413	(110,653)	(150,385)	(29,603)	(20,926)	900,612	594,458
Net increase / (decrease) in cash and cash equivalents during the quarter	1,756	(39,469)	(34,410)	2,610	(264)	26,273	(43,504)
Cash and cash equivalents at beginning of the quarter	4,513	44,016	37,237	2,827	2,605	-	91,198
Cash and cash equivalents at end of the quarter	6,269	4,547	2,827	5,437	2,341	26,273	47,694

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (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 AI Meezan Investment Management Limited (AI 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 Funds Scheme listed on Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). Units are offered for public subscription on a continuous basis except for six plans Meezan Capital Preservation Plan-I (MCPPI), Meezan Capital Preservation Plan-II (MCPPII), Meezan Asset Allocation Plan-I (MAAP-I), Meezan Asset Allocation Plan-II (MAAP-II), Meezan Asset Allocation Plan-III (MAAP-III) and Meezan Asset Allocation Plan-IV (MAAP-IV) 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** Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund. The fund 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.
- 1.5** 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 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 Trust Deed, the NBFC Rules, 2003, and the NBFC Regulations, 2008, and directives issued by SECP. In case where requirements differ, the provisions and directives issued under the Companies Ordinance, 1984, the NBFC Rules, 2003, and the NBFC Regulations, 2008, 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, 2016.

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, 2016.

5. INVESTMENTS

As at September 30, 2016 (Unaudited)											(Audited) June 30, 2016	
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total		
Note	----- (Rupees in '000) -----											
Investments - 'at fair value through profit or loss' - held for trading	5.1	472,898	420,416	399,146	1,647,640	3,098,519	1,329,962	967,130	2,989,667	917,424	12,242,802	11,266,893

5.1 At fair value through profit or loss - Held for Trading - Units of mutual funds

Name of Investee Funds	As at July 01, 2016	Purchases during the quarter	Sale during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss)	Percentage of Market value to total investments
	----- (Number of units) -----				----- (Rupees in '000) -----			(Percentage)
Aggressive Allocation Plan								
Meezan Islamic Fund	4,742,448	145,239	212,806	4,674,881	310,110	331,028	20,918	70.00
Meezan Sovereign Fund	2,649,023	184,606	82,625	2,751,004	139,865	141,870	2,005	30.00
					449,975	472,898	22,923	100
Moderate Allocation Plan								
Meezan Islamic Fund	2,769,750	417,114	218,247	2,968,617	198,069	210,208	12,139	50.00
Meezan Sovereign Fund	3,609,945	667,316	201,097	4,076,164	207,437	210,208	2,771	50.00
					405,506	420,416	14,910	100
Conservative Allocation Plan								
Meezan Islamic Fund	1,113,606	369,494	73,885	1,409,215	94,416	99,787	5,371	25.00
Meezan Sovereign Fund	4,354,238	1,566,350	115,672	5,804,916	295,430	299,359	3,929	75.00
					389,846	399,146	9,300	100
Meezan Capital Preservation Plan I								
Al Meezan Mutual Fund	-	3,499,469	1,169,217	2,330,252	43,950	44,531	581	2.70
Meezan Islamic Fund	14,680,450	1,605,686	5,276,698	11,009,438	730,803	779,578	48,775	47.31
Meezan Cash Fund	46,815	6,231,694	-	6,278,509	318,347	318,509	162	19.33
Meezan Sovereign Fund	12,153,662	1,497,148	3,857,880	9,792,930	498,373	505,022	6,649	30.65
					1,591,473	1,647,640	56,167	100
Meezan Capital Preservation Plan II								
Al Meezan Mutual Fund	4,912,176	-	-	4,912,176	88,370	93,872	5,502	3.03
Meezan Islamic Fund	15,391,100	5,805,717	6,773,673	14,423,144	970,299	1,021,303	51,004	32.96
Meezan Cash Fund	-	38,464,575	38,464,575	-	-	-	-	-
Meezan Sovereign Fund	38,471,290	47,121,819	47,133,857	38,459,252	1,981,014	1,983,344	2,330	64.01
					3,039,683	3,098,519	58,836	100

Name of Investee Funds	As at July 01, 2016	Purchases during the quarter	Sale during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss)	Percentage of Market value to total investments
	(Number of units)				(Rupees in '000)			(Percentage)
Meezan Asset Allocation Plan I								
Al Meezan Mutual Fund	3,263,441	-	-	3,263,441	58,710	62,364	3,654	4.70
Meezan Islamic Fund	16,178,167	-	3,665,403	12,512,764	828,470	886,029	57,559	66.61
Meezan Sovereign Fund	3,011,305	4,960,433	572,710	7,399,028	376,815	381,569	4,754	28.69
					1,263,995	1,329,962	65,967	100
Meezan Asset Allocation Plan II								
Meezan Islamic Fund	11,833,268	-	2,278,948	9,554,320	632,591	676,541	43,950	69.96
Meezan Sovereign Fund	876,557	3,096,427	21,111	3,951,873	201,454	203,798	2,344	21.07
Meezan Islamic Income Fund	1,670,003	-	-	1,670,003	85,639	86,791	1,152	8.97
					919,684	967,130	47,446	100
Meezan Asset Allocation Plan III								
Al Meezan Mutual Fund	17,952,133	-	-	17,952,133	322,959	343,064	20,105	11.47
Meezan Islamic Fund	32,276,978	-	7,208,146	25,068,832	1,659,807	1,775,124	115,317	59.38
Meezan Islamic Income Fund	7,853,062	9,704,412	788,635	16,768,839	861,685	871,479	9,794	29.15
					2,844,451	2,989,667	145,216	100
Meezan Asset Allocation Plan IV								
Al Meezan Mutual Fund	-	3,764,581	-	3,764,581	71,000	71,941	941	7.84
Meezan Islamic Fund	5,047,854	3,467,084	-	8,514,938	579,216	602,943	23,727	65.72
Meezan Islamic Income Fund	2,139,131	8,731,455	6,203,718	4,666,868	239,538	242,540	3,002	26.44
					889,754	917,424	27,670	100
Total investments in units of mutual funds								
Al Meezan Mutual Fund	26,127,750	7,264,050	1,169,217	32,222,583	584,989	615,772	30,783	5.03
Meezan Islamic Fund	104,033,621	11,810,334	25,707,806	90,136,149	6,003,781	6,382,541	378,760	52.13
Meezan Cash Fund	46,815	44,696,269	38,464,575	6,278,509	318,347	318,509	162	2.60
Meezan Sovereign Fund	65,126,020	59,094,099	51,984,952	72,235,167	3,700,388	3,725,170	24,782	30.43
Meezan Islamic Income Fund	11,662,196	18,435,867	6,992,353	23,105,710	1,186,862	1,200,810	13,948	9.81
					11,794,367	12,242,802	448,435	100

6. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2016.

7. WORKERS' WELFARE FUND

The status of Workers' Welfare Fund (WWF) is the same as disclosed in the annual financial statements for the year ended June 30, 2016. The Management Company, as a matter of abundant caution, has recognised WWF charge for the period from January 1, 2013 to June 30, 2015 amounting to Rs. 2.69 million in Aggressive Allocation Plan, Rs. 1.45 million in Conservative Allocation Plan, Rs. 1.74 million in Moderate Allocation Plan, Rs. 2.35 million in Meezan Capital Preservation Plan I and Rs. 0.28 million in Meezan Capital Preservation Plan II. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.44 per unit (0.57%) in Aggressive Allocation Plan, Rs. 0.23 per unit (0.36%) in Conservative Allocation Plan, Rs. 0.28 per unit (0.41%) in Moderate Allocation Plan, Rs. 0.08 per unit (0.14%) in Meezan Capital Preservation Plan I and Rs. 0.005 per unit (0.01%) in Meezan Capital Preservation Plan II. The mutual funds have been excluded from levy of WWF vide Finance Act, 2015, hence, effective from July 1, 2015, no provision of WWF has been made in the Fund.

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 Executives of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Asset Allocation Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Islamic Income Fund, Meezan Capital Preservation Fund – II, Meezan Gold Fund 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 - Employees Gratuity Fund and unitholders 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.

Detail of transactions with connected persons and balances with them at the quarter end are as follows:

	September 30, 2016 (Unaudited)									
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
(Rupees in '000)										
Al Meezan Investment Management Limited - Management Company										
Remuneration Payable	1	3	6	8	7	3	12	5	8	53
Sindh Sales Tax and Federal Excise Duty on Management fee Payable	19	40	32	36	51	18	31	33	6	266
Sales load payable	42	460	84	1	-	7	-	6	-	600
Sindh Sales Tax and Federal Excise Duty on Sales load payable	365	463	465	4,406	9,341	3,250	1,788	6,735	2,663	29,476
Allocated Expenses payable	38	34	32	134	252	109	80	243	75	997
Investment of 105,614 units - Conservative Allocation Plan	-	-	6,587	-	-	-	-	-	-	6,587
Investment of 2,791,385 units - Meezan Capital Preservation Plan-I	-	-	-	162,877	-	-	-	-	-	162,877
Investment of 494,071 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	28,626	-	-	28,626
Investment of 2,568,004 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	-	146,864	-	146,864
Meezan Bank Limited										
Bank balance	571	9,740	11,996	9,603	7,407	9,668	13,272	4,134	3,642	70,033
Profit Receivable	9	26	15	29	18	15	28	80	67	287
Investment of 3,964,321 units - Meezan Capital Preservation Plan-I	-	-	-	-	208,127	-	-	-	-	208,127
Central Depository Company of Pakistan Limited - Trustee										
Trustee Fee payable	33	26	33	101	181	83	61	187	58	763
Sindh Sales Tax on trustee fee payable	4	3	3	13	24	11	8	24	7	97
Directors and Executives of the Management Company										
Investment of 41,976 units - Aggressive Allocation Plan	3,242	-	-	-	-	-	-	-	-	3,242
Investment of 11,986 units - Moderate Allocation Plan	-	816	-	-	-	-	-	-	-	816
Investment of 11,410 units - Conservative Allocation Plan	-	-	712	-	-	-	-	-	-	712
Investment of 22,667 units - Meezan Capital Preservation Plan-I	-	-	-	1,323	-	-	-	-	-	1,323
Investment of 311,840 units - Meezan Capital Preservation Plan-II	-	-	-	-	16,372	-	-	-	-	16,372
Investment of 4,011 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	230	-	-	-	230
Meezan Islamic Fund										
Investment of 4,674,881 units - Aggressive Allocation Plan	331,028	-	-	-	-	-	-	-	-	331,028
Investment of 2,968,617 units - Moderate Allocation Plan	-	210,208	-	-	-	-	-	-	-	210,208
Investment of 1,409,215 units - Conservative Allocation Plan	-	-	99,787	-	-	-	-	-	-	99,787
Investment of 11,009,438 units - Meezan Capital Preservation Plan-I	-	-	-	779,578	-	-	-	-	-	779,578
Investment of 14,423,144 units - Meezan Capital Preservation Plan-I	-	-	-	-	1,021,303	-	-	-	-	1,021,303

September 30, 2016 (Unaudited)										
	Aggressive	Moderate	Conservative	MCPPI	MCPPII	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
(Rupees in '000)										
Investment of 12,512,764 units						886,029				886,029
- Meezan Asset Allocation Plan-I										
Investment of 9,554,320 units							676,541			676,541
- Meezan Asset Allocation Plan-II										
Investment of 25,068,832 units								1,775,124		1,775,124
- Meezan Asset Allocation Plan-III										
Investment of 8,514,938 units									602,943	602,943
- Meezan Asset Allocation Plan-IV										
Meezan Sovereign Fund										
Investment of 2,751,004 units - Aggressive Allocation Plan	141,870									141,870
Investment of 4,076,164 units - Moderate Allocation Plan		210,208								210,208
Investment of 5,804,916 units - Conservative Allocation Plan			299,359							299,359
Investment of 9,792,930 units				505,022						505,022
- Meezan Capital Preservation Plan-I					1,983,344					1,983,344
Investment of 38,459,252 units						381,569				381,569
- Meezan Capital Preservation Plan-II										
Investment of 7,399,028 units										
- Meezan Asset Allocation Plan-I										
Investment of 3,951,873 units								203,798		203,798
- Meezan Asset Allocation Plan-II										
All Meezan Mutual fund										
Investment of 2,330,252 units				44,531						44,531
- Meezan Capital Preservation Plan-I					93,872					93,872
Investment of 4,912,176 units						62,364				62,364
- Meezan Capital Preservation Plan-II										
Investment of 3,263,441 units								343,064		343,064
- Meezan Asset Allocation Plan-I										
Investment of 17,952,133 units										
- Meezan Asset Allocation Plan-II									71,941	71,941
Investment of 3,764,581 units										
- Meezan Asset Allocation Plan-IV										
Meezan Cash Fund										
Investment of 6,278,510 units				318,509						318,509
- Meezan Capital Preservation Plan-I										
Meezan Islamic Income Fund										
Investment of 1,670,003 units						86,791				86,791
- Meezan Asset Allocation Plan-I										
Investment of 16,768,839 units								871,479		871,479
- Meezan Asset Allocation Plan-II										
Investment of 4,666,868 units									242,540	242,540
- Meezan Asset Allocation Plan-IV										
Unit Holders holding 10% or more units of the Fund	141,014	54,276	45,839	181,817		227,914	175,510		202,230	1,028,601
June 30, 2016 (Audited)										
All Meezan Investment Management Limited - Management Company										
Management fee payable	7	8	3	9	5	6	16	8	24	86
Sindh Sales Tax and Federal Excise Duty on Management fee	19	41	32	36	50	17	32	33	8	268
Sales load payable	42	49	30	-	-	7	-	6	1,137	1,271
Sindh Sales Tax and Federal Excise Duty on Sales load payable	364	410	458	4,406	9,341	3,250	1,788	6,735	2,697	29,449
Allocated expenses	36	31	24	130	251	106	76	233	22	909
Investment of 105,614 units - Conservative Allocation Plan			6,412							6,412
Investment of 2,791,385 units - MCPPI				155,313						155,313
Investment of 494,071 units - MAAP II						27,050				27,050
Investment of 2,568,004 units - MAAP III								138,749		138,749

	June 30, 2016 (Audited)									Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	
Meezan Bank Limited	(Rupees in '000)									
Bank balance	185	8,157	2,584	11,454	5,398	7,999	21,477	11,225	48,753	117,232
Sales load payable	3	-	-	-	-	-	-	-	1,035	1,038
Profit Receivable	20	17	11	29	16	14	34	80	176	397
Investment of 3,964,321 units - MCPP II	-	-	-	-	201,110	-	-	-	-	201,110
Central Depository Company of Pakistan Limited - Trustee										
Trustee Fee payable	35	26	29	112	205	92	67	205	21	792
Directors and Executives of the Management Company										
Investment of 46,045 units - Aggressive Allocation Plan	3,378	-	-	-	-	-	-	-	-	3,378
Investment of 11,986 units - Moderate Allocation Plan	-	783	-	-	-	-	-	-	-	783
Investment of 11,410 units - Conservative Allocation Plan	-	-	693	-	-	-	-	-	-	693
Investment of 22,667 units - MCPP I	-	-	-	1,261	-	-	-	-	-	1,261
Investment of 311,840 units - MCPP II	-	-	-	-	15,820	-	-	-	-	15,820
Investment of 4,011 units - MAAP I	-	-	-	-	-	217	-	-	-	217
Meezan Islamic Fund										
Investment of 4,742,448 units - Aggressive Allocation Plan	313,997	-	-	-	-	-	-	-	-	313,997
Investment of 2,769,750 units - Moderate Allocation Plan	-	183,385	-	-	-	-	-	-	-	183,385
Investment of 1,113,606 units - Conservative Allocation Plan	-	-	73,732	-	-	-	-	-	-	73,732
Investment of 14,680,450 units - MCPP I	-	-	-	971,993	-	-	-	-	-	971,993
Investment of 15,391,100 units - MCPP II	-	-	-	-	1,019,045	-	-	-	-	1,019,045
Investment of 16,178,167 units - MAAP I	-	-	-	-	-	1,071,156	-	-	-	1,071,156
Investment of 11,833,268 units - MAAP II	-	-	-	-	-	-	783,481	-	-	783,481
Investment of 32,276,978 units - MAAP III	-	-	-	-	-	-	-	2,137,059	-	2,137,059
Investment of 5,047,845 units - MAAP IV	-	-	-	-	-	-	-	-	334,218	334,218
Meezan Sovereign Fund										
Investment of 2,649,023 units - Aggressive Allocation Plan	134,571	-	-	-	-	-	-	-	-	134,571
Investment of 3,609,945 units - Moderate Allocation Plan	-	183,385	-	-	-	-	-	-	-	183,385
Investment of 4,354,238 units - Conservative Allocation Plan	-	-	221,195	-	-	-	-	-	-	221,195
Investment of 12,153,662 units - MCPP I	-	-	-	617,406	-	-	-	-	-	617,406
Investment of 38,471,290 units - MCPP II	-	-	-	-	1,954,342	-	-	-	-	1,954,342
Investment of 3,011,305 units - MAAP I	-	-	-	-	-	152,976	-	-	-	152,976
Investment of 876,557 units - MAAP II	-	-	-	-	-	-	44,529	-	-	44,529
Meezan Cash Fund										
Investment of 46,815 units - MCPP I	-	-	-	2,347	-	-	-	-	-	2,347
AI Meezan Mutual Fund										
Investment of 4,912,176 units - MCPP II	-	-	-	-	88,370	-	-	-	-	88,370
Investment of 3,263,441 units - MAAP I	-	-	-	-	-	58,709	-	-	-	58,709
Investment of 17,952,133 units - MAAP III	-	-	-	-	-	-	-	322,959	-	322,959
Meezan Islamic Income Fund										
Investment of 1,670,003 units - MAAP II	-	-	-	-	-	-	85,638	-	-	85,638
Investment of 7,853,062 units - MAAP III	-	-	-	-	-	-	-	402,705	-	402,705
Investment of 2,139,131 units - MAAP IV	-	-	-	-	-	-	-	-	109,695	109,695
Unit Holders holding 10% or more units of the Fund	133,948	93,088	33,000	173,361	-	215,059	165,839	-	-	814,295

For the quarter ended September 30, 2016 (Unaudited)										
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
(Rupees in '000)										
Al Meezan Investment Management Limited										
- Management Company										
Remuneration for the quarter	9	21	17	31	23	15	46	25	80	267
Sindh Sales Tax on Management Fee	1	3	2	4	3	2	6	3	10	34
Allocated expense	117	99	91	412	777	335	244	749	216	3,040
Meezan Bank Limited										
Profit on saving account	37	80	50	64	44	31	120	75	247	748
Central Depository Company of Pakistan Limited										
- Trustee										
Trustee fee for the quarter	90	76	70	317	599	258	188	577	166	2,341
Sindh Sales Tax on Trustee Fee	12	10	9	41	78	34	24	75	22	305
Directors and Executives of the Management Company										
Units redeemed: 4,069 units - Aggressive Allocation Plan	312	-	-	-	-	-	-	-	-	312
Meezan Islamic Fund										
Units purchased: 145,239 units										
- Aggressive Allocation Plan	10,220	-	-	-	-	-	-	-	-	10,220
Units purchased: 417,114 units										
- Moderate Allocation Plan	-	29,200	-	-	-	-	-	-	-	29,200
Units purchased: 369,494 units										
- Conservative Allocation Plan	-	-	25,625	-	-	-	-	-	-	25,625
Units purchased: 1,605,686 units										
- Meezan Capital Preservation Plan-I	-	-	-	109,000	-	-	-	-	-	109,000
Units purchased: 5,805,717 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	405,000	-	-	-	-	405,000
Units purchased: 3,467,084 units										
- Meezan Asset Allocation Plan-IV	-	-	-	-	-	-	-	-	245,000	245,000
Units sold: 212,806 units - Aggressive Allocation Plan	14,982	-	-	-	-	-	-	-	-	14,982
Units sold: 218,247 units - Moderate Allocation Plan	-	15,370	-	-	-	-	-	-	-	15,370
Units sold: 73,885 units - Conservative Allocation Plan	-	-	5,215	-	-	-	-	-	-	5,215
Units sold: 5,276,698 units										
- Meezan Capital Preservation Plan-I	-	-	-	371,000	-	-	-	-	-	371,000
Units sold: 6,773,673 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	475,000	-	-	-	-	475,000
Units sold: 3,665,403 units										
- Meezan Asset Allocation Plan-I	-	-	-	-	-	253,000	-	-	-	253,000
Units sold: 2,278,948 units										
- Meezan Asset Allocation Plan-II	-	-	-	-	-	-	158,000	-	-	158,000
Units sold: 7,208,146 units										
- Meezan Asset Allocation Plan-III	-	-	-	-	-	-	-	499,500	-	499,500
Meezan Sovereign Fund										
Units purchased: 184,606 units										
- Aggressive Allocation Plan	9,492	-	-	-	-	-	-	-	-	9,492
Units purchased: 667,316 units										
- Moderate Allocation Plan	-	34,270	-	-	-	-	-	-	-	34,270
Units purchased: 1,566,350 units										
- Conservative Allocation Plan	-	-	80,115	-	-	-	-	-	-	80,115
Units purchased: 1,497,148 units										
- Meezan Capital Preservation Plan-I	-	-	-	77,000	-	-	-	-	-	77,000
Units purchased: 47,121,819 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	2,424,385	-	-	-	-	2,424,385
Units purchased: 4,960,433 units										
- Meezan Asset Allocation Plan-I	-	-	-	-	-	253,000	-	-	-	253,000
Units purchased: 3,096,427 units										
- Meezan Asset Allocation Plan-II	-	-	-	-	-	-	158,000	-	-	158,000
Units sold: 82,625 units - Aggressive Allocation Plan	4,230	-	-	-	-	-	-	-	-	4,230

For the quarter ended September 30, 2016 (Unaudited)										
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
	(Rupees in '000)									
Units sold: 201,097 units - Moderate Allocation Plan	-	10,300	-	-	-	-	-	-	-	10,300
Units sold: 115,672 units - Conservative Allocation Plan	-	-	5,925	-	-	-	-	-	-	5,925
Units sold: 3,857,880 units										
- Meezan Capital Preservation Plan-I	-	-	-	196,900	-	-	-	-	-	196,900
Units sold: 47,133,857 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	2,423,200	-	-	-	-	2,423,200
Units sold: 572,710 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	29,410	-	-	-	29,410
Units sold: 21,111 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	1,080	-	-	1,080
Meezan Cash Fund										
Units purchased: 6,231,694 units										
- Meezan Capital Preservation Plan-I	-	-	-	316,000	-	-	-	-	-	316,000
Units purchased: 38,464,575 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	1,949,000	-	-	-	-	1,949,000
Units sold: 38,464,575 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	1,949,385	-	-	-	-	1,949,385
AI Meezan Mutual Fund										
Units purchased: 3,499,469 units										
- Meezan Capital Preservation Plan-I	-	-	-	66,000	-	-	-	-	-	66,000
Units purchased: 3,764,581 units										
- Meezan Asset Allocation Plan-IV	-	-	-	-	-	-	-	-	71,000	71,000
Units sold: 1,169,217 units										
- Meezan Capital Preservation Plan-I	-	-	-	22,000	-	-	-	-	-	22,000
Meezan Islamic Income Fund										
Units purchased: 9,704,412 units										
- Meezan Asset Allocation Plan-III	-	-	-	-	-	-	499,500	-	-	499,500
Units purchased: 8,731,455 units										
- Meezan Asset Allocation Plan-IV	-	-	-	-	-	-	-	-	448,000	448,000
Units sold: 788,635 units										
- Meezan Asset Allocation Plan-III	-	-	-	-	-	-	40,770	-	-	40,770
Units sold: 6,203,718 units										
- Meezan Asset Allocation Plan-IV	-	-	-	-	-	-	-	-	318,735	318,735
For the quarter ended September 30, 2015 (Unaudited)										
AI Meezan Investment Management Limited - Management Company										
Remuneration for the quarter	11	85	80	7	3	35	-	-	-	221
Sindh Sales Tax and Federal Excise Duty on Management Fee	5	30	28	4	2	12	-	-	-	81
Meezan Bank Limited										
Profit on saving account	55	57	141	51	120	384	-	-	-	808
Central Depository Company of Pakistan Limited - Trustee										
Trustee fee for the quarter	942	58	61	292	562	70	-	-	-	1,985
Directors and Executives of the Management Company										
Units issued: 8,784 units - Aggressive Allocation Plan	627	-	-	-	-	-	-	-	-	627
Units issued: 7 units - Meezan Capital Preservation Plan-I	-	-	-	0	-	-	-	-	-	0
Units issued: 267 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	15	-	-	-	-	15
Units issued: 30 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	2	-	-	-	2
Units redeemed: 11 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	1	-	-	-	1
Cash Dividend paid	-	-	-	0	-	-	-	-	-	0
Cash Dividend paid	-	-	-	-	15	-	-	-	-	15

For the quarter ended September 30, 2015 (Unaudited)										
	Aggressive	Moderate	Conservative	M CPP-I	M CPP-II	MAAP-I	MAAP-II	MAAP-III	MAAP-IV	Total
(Rupees in '000)										
Meezan Islamic Fund										
Units purchased: 439,460 units										
- Aggressive Allocation Plan	26,116	-	-	-	-	-	-	-	-	26,116
Units purchased: 228,915 units										
- Moderate Allocation Plan	-	13,527	-	-	-	-	-	-	-	13,527
Units purchased: 273,086 units										
- Conservative Allocation Plan	-	-	16,411	-	-	-	-	-	-	16,411
Units purchased: 777,063 units										
- Meezan Capital Preservation Plan-I	-	-	-	45,777	-	-	-	-	-	45,777
Units purchased: 2,896,783 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	177,380	-	-	-	-	177,380
Units purchased: 4,937,395 units										
- Meezan Asset Allocation Plan-I	-	-	-	-	-	307,500	-	-	-	307,500
Units sold: 143,518 units - Aggressive Allocation Plan	8,540	-	-	-	-	-	-	-	-	8,540
Units sold: 643,782 units - Moderate Allocation Plan	-	39,650	-	-	-	-	-	-	-	39,650
Units sold: 665,263 units - Conservative Allocation Plan	-	-	41,300	-	-	-	-	-	-	41,300
Units sold: 9,335,860 units										
- Meezan Capital Preservation Plan-I	-	-	-	552,260	-	-	-	-	-	552,260
Units sold: 16,210,163 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	940,580	-	-	-	-	940,580
Meezan Sovereign Fund										
Units purchased: 248,081 units										
- Aggressive Allocation Plan	12,562	-	-	-	-	-	-	-	-	12,562
Units purchased: 313,936 units										
- Moderate Allocation Plan	-	15,875	-	-	-	-	-	-	-	15,875
Units purchased: 1,066,359 units										
- Conservative Allocation Plan	-	-	54,096	-	-	-	-	-	-	54,096
Units purchased: 9,152,912 units										
- Meezan Capital Preservation Plan-I	-	-	-	465,988	-	-	-	-	-	465,988
Units purchased: 14,893,463 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	756,979	-	-	-	-	756,979
Units purchased: 15,328,112 units										
- Meezan Asset Allocation Plan-I	-	-	-	-	-	780,000	-	-	-	780,000
Units sold: 142,997 units - Aggressive Allocation Plan	7,283	-	-	-	-	-	-	-	-	7,283
Units sold: 840,150 units										
- Moderate Allocation Plan	-	42,561	-	-	-	-	-	-	-	42,561
Units sold: 2,467,615 units										
- Conservative Allocation Plan	-	-	124,785	-	-	-	-	-	-	124,785
Units sold: 13,682,876 units										
- Meezan Capital Preservation Plan-I	-	-	-	697,687	-	-	-	-	-	697,687
Units sold: 23,583,023 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	1,202,706	-	-	-	-	1,202,706
Units sold: 15,328,111 units										
- Meezan Asset Allocation Plan-I	-	-	-	-	-	781,014	-	-	-	781,014
Meezan Cash Fund										
Units purchased: 15,405,155 units										
- Meezan Capital Preservation Plan-I	-	-	-	780,337	-	-	-	-	-	780,337
Units purchased: 33,733,179 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	1,706,386	-	-	-	-	1,706,386
Units purchased: 11,616,862 units										
- Meezan Asset Allocation Plan-I	-	-	-	-	-	588,514	-	-	-	588,514
Units sold: 234,512 units										
- Meezan Capital Preservation Plan-I	-	-	-	11,800	-	-	-	-	-	11,800
Units sold: 8,592,905 units										
- Meezan Capital Preservation Plan-II	-	-	-	-	431,620	-	-	-	-	431,620

9. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2017 as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly Supertax introduced in Finance Act, 2015 is also not applicable on funds (Section 4B of Income Tax Ordinance, 2001).

10. FINANCIAL INSTRUMENTS - FAIR VALUES

The additional disclosures due to the adoption of IFRS 13 Fair value measurement are as follows:

September 30, 2016	Note	Carrying amount				Fair value				
		Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)										
Financial assets - measured at fair value										
		12,242,802	-	-	-	12,242,802	12,242,802	-	-	12,242,802
Financial assets - not measured at fair value										
	10.1	-	-	72,199	-	72,199	-	-	-	-
	10.1	-	29	-	-	29	-	-	-	-
		-	3,350	-	-	3,350	-	-	-	-
	10.1	-	301	-	-	301	-	-	-	-
		<u>12,242,802</u>	<u>3,680</u>	<u>72,199</u>	<u>-</u>	<u>12,318,681</u>	<u>12,242,802</u>	<u>-</u>	<u>-</u>	<u>12,242,802</u>
Financial liabilities - not measured at fair value										
	10.1	-	-	-	31,392	31,392	-	-	-	-
	10.1	-	-	-	860	860	-	-	-	-
	10.1	-	-	-	691	691	-	-	-	-
	10.1	-	-	-	1,162	1,162	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>34,105</u>	<u>34,105</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

10.1 The Fund has not disclosed the fair values for these financial assets and liabilities, as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

11. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 06, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





Meezan Capital Preservation Fund II

This fund intends to earn a potentially high return through dynamic asset allocation between Shariah Compliant equities and Shariah compliant income / money market based collective investment schemes.

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 Independent	Chairman
Mr. P. Ahmed	Non-Executive Independent	
Mr. Abdullah Ahmed Muhammad	Non-Executive Independent	
Syed Amir Ali	Non-Executive Independent	
Mr. Atif Azim	Non-Executive Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive Independent	
Mr. Moin M. Fudda	Non-Executive Independent	
Mr. Mazhar Sharif	Non-Executive Independent	
Syed Amir Ali Zaidi	Non-Executive Independent	
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

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 SEPTEMBER 30, 2016

	Note	(Unaudited) September 30, 2016 (Rupees in '000)	(Audited) June 30, 2016
Assets			
Balances with bank		810	647,463
Investments	5	1,292,742	1,196,425
Prepayments and other receivables		332	357
Total assets		1,293,884	1,844,245
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		6,368	6,886
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		113	183
Payable to Securities and Exchange Commission of Pakistan (SECP)		240	1,687
Payable on redemption of units		73	587,750
Accrued expenses and other liabilities		4,706	27,190
Total liabilities		11,500	623,696
Net assets		1,282,384	1,220,549
Contingencies & Commitments			
Unitholders' fund (as per statement attached)	6	1,282,384	1,220,549
(Number of units)			
Number of units in issue		19,839,370	19,886,731
(Rupees)			
Net assets value per unit		64.64	61.38

The annexed notes 1 to 11 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 AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Note	Quarter ended September 30,	
		2016	2015
(Rupees in '000)			
Income			
Net realised gain / (loss) on sale of investments		18,760	(43,167)
Profit on saving accounts with bank		1,237	21
Dividend Income		-	79,447
Back end load		37	1,265
		20,034	37,566
Unrealised appreciation / (diminution) on re-measurement of investments - at 'fair value through profit or loss' (net)	5.1	46,327	(67,673)
Total income		66,361	(30,107)
Expenses			
Remuneration to Al Meezan Investment management Limited (Al meezan) - Management Company		283	5
Sindh Sales Tax and Federal Excise Duty on management fee		37	2
Allocated expenses		320	-
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		303	491
Sindh Sales Tax on Trustee Fee		39	116
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		240	427
Auditors' remuneration		159	85
Fees and subscription		85	33
Legal and professional charges		33	100
Amortisation of preliminary expenses and floatation costs		-	630
Bank and settlement charges		2	1
Total expenses		1,501	1,890
Net income / (loss) from operating activities		64,860	(31,997)
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)		(117)	(403)
Net income / (loss) for the quarter before taxation		64,743	(32,400)
Taxation	10	-	-
Net income / (loss) for the quarter after taxation		64,743	(32,400)
Other comprehensive income for the quarter		-	-
Total comprehensive income for the quarter		64,743	(32,400)

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Undistributed income brought forward		
- Realised	312,337	78,880
- Unrealised	20,547	130,688
	332,884	209,568
Net income / (loss) for the quarter	64,743	(32,400)
Undistributed income carried forward	397,627	177,168
Undistributed income / accumulated (loss) carried forward		
- Realised	351,300	244,841
- Unrealised	46,327	(67,673)
	397,627	177,168

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	Quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Net assets at beginning of the quarter	1,220,549	2,235,552
Redemption of 47,361 units (September 30, 2015: 452,183 units)	(3,025)	(25,351)
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)	117	403
Net realised gain / (loss) on sale of investments	18,760	(43,167)
Unrealised appreciation / (diminution) on re-measurement of investments - at 'fair value through profit or loss' (net)	46,327	(67,673)
Other net (loss) / gain for the quarter	(344)	78,440
Total comprehensive income for the quarter	64,743	(32,400)
Net assets at end of the quarter	1,282,384	2,178,204
	(Rupees)	
Net assets value per unit at beginning of the quarter	61.38	55.17
Net assets value per unit at end of the quarter	64.64	54.36

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

Quarter ended
September 30,
2016 2015
(Rupees in '000)

CASH FLOWS FROM OPERATING ACTIVITIES

Net income / (loss) for the quarter	64,743	(32,400)
Adjustments for:		
Unrealised (appreciation) / diminution on re-measurement of investments - 'at fair value through profit or loss' (net)	(46,327)	67,673
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)	117	403
Amortisation of preliminary expenses and floatation costs	-	630
	18,533	36,306
(Increase) / decrease in assets		
Investments - net	(49,990)	(8,509)
Prepayments and other receivables	25	(1)
	(49,965)	(8,510)
(Decrease) / increase in liabilities		
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	(518)	4
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	(70)	67
Payable to Securities and Exchange Commission of Pakistan (SECP)	(1,447)	(1,201)
Accrued expenses and other liabilities	(22,484)	(41)
	(24,519)	(1,171)
Net cash (used in) / generated from operating activities	(55,951)	26,625

CASH FLOWS FROM FINANCING ACTIVITIES

Payments against redemption of units	(590,702)	(25,480)
Net cash used in financing activities	(590,702)	(25,480)
Net (decrease) / increase in cash and cash equivalents during the quarter	(646,653)	1,145
Cash and cash equivalents at beginning of the quarter	647,463	257
Cash and cash equivalents at end of the quarter	810	1,402

The annexed notes 1 to 11 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 QUARTER ENDED SEPTEMBER 30, 2016 (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) and the Non-Banking Finance Companies 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 Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (The NBFC Rules) through a certificate of registration issued by the SECP. The fund commenced its operations from June 28, 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.
- 1.2** 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 ended mutual fund listed on Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). 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 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 five percent if transferred / redeemed before maturity of the Fund. The units of the Fund were initially offered to the public (IPO) in June 2014. The Initial Maturity of the Fund was two years from the date of commencement of the Fund which has been extended as per the discretion of the Management till December 31, 2016.
- 1.4** The Fund is categorized as Fund of Fund Scheme in accordance with Circular No.7 of 2009 issued by Securities and Exchange Commission of Pakistan.
- 1.5** 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 Fund.
- 1.6** The Management Company has been given a quality rating of AM2++ by JCR - VIS Credit Rating Company Limited.
- 1.7** Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund.
- 1.8** According to the offering document of the Fund, the initial maturity of the Fund was June 27, 2016. After the initial maturity, the Management Company announced a subsequent maturity till Decemebr 31, 2016, to commence from the day following the close of the initial period as discussed in detail in note 1.3 to these financial statements. Accordingly, these financial statements have not been prepared on a going concern basis. Therefore, the assets and liabilities are measured at lower of their carrying amount and fair value less cost to sell.

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 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 annual financial statements of the Fund for the year ended June 30, 2016.

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, 2016.

Note	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	

5. INVESTMENTS

Investments 'at fair value through profit or loss'

- held for trading	5.1	<u>1,292,742</u>	<u>1,196,425</u>
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5.1 Held for trading - Units of mutual funds

Name of the investee funds	As at July 01, 2016	Purchases during the quarter	Bonus issue	Redemption during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain / (loss) as at September 30, 2016	Percentage in relation to	
	----- (Number of units) -----				----- (Rupees in '000) -----				Net assets of the fund on the basis of market value	Total market value of investments
									%	%
Meezan Islamic Fund	12,740,732	1,541,121	-	3,217,600	11,064,253	736,409	783,460	47,051	61.09	60.60
Al-Meezan Mutual Fund	-	5,186,722	-	-	5,186,722	100,000	99,118	(882)	7.73	7.67
Meezan Islamic Income Fund	-	7,892,324	-	-	7,892,324	410,006	410,164	158	31.98	31.73
Meezan Sovereign Fund	4,447,944	3,163,924	-	7,611,868	-	-	-	-	-	-
Meezan Cash Fund	2,531,020	-	-	2,531,020	-	-	-	-	-	-
Total						1,246,415	1,292,742	46,327	100.80	100.00

6. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2016.

7. WORKERS' WELFARE FUND

The status of Workers' Welfare Fund (WWF) is the same as disclosed in the annual financial statements for the year ended June 30, 2016. The Management Company, as a matter of abundant caution, has recognised WWF charge for the period from January 1, 2013 to June 30, 2016 amounting to Rs. 4.277 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.22 per unit (0.33 percent). The mutual funds have been excluded from levy of WWF vide Finance Act, 2015, hence, effective from July 1, 2015, no provision of WWF has been made in the Fund.

8. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include AI Meezan Investment Management Limited (AI 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 Executives of the Management Company, Meezan Islamic Fund, AI Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Asset Allocation Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Gold Fund 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, AI 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 / 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 and balances with them at period end are as follows:

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration payable	4	387
Sindh Sales Tax and Federal Excise Duty payable on management fee	126	180
Sindh Sales Tax and Federal Excise Duty payable on sales load	6,134	6,134
Allocated expenses payable	104	185
Investment as at September 30, 2016: 3,259,889 units (June 30, 2016: 3,259,889 units)	210,719	200,092
Meezan Bank Limited		
Balances with bank	810	647,463
Profit receivable on savings account	296	357

	(Unaudited) September 30, 2016	(Audited) June 30, 2016
	(Rupees in '000)	
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	100	160
Sindh Sales Tax on trustee fee payable	13	23
Meezan Islamic Fund		
Investment as at September 30, 2016: 11,064,253 units (June 30, 2016: 12,740,732 units)	783,460	843,564
Al-Meezan Mutual Fund		
Investment as at September 30, 2016: 5,186,722 units (June 30, 2016: nil units)	99,118	-
Meezan Cash Fund		
Investment as at September 30, 2016: nil (June 30, 2016: 2,531,020 units)	-	126,905
Meezan Islamic Income Fund		
Investment as at September 30, 2016: 7,892,324 units (June 30, 2016: nil units)	410,164	-
Meezan Sovereign Fund		
Investment as at September 30, 2016: nil (June 30, 2016: 4,447,944 units)	-	225,956
Directors and officers of the Management Company		
Investments as at September 30, 2016: 200,284 units (June 30, 2016: 200,284 units)	12,946	12,293
Unitholders holding 10 percent or more of the Fund's net assets		
Investment as at September 30, 2016: 6,408,085 units (June 30, 2016: 6,408,085 units)	414,219	393,328
	For the quarter ended September 30,	
	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the quarter	283	5
Sindh Sales Tax and Federal Excise Duty on management fee	37	2
Allocated expenses	320	-
Meezan Bank Limited		
Profit on saving account	1,237	21
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the quarter	303	491
Sindh Sales Tax on trustee fee	39	116
Meezan Islamic Fund		
Units purchased: 1,541,121 units (2015: 3,964,446 units)	107,000	244,170
Units sold: 3,217,600 units (2015: 13,017,432 units)	228,000	769,825
Cash dividend received	-	53,170
Al-Meezan Mutual Fund		
Units purchased: 5,186,722 units (2015: nil units)	100,000	-

		For the quarter ended September 30,	
		2016	2015
		(Rupees in '000)	
KSE Meezan Index Fund			
Units purchased: nil (2015: 44,749 units)		-	3,208
Units sold: nil (2015: 1,165,932)		-	85,100
Cash dividend received		-	3,208
Meezan Islamic Income Fund			
Units purchased: 7,892,324 units (2015: 19,625,153 units)		410,006	1,009,682
Units sold: nil (2015: 29,337 units)		-	1,500
Cash dividend received		-	3,582
Meezan Cash Fund			
Units purchased: nil (2015: 2,809,689 units)		-	141,500
Units sold: 2,531,020 units (2015: 4,028,477 units)		128,348	202,020
Meezan Sovereign Fund			
Units purchased: 3,163,924 units (2015: 2,151,429 units)		161,500	109,186
Units sold: 7,611,868 units (2015: 7,799,416 units)		390,928	397,624
Cash dividend received		-	19,486

9. FINANCIAL INSTRUMENTS - FAIR VALUES

Note	Carrying amount					Fair value			
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total
September 30, 2016 (Rupees in '000)									
Financial assets - measured at fair value									
Investments	1,292,742	-	-	-	1,292,742	1,292,742	-	-	1,292,742
Financial assets - not measured at fair value									
Balances with Banks	9.1	-	810	-	810	-	-	-	-
Other receivables	9.1	332	-	-	332	-	-	-	-
		1,292,742	332	810	-	1,293,884	1,292,742	-	1,292,742
Financial liabilities - not measured at fair value									
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company	9.1	-	-	6,368	6,368	-	-	-	-
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	9.1	-	-	113	113	-	-	-	-
Payable on redemption of units	9.1	-	-	73	73	-	-	-	-
Trade and other payables	9.1	-	-	339	339	-	-	-	-
		-	-	6,893	6,893	-	-	-	-

- 9.1** The Fund has not disclosed fair values for these financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

10. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute sufficient income of the Fund for the year ended June 30, 2017, as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly Supertax introduced in Finance Act, 2015 is also not applicable on funds (Section 4B of Income Tax Ordinance, 2001).

11. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 06, 2016 by the Board of Directors of the Management company.

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

Chief Executive

Director





Meezan Tahaffuz Pension Fund

Meezan Tahaffuz Pension Fund is Pakistan's first and the largest Shariah Compliant Voluntary Pension Scheme. MTPF is the best way to save and invest for your post-retirement needs and it has the potential to deliver superior returns with the added advantage of providing immense Tax Benefits* which significantly enhances the yield on your investment.

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. Abdullah Ahmed Muhammad	Non-Executive	
Syed Amir Ali	Non-Executive	
Mr. Atif Azim	Independent	
Mr. Tasnimul Haq Farooqui	Non-Executive	
Mr. Moin M. Fudda	Independent	
Mr. Mazhar Sharif	Non-Executive	
Syed Amir Ali Zaidi	Non-Executive	
Mr. Mohammad Shoab, 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 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)	Bank Islami Pakistan Limited
Habib Metropolitan Bank Limited - Islamic Banking	Dubai Islamic Bank Pakistan Limited
Meezan Bank Limited	Sindh Bank Pakistan Limited
Bank Alfalah - Islamic Banking Branch	
Habib Bank Limited- Islamic Banking	
MCB Bank Limited- Islamic Banking	
UBL Armeen - 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 INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

Note	September 30, 2016				Total	June 30, 2016 Total
	Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund		
	(Rupees in '000)					
Income						
Profit from sukuk certificates	-	17,301	2,131	-	19,432	23,020
Profit on saving accounts with banks	1,475	2,197	4,372	39	8,083	6,872
Profit on term deposit receipts	-	10,533	136	-	10,669	2,740
Dividend income	29,510	-	-	-	29,510	40,059
Unrealised appreciation/(diminution) on 're-measurement of investments at 'fair value through profit or loss' (net)	6.1, 6.2, 6.3 & 6.5	192,728	6,583	453	(988)	198,776
Net realised gain on sale of investments		21,611	-	-	-	21,611
Total income		245,324	36,614	7,092	(949)	288,081
Expenses						
Remuneration to Al Meezan Investment Management Limited - pension fund manager		16,573	7,653	1,720	94	26,040
Sindh Sales Tax and Federal Excise Duty on management fee		2,155	995	224	12	3,386
Remuneration of Central Depository Company of Pakistan Limited (CDC) - Trustee		1,032	477	107	6	1,622
Sindh Sales Tax on trustee fee		134	62	14	1	211
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		368	170	38	2	578
Auditors' remuneration		46	46	46	23	161
Legal & professional charges		11	11	11	23	56
Brokerage		1,384	3	-	5	1,392
Bank and settlement charges		73	13	8	66	160
Charity expense		352	-	-	-	352
Provision for Workers' Welfare Fund (WWF)	10	4,633	551	98	-	5,282
Total expenses		26,761	9,981	2,266	232	39,240
Net income / (loss) from operating activities		218,563	26,633	4,826	(1,181)	248,841
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)		8,441	373	(31)	(136)	8,783
Net income / (loss) for the quarter before taxation		227,004	27,006	4,795	(1,317)	257,624
Taxation	13	-	-	-	-	-
Net income / (loss) for the quarter after taxation		227,004	27,006	4,795	(1,317)	257,624
Other comprehensive income for the quarter						
Items that can be reclassified to income statement in subsequent periods						
Unrealised diminution on re-measurement of investment classified as "available for sale" (net)		-	-	-	-	(368)
Total comprehensive income for the quarter		227,004	27,006	4,795	(1,317)	257,624

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

Note	September 30, 2016			For the period from August 04, 2016 to September 30, 2016	Total	September 30, 2015 Total
	Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund		
(Rupees in '000)						
CASH FLOW FROM OPERATING ACTIVITIES						
Net income / (loss) for the quarter before taxation	227,004	27,006	4,795	(1,317)	257,488	(39,591)
Adjustments for						
Unrealised (appreciation)/diminution on 're-measurement of investments at fair value through profit or loss' (net)	(192,728)	(6,583)	(453)	988	(198,776)	96,120
Element of (income) / (loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(8,441)	(373)	31	136	(8,647)	(4,338)
	25,835	20,050	4,373	(193)	50,065	52,191
(Increase) / decrease in assets						
Investments (net)	(196,588)	(104,000)	(90,000)	(36,662)	(427,250)	(218,101)
Receivable against sale of investments (net)	-	-	-	-	-	20,898
Dividend receivable	(17,449)	-	-	-	(17,449)	(33,997)
Deposits and other receivables	(5,633)	6,874	(4,645)	(17)	(3,421)	(34,395)
	(219,670)	(97,126)	(94,645)	(36,679)	(448,120)	(265,595)
Increase / (decrease) in liabilities						
Payable to Al Meezan Investment Management Limited (Al Meezan) - pension fund manager	584	230	27	59	900	3,791
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	20	7	-	4	31	107
Payable to Securities and Exchange Commission of Pakistan (SECP)	(713)	(356)	(87)	2	(1,154)	(768)
Payable against purchase of investments (net)	(4,539)	-	-	-	(4,539)	(26,260)
Accrued expenses and other liabilities	5,823	489	62	71	6,445	74
	1,175	370	2	136	1,683	(23,056)
Net cash used in operating activities	(192,660)	(76,706)	(90,270)	(36,736)	(396,372)	(236,460)
CASH FLOW FROM FINANCING ACTIVITIES						
Receipts of contribution / change of plan / change of fund manager / issuance of units	410,705	176,766	47,999	45,440	680,910	400,254
Payments on withdrawal / change of plan	(131,608)	(85,276)	(43,771)	-	(260,655)	(117,752)
Net cash generated from financing activities	279,097	91,490	4,228	45,440	420,255	282,502
Net increase / (decrease) in cash and cash equivalents during the quarter	86,437	14,784	(86,042)	8,704	23,883	46,042
Cash and cash equivalents at beginning of the quarter	95,748	152,015	295,764	-	543,527	455,016
Cash and cash equivalents at end of the quarter	182,185	166,799	209,722	8,704	567,410	501,058

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	September 30, 2016				Total	September 30, 2015 Total
	Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund		
	For the period from August 04, 2016 to September 30, 2016					
	(Rupees in '000)					
Net assets at beginning of the quarter	4,099,339	1,997,375	453,309	-	6,550,023	4,476,521
Amount received on issuance of units (2016: Equity sub fund: 598,144 units; Debt sub fund: 567,831 units; Money market sub fund: 158,617 units; Gold sub fund: 455,758 units) (2015: Equity sub fund: 560,664 units; Debt sub fund: 473,681 units; Money market sub fund: 129,592 units)	310,259	117,037	32,396	45,440	505,132	359,311
Amount paid on withdrawal of units (2016: Equity sub fund: 260,363 units; Debt sub fund: 374,425 units; Money market sub fund: 176,487 units; Gold sub fund: nil units) (2015: Equity sub fund: 111,564 units; Debt sub fund: 192,639 units; Money market sub fund: 76,932 units)	(135,491)	(77,116)	(36,057)	-	(248,664)	(102,572)
	174,768	39,921	(3,661)	45,440	256,468	256,739
Element of (income)/loss and capital (gains)/losses included in prices of units issued less those in units redeemed (net)	(8,441)	(373)	31	136	(8,647)	(4,338)
Net realised gain on sale of investments	21,611	-	-	-	21,611	7,263
Unrealised appreciation/(diminution) on 're-measurement of investments at 'fair value through profit or loss' (net)	192,728	6,583	453	(988)	198,776	(96,488)
Other net income for the quarter	12,665	20,423	4,342	(329)	37,101	49,266
Total comprehensive income for the quarter	227,004	27,006	4,795	(1,317)	257,488	(39,959)
Net assets at end of the quarter	4,492,670	2,063,929	454,474	44,259	7,055,332	4,688,963

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM CONTRIBUTION TABLE FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

	September 30, 2016						For the period from August 04, 2016 to September 30, 2016		September 30, 2015	
	Equity sub fund		Debt sub fund		Money market sub fund		Gold sub fund		Total	Total
	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	(Rupees in '000)	(Rupees in '000)
Contribution net of front end fee received during the quarter										
Individuals - issue of units	598,144	310,259	567,831	117,037	158,617	32,396	455,758	45,440	505,132	359,311

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM DISTRIBUTION STATEMENT

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UNAUDITED)

September 30, 2016			For the period from August 04, 2016 to September 30, 2016
Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund

(Number of units)

Total units in issue at beginning of the quarter	8,332,830	9,768,041	2,230,504	-
Add: Units issued / converted / reallocated during the quarter	598,144	567,831	158,617	455,758
Less: Units redeemed / converted / reallocated during the quarter	(260,363)	(374,425)	(176,487)	-
Total units in issue at the end of the quarter	<u>8,670,611</u>	<u>9,961,447</u>	<u>2,212,634</u>	<u>455,758</u>

September 30, 2015		
Equity sub fund	Debt sub fund	Money market sub fund

(Number of units)

Total units in issue at beginning of the quarter	6,576,270	7,146,942	1,729,099
Add: Units issued / converted / reallocated during the quarter	560,664	473,681	129,592
Less: Units redeemed / converted / reallocated during the quarter	(111,564)	(192,639)	(76,932)
Total units in issue at the end of the quarter	<u>7,025,370</u>	<u>7,427,984</u>	<u>1,781,759</u>

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (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 as pension fund manager and Central Depository Company of Pakistan Limited (CDC) as trustee. The Trust Deed was executed and approved by the 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 Sarah-e-Faisal, Karachi 74400, Pakistan.

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 comprises of three Shariah compliant sub funds namely Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund (collectively the "Sub-Funds"). Participants are offered various investment allocation schemes depending on their investment horizon, return requirements, risk tolerance and any unique circumstances. The Fund offers six types of allocation schemes to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility, Variable Volatility and Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. Allocation scheme can be selected initially at the time of opening of account and subsequently the allocation and percentages may change twice in a financial year. The contributions from participants are invested in various instruments belonging to different asset classes to get full benefits of risk minimization through diversification.

1.2 Summary of significant investment policy for each of the Sub-Fund is as follows:

- The Equity Sub-Fund shall invest atleast 90% of net assets in listed equity securities based on quarterly average investment calculated on daily basis. Investment in single company shall not exceed 10% of NAV or paid-up capital of the investee company, whichever is lower. Surplus funds may be invested in Government Securities with maturity of less than one year or deposits with Banks which are rated not less than "A" by a rating agency registered with the Commission.
- The Debt Sub-Fund shall consist of debt securities with maturity of not more than 5 years. At least 25% net assets of the Debt Sub-Fund shall be invested in debt securities issued by the Federal Government. However, if such shariah compliant securities are not available, the assets of shariah compliant Debt Sub Fund may be deposited in Islamic Commercial Banks, having not less than "A+" rating. Up to 25% of net assets of Debt Sub-Fund may be deposited with Banks having rating of not less than "AA Plus".
- The Money Market Sub-Fund consists of short term debt instruments with weighted average maturity upto one year. Shariah Compliant Money Market Sub Fund can invest in shariah compliant government securities where the time to maturity may be upto three years.
- The Gold Sub Fund consist of physical gold and aim to provide opportunities of capital appreciation and maximum exposure to price of gold in a Shariah Compliant manner, by investing a significant portion of net assets in deliverable gold base contracts available on Pakistan Mercantile Exchange (PMEX).

- 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.
- 1.5 Title to the assets of the Sub Funds are held in the name of CDC as a Trustee of the Fund.
- 1.6 JCR-VIS Credit Rating Company Limited has assigned management quality rating of 'AM2++' to the Pension Fund Manager.

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 Voluntary Pension System Rules, 2005 (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, 2005 and directives issued by the SECP have been followed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

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 annual financial statements of the Fund for the year ended June 30, 2016. For the purpose of Gold Sub Fund, Investment in gold is initially recognised at fair value less cost to sell. Subsequent to initial recognition, these are measured at fair value using lowest rate (i.e. spot rate) fixed by PMEX. Gain or loss arising from changes in fair value less cost to sell are recognised in Income Statement in the period of change.

The Fund's financial and participants' sub funds risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2016.

Note	September 30, 2016 (Unaudited)					June 30, 2016 (Audited) Total
	Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund	Total	

5. BANK BALANCES

(Rupees in '000)

On Current accounts		1,507	-	-	-	1,507	1,676
On Savings accounts	5.1	180,678	166,799	209,722	8,704	565,903	541,851
		<u>182,185</u>	<u>166,799</u>	<u>209,722</u>	<u>8,704</u>	<u>567,410</u>	<u>543,527</u>

5.1 The balance in savings accounts carry expected profit which ranges from 2.40% to 6.10% (June 30, 2016: 2.50% to 6.20%) per annum.

6. INVESTMENTS

Held-for-trading

- shares of listed companies	6.1	4,351,816	-	-	-	4,351,816	3,962,500
- sukuk certificates	6.2	-	1,084,285	128,641	-	1,212,926	1,206,750
		<u>4,351,816</u>	<u>1,084,285</u>	<u>128,641</u>	<u>-</u>	<u>5,564,742</u>	<u>5,169,250</u>

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

	6.3	-	52,757	-	-	52,757	51,897
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Loans and receivables

	6.4	-	759,000	111,000	-	870,000	676,000
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Investment in gold

	6.5	-	-	-	35,674	35,674	-
		<u>4,351,816</u>	<u>1,896,042</u>	<u>239,641</u>	<u>35,674</u>	<u>6,523,173</u>	<u>5,897,147</u>

6.1 Held for trading' - shares of listed companies

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Cost of purchase	Bonus / rights issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealized 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

Sector / companies

Automobile Assembler

Indus Motor Company Limited	60,605	-	-	-	-	60,605	56,941	90,931	33,990	2.02	0.08
Pak Suzuki Motor Company Limited	2,733	-	-	-	2,733	-	-	-	-	-	-
Honda Atlas Cars Pakistan Limited	165,300	52,200	23,944	-	40,100	177,400	67,946	108,537	40,591	2.42	0.12
Millat Tractors Limited	14,450	-	-	-	14,450	-	-	-	-	-	-
										<u>4.44</u>	<u>0.20</u>

Automobile Parts & Accessories

Thal Limited (note 6.1.1)	60,345	-	-	-	60,345	-	-	-	-	-	-
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Cable & Electrical Goods

Pak Elektron Limited	1,354,000	275,000	19,829	-	-	1,629,000	107,365	115,284	7,919	2.57	0.41
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Cement

D.G Khan Cement Company Limited	887,900	210,000	43,159	-	-	1,097,900	212,295	204,078	(8,217)	4.54	0.25
Lucky Cement Limited	419,906	35,000	24,954	-	-	454,906	297,268	308,090	10,822	6.86	0.14
Fauji Cement Company Limited	5,104,500	-	-	-	200,000	4,904,500	175,581	172,982	(2,599)	3.85	0.36
Cherat Cement Company Limited	1,156,000	-	-	-	-	1,156,000	138,223	148,731	10,508	3.31	0.65
Pioneer Cement Company Limited	1,309,000	247,400	27,463	-	-	1,556,400	168,050	164,496	(3,554)	3.66	0.69
Maple Leaf Cement Factory Limited	-	432,500	42,336	-	-	432,500	42,336	41,434	(902)	0.92	0.08
Kohat Cement Company Limited	516,400	-	-	-	-	516,400	135,255	132,803	(2,452)	2.96	0.33
Pakcem Limited (formerly Lafarge Pakistan)	400,000	-	-	-	400,000	-	-	-	-	-	-
										<u>26.10</u>	<u>2.50</u>

Chemical

ICI Pakistan Limited	136,470	12,500	8,162	-	-	148,970	68,894	97,157	28,263	2.16	0.16
Sitara Chemical Industries Limited	74,700	-	-	-	38,100	36,600	13,322	17,588	4,266	0.39	0.17
Alkzo Nobel Pakistan Limited	1,500	-	-	-	1,500	-	-	-	-	-	-
Ghani Gases Limited	1,071,440	-	-	-	1,067,500	3,940	77	97	20	-	-
										<u>2.55</u>	<u>0.34</u>

Name of the investee company	As at July 01, 2016	Purchases during the quarter	Cost of purchase	Bonus / rights issue	Sales during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	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) -----		----- % -----		
Engineering											
K.S.B Pumps Company Limited	141,500	-	-	-	-	141,500	34,476	38,052	3,576	0.85	1.07
Amreli Steels Limited	625,000	-	-	-	-	625,000	29,388	44,556	15,168	0.99	0.21
Crescent Steel & Allied Products Limited	441,500	-	-	-	361,700	79,800	9,146	10,056	910	0.22	0.10
										2.06	1.38
Fertilizer											
Fauji Fertilizer Company Limited	598	-	-	-	598	-	-	-	-	-	-
Engro Corporation Limited (note 6.1.3)	988,300	40,000	12,034	-	-	1,028,300	341,108	299,492	(41,616)	6.67	0.20
Engro Fertilizers Limited	3,012,000	300,000	20,400	-	-	3,312,000	214,614	204,218	(10,396)	4.55	0.25
Dawood Hercules Corporation Limited	473,400	100,000	15,325	-	-	573,400	85,800	76,239	(9,561)	1.70	0.12
										12.92	0.57
Food and Personal Care Products											
Engro Foods Limited	12,500	440,000	64,785	-	-	452,500	66,826	66,205	(621)	1.47	0.06
Al-Shaheer Corporation Limited	2,022,400	-	-	-	1,264,000	758,400	39,596	48,378	8,782	1.08	0.61
										2.55	0.67
Oil and Gas Exploration Companies											
Oil and Gas Development Company Limited	900,800	70,000	9,765	-	-	970,800	134,138	137,106	2,968	3.05	0.02
Pakistan Oilfields Limited	65,050	40,000	15,937	-	-	105,050	38,541	42,158	3,617	0.94	0.04
Pakistan Petroleum Limited	730,657	47,000	7,660	-	-	777,657	120,948	127,279	6,331	2.83	0.04
Mari Petroleum Company Limited	202,200	-	-	-	-	202,200	183,642	193,006	9,364	4.30	0.18
										11.12	0.28
Oil and Gas Marketing Companies											
Pakistan State Oil Company Limited	554,133	-	-	-	-	554,133	208,055	229,489	21,434	5.11	0.20
Attock Petroleum Limited	34,120	-	-	-	-	34,120	14,929	17,742	2,813	0.39	0.04
Sui Northern Gas Pipelines Limited	-	1,701,500	80,763	-	-	1,701,500	80,763	85,279	4,516	1.90	0.27
Hascol Petroleum Limited	70,600	-	-	-	68,000	2,600	508	573	65	0.01	-
										7.41	0.51
Paper and Board											
Packages Limited	455,801	-	-	-	-	455,801	289,990	305,054	15,064	6.79	0.52
Cherat Packaging Limited	141,000	-	-	-	-	141,000	48,190	54,285	6,095	1.21	0.48
										8.00	1.00
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	107,300	-	-	-	-	107,300	80,904	91,044	10,140	2.03	0.11
Glaxosmithkline Pakistan Limited	-	50,000	10,500	-	50,000	-	-	-	-	-	-
Ferozsons Laboratories Limited	70,850	-	-	-	20,750	50,100	51,650	43,611	(8,039)	0.97	0.17
The Searle Company Limited	171,010	-	-	-	-	171,010	91,687	98,074	6,387	2.18	0.14
Highnoon Laboratories Limited	42,744	-	-	-	37,450	5,294	3,051	2,904	(147)	0.06	0.02
										5.24	0.44
Power Generation & Distribution											
The Hub Power Company Limited	1,905,845	-	-	-	-	1,905,845	228,816	227,120	(1,696)	5.06	0.16
Kot Addu Power Company Limited	488,000	-	-	-	488,000	-	-	-	-	-	-
K-Electric Limited (note 6.1.1)	16,829,500	6,100,000	53,962	-	1,288,500	21,641,000	179,112	199,314	20,202	4.44	0.22
										9.50	0.38
Refinery											
Attock Refinery Limited	105,000	-	-	-	-	105,000	29,415	34,217	4,802	0.76	0.12
Textile Composite											
Nishat Mills Limited	-	310,000	42,532	-	-	310,000	42,532	43,679	1,147	0.97	0.09
Kohinoor Textile Mills Limited	93,500	-	-	-	93,500	-	-	-	-	-	-
										0.97	0.09
Glass & Ceramics											
Tariq Glass Industries Limited	1,500	-	-	-	1,500	-	-	-	-	-	-
Miscellaneous											
Shifa International Hospitals Limited	92,360	-	-	-	-	92,360	27,710	30,478	2,768	0.68	0.18
Total			523,510				4,159,088	4,351,816	192,728		

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

6.1.3 120,000 shares of Engro Corporation Limited having market value of Rs. 34.95 million as at September 30, 2016, have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

6.2 Held for trading' - sukuk certificates

Name of the security	Maturity date	Profit rate per annum	As at July 01, 2016	Purchases during the quarter	Cost of purchase	Sales during the quarter	Maturity during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	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 - Ijarah sukuk XVI (note 6.2.1)	December 18, 2018	Weighted average 6 months T-Bills	3,780	-	-	-	-	3,780	380,986	382,083	1,097	18.51
GoP - Ijarah sukuk XVII (note 6.2.1)	February 15, 2019	Weighted average 6 months T-Bills	6,620	-	-	-	-	6,620	672,526	676,895	4,369	32.80
GoP - Ijarah sukuk XVIII (note 6.2.1)	March 29, 2019	Weighted average 6 months T-Bills	250	-	-	-	-	250	25,050	25,307	257	1.23
Total					504,008				1,078,562	1,084,285	5,723	

Money Market Sub Fund

GoP - Ijarah sukuk XVI (note 6.2.1)	December 18, 2018	Weighted average 6 months T-Bills	1,040	-	-	-	-	1,040	104,822	105,123	301	23.13
GoP - Ijarah sukuk XVII (note 6.2.1)	February 15, 2019	Weighted average 6 months T-Bills	230	-	-	-	-	230	23,366	23,518	152	5.17
Total					174,848				128,188	128,641	453	

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

6.3 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 01, 2016	Purchases during the quarter	Cost of purchase	Sales during the quarter	Redemptions / matured during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised gain	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)	-----	(%)		

Debt Sub Fund

Eden Housing Limited (note 6.3.2.1)	September 29, 2014	3 months Kibor plus base rate of 2.5%	500	-	-	-	-	500	-	-	-	-
Security Leasing Corporation Limited II (note 6.3.2.2)	January 19, 2022	-	154	-	-	-	-	154	-	-	-	-
K-Electric Limited -II (note 6.3.2.2)	March 19, 2017	3 months Kibor plus base rate of 2.25%	10,400	-	-	-	-	10,400	51,897	52,757	860	2.56
Total					-				51,897	52,757	860	

Money Market Sub Fund

Security Leasing Corporation Limited II (note 6.3.2.2)	January 19, 2022	-	154	-	-	-	-	154	-	-	-	-
Total					-				-	-	-	

6.3.2.1 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.

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

6.4 Loans and receivables

	Note	(Unaudited) September 30, 2016	(Audited) June 30, 2015
(Rupees in '000)			
Debt Sub Fund			
Sukuk certificates	6.4.1	29,000	29,000
Term Deposit Receipts (TDR)	6.4.2	730,000	626,000
		759,000	655,000
Money Market Sub Fund			
Sukuk certificates	6.4.1	21,000	21,000
Term Deposit Receipts (TDR)	6.4.2	90,000	-
		111,000	21,000

6.4.1

Name of the security	Maturity date	Profit rate per annum	As at July 01, 2016	Purchases during the quarter	Cost of purchase	Sales during the quarter	Redemptions / matured during the quarter	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	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) -----	----- (%) -----					
Debt Sub Fund												
Engro Fertilizer Limited CP (note 6.4.1.1)	Novemeber 25, 2016	6 months Kibor plus base rate of 0.40%	29	-	-	-	-	29	29,000	29,000	-	1.41
Total					-				29,000	29,000	-	
Money Market Sub Fund												
Engro Fertilizer Limited CP (note 6.4.1.1)	Novemeber 25, 2016	6 months Kibor plus base rate of 0.40%	21	-	-	-	-	21	21,000	21,000	-	4.62
Total					-				21,000	21,000	-	

6.4.1.1 The nominal value of these Commerical Paper (CP) sukuk of Engro Fertilizer Limited is Rs. 1,000,000 each.

6.4.2

Name of the Bank	Maturity date	Profit rate per annum	----- Face Value -----				Rating	Percentage of net assets value on the basis of total value of investments of the respective sub fund (see note 6.1.2)
			As at July 01, 2016	TDR's placed during the quarter	Matured during the quarter	As at September 30, 2016		
----- (Rupees in '000) -----								----- (%) -----
Debt Sub Fund								
Dubai Islamic Bank Pakistan Limited	September 05, 2017	6.10%	144,000	330,000	144,000	330,000	A+	15.99
Bank Islami Pakistan Limited	September 29, 2016	6.52%	125,000	-	125,000	-	A+	-
Bank Al Falah Limited	September 22, 2016	6.05%	357,000	-	357,000	-	AA	-
Habib Metropolitan Bank Limited	March 21, 2017	6.15%	-	400,000	-	400,000	AA+	19.38
Total						730,000		
Money Market Sub Fund								
Habib Metropolitan Bank Limited	March 21, 2017	6.15%	79,000	90,000	79,000	90,000	AA+	19.80

6.5 Investment in gold

Commodity	As at August 04, 2016	Purchases during the period	Sales during the period	As at September 30, 2016	Carrying value as at September 30, 2016	Market value as at September 30, 2016	Unrealised loss	Net Assets of the Fund on the basis of investments (note 6.1.2)
Tola Gold	-	661	-	661	36,662	35,674	(988)	80.60
Total					36,662	35,674	(988)	

6.5.1 The Paksitan Mercantile Exchange (PMEX) delivers refined Gold in 10 TOLA Bars. These are physically held by PMEX under their custody in the vaults of a commercial bank.

6.5.2 The investment in gold of Rs. 35.674 million has been measured at fair value based on the quoted market price in active markets.

7. DEPOSITS AND OTHER RECEIVABLES

	September 30, 2016 (Unaudited)					June 30, 2016 (Audited) Total
	Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund	Total	
	(Rupees in '000)					
Security Deposits	2,600	100	100	-	2,800	2,800
Profit receivable on saving accounts with banks and Term Deposit Receipts	3,616	5,830	5,763	17	15,209	12,224
Profit receivable on sukuks certificates	-	11,953	2,300	-	14,270	18,581
Withholding tax on dividends	4,747	-	-	-	4,747	-
	10,963	17,883	8,163	17	37,026	33,605

8. ACCRUED EXPENSES AND OTHER LIABILITIES

Note	September 30, 2016 (Unaudited)					June 30, 2016 (Audited) Total
	Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund	Total	
	(Rupees in '000)					
Provision for Workers' Welfare Fund (WWF) 10	41,035	6,173	1,517	-	48,725	43,443
Charity payable	1,858	-	-	-	1,858	2,007
Brokerage payable	1,375	20	3	-	1,398	49
Custodian Charged Payable	-	-	-	48	48	-
Sindh Sales Tax withheld on brokerage	21	-	-	-	21	21
	44,289	6,193	1,520	48	52,050	45,520

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2016 other than as disclosed in the annual financial statements for the year ended June 30, 2016.

10. WORKERS' WELFARE FUND (WWF)

The status of Workers's Welfare Fund (WWF) is same as disclosed in the annual financial statements for the year ended June 30, 2016. The Pension Fund Manager, as a matter of abundant caution, has recognised WWF charge for the period

from January 1, 2013 to September 30, 2016 amounting to Rs. 41.035 million, Rs. 6.173 million and Rs. 1.517 million which includes Rs. 4.633 million, Rs. 0.551 million and Rs. 0.098 million pertaining to the current quarter and Rs. 36.402 million, Rs. 5.622 million and Rs. 1.419 million pertaining to prior year 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. 4.73 (0.91%), Rs. 0.62 (0.30%) and Rs. 0.69 (0.34%) 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).

The mutual funds (i.e. Collective Investment Schemes) have been excluded from levy of WWF vide Finance Act, 2015. However, the Act does not exclude Voluntary Pension Schemes (VPS). Therefore, provision in respect of WWF has been continued prospectively.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include Al Meezan Investment Management Limited (Al Meezan) being the Pension Fund Manager, Central Depository Company of Pakistan Limited (CDC) being the Trustee, Meezan Bank Limited (MBL) being the holding company of the Pension Fund Manager, Directors and Executives of the Pension Fund Manager, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Balanced Fund, Meezan Asset Allocation Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund – II and Meezan Gold Fund being the Funds under the common management of the Pension Fund Manager, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Pension Fund Manager, Al Meezan Investment Management Limited – Employees' Gratuity Fund and participants holding 10 percent or more of the sub Fund's net assets.

Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provisions of VPS Rules, 2005 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:

	September 30, 2016 (Unaudited)					June 30, 2016 (Audited) Total
	Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund	Total	
----- (Rupees in '000) -----						
Al Meezan Investment Management Limited (Al Meezan) - Pension Fund Manager						
Remuneration payable	5,448	2,519	560	53	8,580	7,715
Sindh Sales Tax and Federal Excise Duty on management fee	17,576	9,824	2,627	6	30,033	29,998
Investments as at September 30, 2016: (Equity sub fund: 260,077 units; Gold Sub Fund: 300,000) as at June 30, 2016 (Equity sub fund: 260,077 units)	134,759	-	-	29,133	163,892	127,945
Meezan Bank Limited (MBL)						
Bank balance	29,523	5,313	1,238	8,704	44,778	21,392
Profit receivable on Term Deposit Receipts	-	936	-	-	936	936
Profit receivable on saving account	-	-	5	17	22	5

September 30, 2016 (Unaudited)					June 30, 2016 (Audited) Total
Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund	Total	

(Rupees in '000)

Central Depository Company of Pakistan Limited (CDC) - Trustee

Trustee fee payable	338	156	35	3	532	500
Sindh Sales Tax on trustee fee payable	44	21	4	1	70	71
Deposits	100	100	100	-	300	300

Directors and Executives of the Pension Fund Manager

Investments as at June 30, 2016: (Equity sub fund: 742,927 units; Debt Sub Fund: 470,057 units; Money Market Sub Fund: 18,446 units; Gold Sub Fund: 133,885 Units)
as at June 30, 2016: (Equity sub fund: 743,922 units; Debt sub fund: 470,634 units; Money Market sub fund: 17,003 units)

383,402	97,391	3,788	13,002	497,583	465,663
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For the quarter ended September 30, 2016 (Unaudited)					For the quarter ended September 30, 2015
Equity sub fund	Debt sub fund	Money market sub fund	Gold sub fund	Total	

(Rupees in '000)

Al Meezan Investment Management Limited (Al Meezan) - Pension Fund Manager

Remuneration for the quarter
Sindh Sales Tax and Federal Excise Duty on management fee
Units issued: (Gold sub fund: 300,000 units)

16,573	7,653	1,720	94	26,040	17,786
2,155	995	224	12	3,386	5,734
-	-	-	30,000	30,000	-

Meezan Bank Limited (MBL)

Profit on Term Deposit Receipts
Profit on savings account

-	-	-	-	-	2,034
-	-	-	39	39	28

Central Depository Company of Pakistan Limited (CDC) - Trustee

Remuneration for the quarter
Sindh Sales Tax on trustee fee
CDS Charges for the quarter

1,032	477	107	6	1,622	1,315
134	62	14	1	211	192
61	2	2	-	65	56

Directors and Executives of the Pension Fund Manager

Units issued (Equity Sub Fund: 22,818 units; Debt Sub Fund: 16,039 units; Money Market Sub Fund: 1,443 units; Gold sub fund: 133,885 units)

11,909	3,300	294	13,287	28,790	11,673
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Units redeemed / reallocated (Equity Sub Fund: 23,813 units; Debt Sub Fund: 16,616 units; Money Market Sub Fund: nil units; Gold sub fund: nil units)

12,574	3,344	-	-	15,918	1,150
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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 (i.e, 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 quarter ended September 30, 2016, 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.

12.1 The additional disclosures due to the adoption of IFRS 13 Fair value measurement are as follows:

Note	Carrying amount					Fair value				
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total	
September 30, 2016 (Rupees in '000)										
Financial assets - measured at fair value										
Investments										
- Held-for-trading										
	- shares of listed companies	4,351,816	-	-	-	4,351,816	-	-	4,351,816	
	- sukuk certificates	1,212,926	-	-	-	-	1,212,926	-	1,212,926	
- Investments designated at fair value through profit or loss upon initial recognition'										
		52,757	-	-	-	-	52,757	-	52,757	
		5,617,499	-	-	-	4,351,816	1,265,683	-	5,617,499	
Financial assets - not measured at fair value										
	Bank balances	122	-	567,410	-	567,410	-	-	-	
Investments -										
	Loans and receivables	122	870,000	-	-	870,000	-	-	-	
	Dividend receivable	122	-	29,527	-	29,527	-	-	-	
	Deposits and other receivables	122	-	37,026	-	37,026	-	-	-	
Receivable against change of plan / change of fund manager / issuance of units										
		122	-	5,671	-	5,671	-	-	-	
		870,000	72,224	567,410	-	1,509,634	-	-	-	
Total		6,487,499	72,224	567,410	-	7,127,133	4,351,816	1,265,683	-	5,617,499

Note	Carrying amount					Fair value				
	Investments	Other receivables	Cash and cash equivalents	Other payables	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----										
Financial liabilities - not measured at fair value										
	Payable to Al Meezan Investment Management Limited (Al Meezan) - pension fund manager									
12.2	-	-	-	38,613	38,613	-	-	-	-	-
	Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee									
12.2	-	-	-	602	602	-	-	-	-	-
	Payable to auditors									
12.2	-	-	-	131	131	-	-	-	-	-
	Payable against purchase of investments (net)									
12.2	-	-	-	8,185	8,185	-	-	-	-	-
	Payable against withdrawal / change of plan									
12.2	-	-	-	7,316	7,316	-	-	-	-	-
	Accrued expenses and other liabilities									
12.2	-	-	-	3,304	3,304	-	-	-	-	-
	-	-	-	58,151	58,151	-	-	-	-	-

12.2 The Fund has not disclosed the fair values for these financial assets and liabilities, as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

13. TAXATION

The income of the Fund is exempt from income tax under clause 57(3) (viii) of part I of the Second Schedule to the Income Tax Ordinance, 2001. Therefore, no provision has been made for current and deferred taxation in this condensed interim financial information.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly, Supertax and any other taxes introduced in Finance Act, 2015 is also not applicable on fund.

14. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 06, 2016 by the Board of Directors of the pension fund manager.

15. GENERAL

Figures have been rounded off to the nearest thousand rupees.

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

Chief Executive

Director



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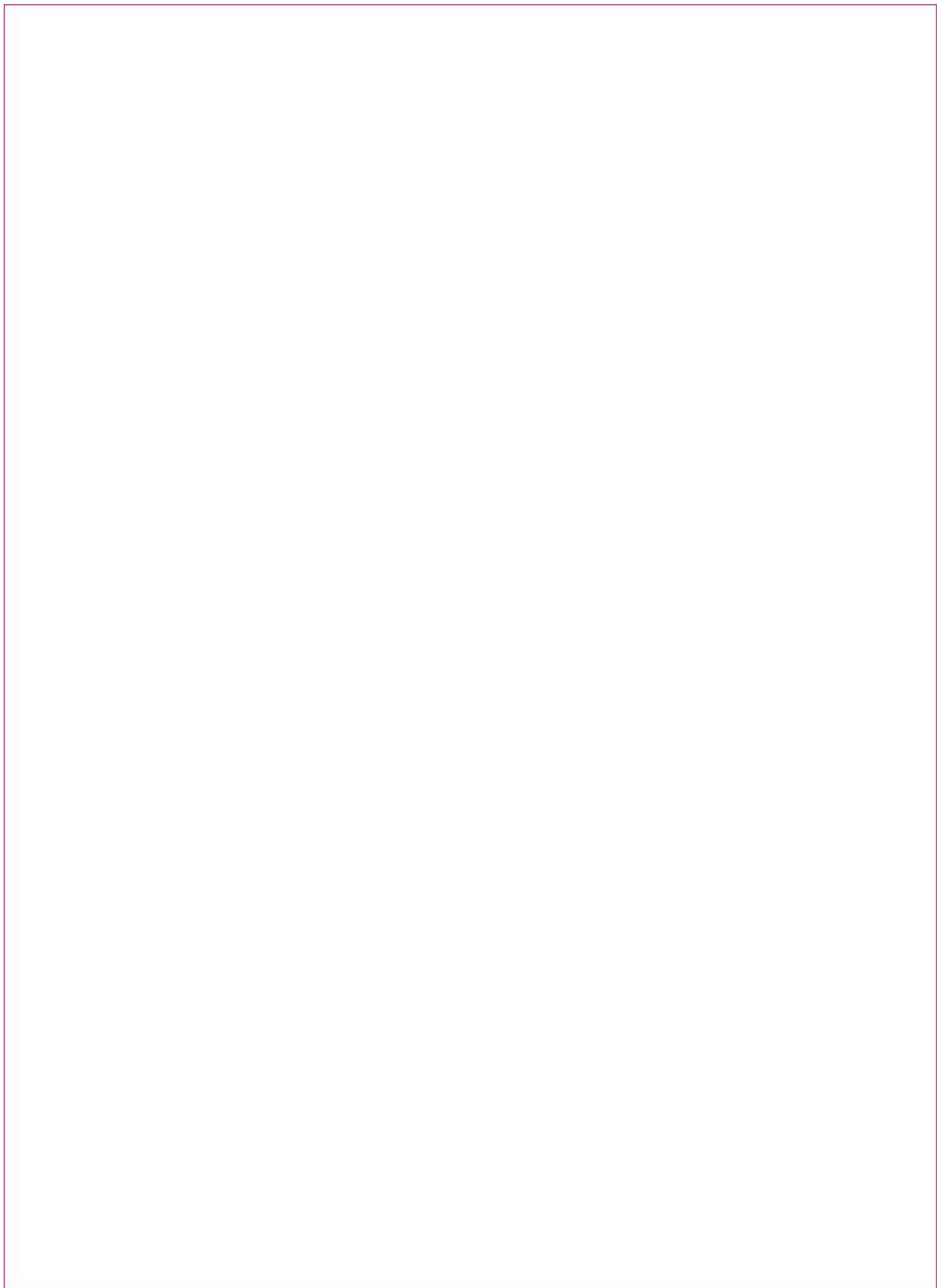


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