



BUILDING FUTURES, THE TRUSTED WAY

Quarterly Report March 31, 2016





QUARTERLY REPORT
MARCH 31, 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

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AI Meezan Investment Management Limited is pleased to present the un-audited financial statements of the following open end funds and a voluntary pension scheme for the nine months ended March 31, 2016.

Equity Funds

- Meezan Islamic Fund
- AI Meezan Mutual Fund
- KSE-Meezan Index Fund

Income Funds

- Meezan Islamic Income Fund
- Meezan Sovereign Fund

Money Market Fund

- Meezan Cash Fund

Balanced Fund

- Meezan Balanced Fund

Funds of Funds

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

Commodity Fund

- Meezan Gold Fund

Pension Fund

- Meezan Tahaffuz Pension Fund

Economic Review:

Economic performance of Pakistan showed marked improvement during the nine months of current fiscal year, in part due to reforms under the guidance of IMF and continued meltdown in the global oil prices that kept inflationary pressures in check and favorably affected the country's import bill. CPI for the nine month period fell to 2.64%, substantially down from 5.12% during the same period last year. Low inflation figures provided the State Bank enough cushion to maintain its monetary easing stance whereby the discount rate has been brought down to 6.5% while the policy (target) rate has been set at 6.0%. This continued monetary easing has finally started to stimulate private sector credit offtake, which has increased by Rs. 354 bn during the nine months as compared to Rs. 178bn in the corresponding period last year. The government has also worked well towards achieving exchange rate stability whereby the rupee depreciated by a mere 2.3%, whereas currencies in the region remained more volatile.

Although the government's measures to widen the country's tax net have been met with mixed reactions from the business community, the imposition of 0.6% withholding tax on banking transactions for tax non-filers and the amnesty scheme for the trading community show the seriousness of government's intentions regarding tax collection. During the period under review, the government's revenues totaled Rs. 2.10 tn, up 19% from corresponding period last year. It is noteworthy that the interim nine month target has been achieved and the government appears well on track to meet its tax collection target of Rs. 3.1 tn for FY16.

Tumbling commodity prices, especially crude oil, lowered Pakistan's import bill on goods by 5.8% to USD 26.3 bn during the nine months as compared to 27.9 bn last year. During July-February 2016, the current account deficit also narrowed down by 4.5% to USD 1.85 bn from USD 1.94 bn in the same period last year. Lower trade deficit, increase in remittances (up 6% YoY to USD 12.71 bn) and continued Coalition Support Fund (CSF) inflows to the tune of USD 713 mn played a major role in reducing current account deficit. The LNG deal with Qatar was finalized in February 2016, which will help in the revival of energy starved industries; this coupled with low oil prices will provide much needed respite to the reserves and will assist in maintaining the exchange rate stability as well. The government however, needs to take necessary steps to increase the exports since the external account has continued to disappoint on the exports front with goods exports falling 10% YoY even in the face of easing energy shortage and improved security conditions. Non-competitiveness in the global arena remains the primary challenge that is continuing to hinder exports.

Successful conclusion of IMF's 10th review under the Extended Fund Facility (EFF) Program led to the disbursement of a cumulative USD 1bn during the period, resulting in strengthening of Forex reserves to over USD 20.4 bn. The government also managed to tap into the international markets raising USD 500 mn through a Eurobond issue. Another positive on the forex front is the USA's agreement on extending the CSF during 2016. Overall, the economic fundamentals are improving on the back of reforms undertaken by the government. The government is also progressing towards meeting its major targets of 1) keeping inflation below 6%, 2) capping fiscal deficit at 4.3% of GDP, and 3) achieving GDP growth of 4.5%. GDP growth rate however, could remain under pressure as cotton production has fallen to 9.9 mn bales, down by 30% compared to last year. Pressure on external account is expected to be eased further on the back of low oil prices, as oil accounts for around 35% of Pakistan's total import bill. With political stability, low interest rates and improvement in investor sentiment, private sector and consumer credit offtake is expected to increase in the coming months, which will provide further impetus to economic growth.

Money Market Review:

During the nine months of FY16, the State of Pakistan (SBP) stayed firm on its monetary easing stance whereby it slashed the Discount Rate (DR) by 50bps in its bi-monthly Monetary Policy Statement (MPS) announced in the month of September, 2015 bringing it down to a record low of 6.5% (and the target policy rate to 6.0%). As per the SBP, low inflation and country's satisfactory external account position provided the cushion for this rate cut. Overall, in line with the monetary easing scenario, the interest rates and government paper yields in the secondary market have undergone a downward adjustment whereby the KIBORs have declined by 50-73 bps, T-bills fell by 74-78 bps while PIB yields went down significantly by 141-183 bps during the period under review (PIBs appear to have shown a bigger move on account of further monetary softening expectations). On the liquidity front, the Money Market faced a relatively tight liquidity scenario during this period, evidenced by Rs. 48 tn worth of OMO injections carried out by SBP coupled with Rs. 1.7 tn worth of discounting availed by various counters in comparison to just Rs. 356.5 bn worth of OMO mop-ups and Rs. 212 bn worth of floor placements. Alongside, twenty T-bill and nine PIB auctions were conducted; cumulatively Rs. 3.7 tn was accepted against a participation of Rs. 6.5 tn in T-bills and Rs. 748.4 bn was accepted against a participation of around Rs. 2 tn in PIBs.

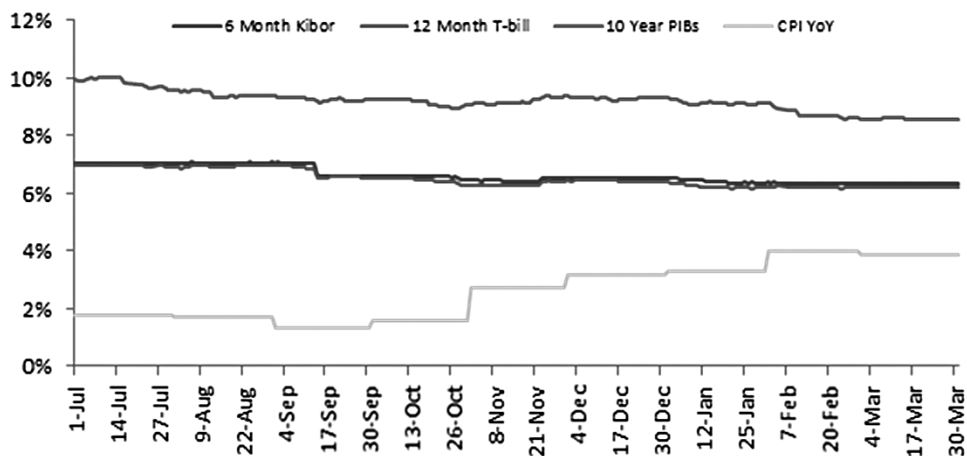
Inflation for March, 2016 clocked in at 3.94% compared to 4.02% in February 2016 and 2.49% in March 2015. The 9MFY16 inflation now stands at 2.64% as against 5.12% in the same period last year. Low international oil and commodity prices are expected to keep the inflation in check with SBP's forecast for FY16 in the range of 4.5% to 5.5%.

The Shariah compliant end of the money market, which has been facing an excess liquidity issue due to lack of investment avenues, experienced some respite when the Government carried out Islamic OMOs/Bai Muajjals

for Ijarah IX to XIV; these Bai Muajjals saw a cumulative participation of Rs. 287 bn by Islamic banks against which the SBP accepted bids worth Rs. 252 bn for a tenor of one year and prevented the market from major liquidity influxes upon maturities of the underlying Ijarah Sukuks. Moreover, three fresh GoP Ijarah Sukuks (one floater and two fixed rate) were issued during 9MFY16 whereby in the Variable Rate Sukuk, the government accepted 117.7 bn against a participation of Rs. 273.3 bn at a cut off yield of 6M T-bill yield minus 50bps while the Fixed Rate Sukuks saw a cumulative participation of Rs. 444.1 bn against which Rs. 196.7 bn was accepted at cut off yields of 6.10% and 5.59% (around 40bps and 70bps below the comparable 3 year PIB cut off yields respectively). The gravity of the excess liquidity situation of the Islamic market may be observed from the fact that despite the mop-ups (Bai Muajjals) carried out by the SBP, the participation in the new auctions amounted to Rs. 717.4 bn in total against which just Rs. 314.4 bn could be accepted.

On the forex front, the rupee slightly lost value; in the interbank market, it closed Rs. 2.96 lower at Rs. 104.76/\$ while in the open market, it closed Rs. 2.65 lower at Rs. 105.60/\$.

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



Equity Market Review

During the nine months of FY16, performance of the stock market remained subdued whereby the KMI-30 index closed 1.65% up at 58,218 points while the KSE-100 index closed 3.66% down at 33,139 points. The participation in the market was also lower during this period with the KMI-30 index's volumes down by 5% and the KSE-100 index's volumes down by 14.7%.

The dull performance of the market can be attributed to i) weakness witnessed in regional as well as global equity markets with 25bps increase in US Fed rate and slowdown in Chinese economy which led to foreign selling from Pakistan's stock market to the tune of USD 341 mn during the period under review, ii) multiple rumors regarding heightened vigilance by the regulator against stock exchange brokers, iii) declining commodities, especially oil prices (Brent crude down 41%) and iv) heightened political noise following election tribunal's verdict and arrest of influential personalities. The aforementioned variables offset the impact of positives like i) 50bps cut in the key rate, ii) healthy corporate result announcements, iii) successful issuance of a US\$ 500 mn Eurobond, improvement of Pakistan's credit rating to B3 by Moody's and allotment of a stable outlook by S&P for the sovereign bond issues of Pakistan in the international market, and iv) successful conclusion of IMF's reviews with subsequent disbursement of loan tranches.

The Fiscal Year 2016 had commenced on a positive note with the KMI-30 index going up 5.17% to post a record high closing of 60,234 points in August'15; this run-up was attributable to expectations of a low monthly CPI number and consequent monetary softening, rising forex reserves and Judicial Commission's dismissal of election rigging allegations against the government. However, slow-down in the growth momentum of Chinese economy triggered a volatility chain over almost all international bourses as the international investors became jittery on fears of a global economic slow-down; the same resulted in outflow of investment from Pakistan's stock market as well as from all emerging markets. Later, expectations regarding the US Federal Reserve Rate to rise (which materialized in the form of a 25bps increase in mid of December for the first time in a decade) kept the market volatile as it drove the international investors to reallocate their investment portfolios accordingly. Later in the third quarter, another round of volatility took its toll on the regional as well as international markets mainly due to concerns regarding slowdown in the growth of Chinese economy clouding the global economic landscape. This coupled with declining commodity prices has made the international investors jittery in turn triggering a sell-off across almost all the markets around the globe which led to increased volatility and affected Pakistan's Stock Market as well. Resultantly the KMI-30 posted its lowest level in the month of February'16 at 51,626 points (KSE 100 Index 30,564 points), almost 14% down from its record high closing in August'15.

Subsequent to that the market regained its strength despite the fact that foreigners remained net sellers; a quick recovery was witnessed on the back of possibility of reclassification of Pakistan from MSCI Frontier to MSCI Emerging market index, measures being taken by SECP for increasing volumes in the stock market and stabilizing oil prices due to expectation of an output freeze. Moreover, corporate result announcements were above expectations and provided much needed support to the market. Eventually, during the period under review, the benchmark index KMI-30 appreciated by just 1.65%.

Corporate Profitability and major contributors to the Index

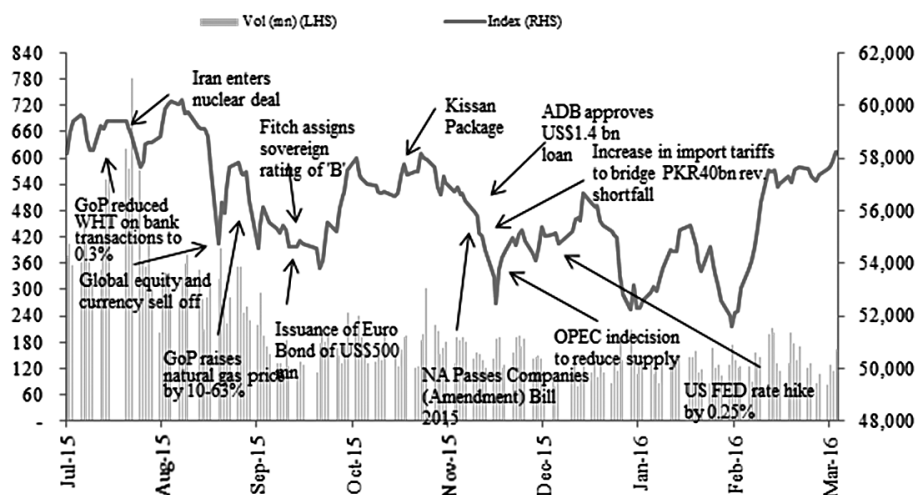
During the nine months ended March 2016, Cement, Pharmaceutical and Power remained the best performing sectors. The best performing stocks during the period were:

Positive Contributors to the Index	Contribution to KMI-30 (Points)	Total Return (%)
Engro Corporation Ltd	697	10
D.G. Khan Cement Company Ltd	462	26
Lucky Cement Ltd	410	5
The Hub Power Company Ltd	408	23
Fauji Cement Company Ltd	366	31

On the flip side, Fertilizer, Banks and Oil & Gas Exploration remained the worst performing sectors. The worst performing stocks in KMI during the period were:

Negative Contributors to the Index	Contribution to KMI-30 (Points)	Total Return
Fauji Fertilizer Company Ltd	-405	-24
Fatima Fertilizer Company Ltd	-350	-15
Engro Fertilizers Ltd	-282	-16
Pak Suzuki Motor Co. Ltd	-132	-6
K-Electric Ltd	-67	-16

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 341 mn by foreign investors during the nine months under review. Highest outflow was recorded in Banking Sector at USD 111 mn mainly due to foreign selling in HBL, UBL and MCB, followed by Oil & Gas Exploration Sector with an outflow of USD 99 mn and Fertilizer sector with an outflow of USD 98 mn. Inflows were witnessed in Cement Sector USD 26 mn, Food and Personal Care USD 10 mn, Oil & Gas Marketing USD 5 mn and Technology and Communications USD 2 mn. NBFCs, Companies and Individuals supported the market with inflows of USD 108 mn, USD 95 mn and USD 80 mn respectively. Banks and mutual funds also remained net buyers with USD 35 mn and USD 19 mn respectively.

Mutual Fund Industry Review:

During the first nine months of FY16, AUMs of the mutual fund industry witnessed an increase of 11.8% to the size of Rs. 464 bn. Islamic funds increased by 16.2% during the period under review to Rs. 126 bn which brings share of Islamic funds at 27.10% in the mutual fund industry. Al Meezan's share in the overall Mutual Funds industry stands at 14.09% while among the Islamic Funds, it has a share of 52.00% as of March 31, 2016 compared to 12.7% and 62.0% 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 nine months ended March 2016. The combined category showed a rise of 20.5% to reach Rs 225 bn at period end. While conventional funds in this category rose by 21.7%, Islamic funds increased by 15.4%. Open end Equity funds (including capital protected, balanced, index tracker, and asset allocation) increased by 4.17% to Rs. 193 bn as of March 31, 2016 compared to Rs. 185 bn as on June 30, 2015. Conventional funds in this category decreased by 2.7% while Islamic equity based funds showed a reasonable growth of 18.3% in the period under review and stood at Rs. 72 bn.

Pension Funds showed modest growth of 20.64% during the period with their cumulative fund size clocking in over Rs. 16 bn mark, as at March 31, 2016. Islamic Pension Funds also witnessed a decent growth of 22.47% in the period under review to clock in at Rs 9.7 bn as of March end. Meezan Tahaffuz Pension Fund (MTPF) continues to lead the pension fund market with a 33.4% market share while in the Islamic pension funds segment, MTPF holds a 55.9% share compared to 56.8% in the corresponding period last year.

Performance Review (Funds)

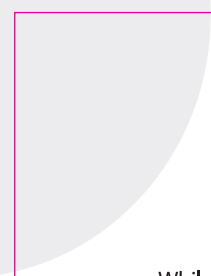
The table provided below depicts a holistic picture of performance of our funds under management for the review period:

Funds	Type	Net Assets Rs. in Millions	Growth in Net Assets for 9MFY16 (%)	Return 9MFY16 (%)	Benchmark 9MFY16 (%)
Equity Scheme					
Al Meezan Mutual Fund (AMMF)	Equity	4,785	19.41	3.28	1.65
Meezan Islamic Fund (MIF)	Equity	27,429	0.09	4.65	1.65
KSE Meezan Index Fund (KMIF)	Equity Index Tracker	793	-31.58	0.05	1.65
Fixed Income Scheme					
Meezan Islamic Income Fund (MIIF)	Income	8,242	93.35	6.42	3.62
Meezan Cash Fund (MCF)	Money Market	3,983	-47.72	4.51	4.54
Meezan Sovereign Fund (MSF)	Income	9,986	13.21	5.14	4.54
Balanced Scheme					
Meezan Balanced Fund (MBF)	Balanced	4,559	34.74	4.23	2.18
Capital Preservation Scheme					
Meezan Capital Preservation Fund - II	Capital Preservation	2,250	0.65	3.20	1.49
Fund of Fund Scheme					
Meezan Financial Planning Fund of Fund	Fund of Fund				
Aggressive		397	11.42	4.05	2.27
Moderate		328	2.48	4.68	2.53
Conservative		233	-1.85	4.71	3.05
MCPP-I		1,510	-5.02	3.60	1.11
MCPP-II		3,034	-1.57	2.20	0.91
MAAP-I*		1,222	826.18	1.80	3.29
MAAP-II**		861	16,117.18	4.96	6.57
MAAP-III**		2,614	36,135.54	4.84	6.36
Commodity Scheme					
Meezan Gold Fund****	Commodity	191	97.51	5.02	10.39
Pension Fund Scheme					
Meezan Tahaffuz Pension Fund	Voluntary Pension Scheme				
Equity Sub fund		3,373	24.39	6.52	
Debt Sub Fund		1,677	19.91	4.51	
Money Market sub fund		401	18.78	4.04	
Total		65,419			

* Launched in Jul'15, ** Launched in Nov'15, *** Launched in Jan'16, ****Launched in Aug'15

Outlook

The investment cycle is picking up with the initiation of large scale energy and infrastructure projects in the country. With FDI also on a rising trend, going forward, Pakistan's macro-economic fundamentals are expected to continue improving on the back of development under the China Pakistan Economic Corridor (CPEC), better law and order situation, improved governance mainly due to the reforms implemented under the IMF program and oil price decline impacting the country's current account positively. The forex reserves are also stable while inflation is expected to stay low thereby allowing the SBP to maintain low interest rates in order to further stimulate economic activity.



While continued foreign selling kept the market's performance subdued over the last nine months, with improving economic fundamentals, CPEC, expected classification of Pakistan Stock Market in MSCI Emerging markets category and anticipation of further monetary easing going forward, equities are expected to continue performing and the market is expected to gain momentum once again when the foreign selling dries out (the quantum of foreigners' net selling is already declining).

Acknowledgement

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

For and on behalf of the Board.

Date: April 20, 2016

Mohammad Shoaib, CFA
Chief Executive Officer



QUARTERLY REPORT
MARCH 31, 2016

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

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
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 MARCH 31, 2016

	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
(Rupees in '000)			
Assets			
Balances with banks		1,266,701	1,436,341
Investments	5	26,395,537	26,982,856
Receivable on conversion of units		-	462,040
Receivable against investments (net)		45,927	268,775
Dividend receivable		284,755	67,461
Deposits, Prepayments, and other receivables		15,120	26,256
Total assets		28,008,040	29,243,729
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		289,645	205,037
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		2,740	2,409
Payable to Meezan Bank Limited (MBL)		501	1,109
Payable to Securities and Exchange Commission of Pakistan (SECP)		19,629	21,037
Payable on redemption and conversion of units		50,742	1,400,139
Accrued expenses and other liabilities		216,079	211,281
Total liabilities		579,336	1,841,012
Net assets		27,428,704	27,402,717
Contingencies and commitments	6		
Unitholders' funds (as per statement attached)		27,428,704	27,402,717
(Number of units)			
Number of units in issue		444,907,900	448,391,488
(Rupees)			
Net assets value per unit		61.65	61.11

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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2016	2015	2016	2015
(Rupees in '000)					
Income					
Net realised loss on sale of investments		(116,974)	(207,455)	(110,658)	(134,052)
Dividend income		970,820	741,449	323,054	245,619
Profit on saving accounts with banks		51,117	86,572	16,082	34,915
Other income		-	33,789	-	15,289
		904,963	654,355	228,478	161,771
Unrealised gain / (loss) on re-measurement of investments - 'at fair value through profit or loss' (net)	5.1.1 & 5.1.5	1,119,773	(105,916)	905,890	(1,236,643)
Impairment loss on 'available for sale' investments	5.2.2	(46,273)	(63,864)	-	-
		1,073,500	(169,780)	905,890	(1,236,643)
Total income		1,978,463	484,575	1,134,368	(1,074,872)
Expenses					
Remuneration to Al Meezan - Management Company		413,239	307,559	134,382	121,498
Sindh Sales Tax and Federal Excise Duty on management fee		133,228	102,724	43,325	40,579
Remuneration to CDC - Trustee		21,413	16,129	6,967	6,322
Sindh Sales Tax on Trustee Fee		2,999	-	976	-
Annual fee to SECP		19,629	14,609	6,383	5,771
Auditors' remuneration		484	435	102	73
Charity expense		13,076	12,229	2,459	3,062
Fees and subscription		667	35	412	15
Legal and professional charges		323	158	158	52
Brokerage		20,690	22,722	8,249	11,532
Bank and settlement charges		5,357	6,656	1,968	3,228
Provision for Workers' Welfare Fund (WWF)	8	-	11,232	-	(15,747)
Printing charges		1,608	100	201	49
Allocated Expenses		7,907	-	6,720	-
Total expenses		640,620	494,588	212,302	176,434
Net income / (loss) from operating activities		1,337,843	(10,013)	922,066	(1,251,306)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)		83,171	560,361	(56,821)	479,687
Net income / (loss) for the period before taxation		1,421,014	550,348	865,245	(771,619)
Taxation	11	-	-	-	-
Net income / (loss) for the period after taxation		1,421,014	550,348	865,245	(771,619)
Other comprehensive income for the period					
Items that can be reclassified to income statements in subsequent periods					
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'available for sale'	5.2.2	(234,669)	413,787	(129,014)	(131,061)
Total comprehensive income for the period		1,186,345	964,135	736,231	(902,680)

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016 (Rupees in '000)	2015
Undistributed income brought forward		
- Realised	2,421,038	89,236
- Unrealised	2,863,676	1,085,071
	5,284,714	1,174,307
Final distribution for the year ended June 30, 2015:		
- Cash dividend: @ 4.4% i.e. Rs. 2.20 per unit (June 30, 2014: nil)	(986,461)	-
Net income for the period	1,421,014	550,348
Element of income and capital gains included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments (net)	31,316	146,372
Undistributed income carried forward	5,750,583	1,871,027
Undistributed income carried forward		
- Realised	4,630,810	1,976,943
- Unrealised	1,119,773	(105,916)
	5,750,583	1,871,027

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Net assets at beginning of the period	27,402,717	16,621,765
Issue of 250,064,465 units (March 31, 2015: 253,898,549 units)	15,251,251	13,551,319
Issue of 14,887,823 units for re-investment of cash dividend (March 31, 2015: nil)	877,042	-
Redemption of 268,435,876 units (March 31, 2015: 181,821,796 units)	(16,219,019) (90,726)	(9,223,355) 4,327,964
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(83,171)	(560,361)
Net realised (loss) on sale of investments	(116,974)	(207,455)
Unrealised appreciation in the value of investments (net)	838,831	244,007
Net other income for the period	464,488	927,583
Total comprehensive income for the period	1,186,345	964,135
Final distribution for the year ended June 30, 2015: - Cash dividend: @ 4.4% i.e. Rs. 2.20 per unit (June 30, 2014: nil)	(986,461)	-
Net assets at end of the period	27,428,704	21,353,503
	(Rupees)	
Net assets value per unit at beginning of the period	61.11	50.24
Net assets value per unit at end of the period	61.65	53.00

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016	2015
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	1,421,014	550,348
Adjustments for:		
Unrealised (gain) / loss on re-measurement of investments - 'at fair value through profit or loss' (net)	(1,119,773)	105,916
Impairment loss on 'available for sale' investments	46,273	63,864
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(83,171)	(560,361)
	264,343	159,767
Decrease / increase in assets		
Investments (net)	1,426,150	(5,716,589)
Receivable on conversion of units	462,040	-
Receivable against sale of investments - net	222,848	(1,096,738)
Dividend receivable	(217,294)	(185,231)
Deposits and other receivables	11,136	(8,594)
	1,904,880	(7,007,152)
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	84,608	92,326
Payable to Central Depository Company of Pakistan Limited - Trustee	331	821
Payable to Meezan Bank Limited	(608)	(2,804)
Payable to Securities and Exchange Commission of Pakistan	(1,408)	3,046
Payable against purchase of investments	-	(178,972)
Accrued expenses and other liabilities	4,798	14,573
	87,721	(71,010)
Net cash generated from / (used in) operating activities	2,256,944	(6,918,395)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	16,128,293	13,551,319
Dividend paid	(986,461)	-
Payment against redemption of units	(17,568,416)	(6,617,578)
Net cash (used in) / generated from financing activities	(2,426,584)	6,933,741
Net (decrease) / increase in cash and cash equivalents during the period	(169,640)	15,346
Cash and cash equivalents at beginning of the period	1,436,341	1,698,950
Cash and cash equivalents at end of the period	1,266,701	1,714,296

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 NINE MONTHS ENDED MARCH 31, 2016

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 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. The Fund is categorized as an Open End Shariah Compliant (Islamic) 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+ and the fund is ranked at 'MFR 3-Star' for one year, 'MFR 4-Star' for three years and 'MFR 3-Star' for five years weighted average performance ranking by JCR-VIS Credit Rating Company Limited.

1.5 Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. STATEMENT OF COMPLIANCE

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2015 and period ended December 31, 2015

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, 2015.

	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
(Rupees in '000)			
5. INVESTMENTS			
Investments - 'at fair value through profit or loss'	5.1	22,910,066	22,973,934
Investments - 'available for sale'	5.2	3,485,471	4,008,922
		26,395,537	26,982,856
5.1 Investments - 'at fair value through profit or loss'			
Held for trading	5.1.1	22,672,562	22,570,106
Investments - 'at fair value through profit or loss upon initial recognition'	5.1.5	237,504	403,828
		22,910,066	22,973,934

5.1.1 Held for trading - shares of listed companies

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 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)
						(Rupees in '000)			%		
Sector / Companies											
Automobile assembler											
Honda Atlas Cars Pakistan Limited	3,270,000	76,900	-	235,600	3,111,300	682,149	785,417	103,268	2.86	2.98	2.18
Indus Motor Company Limited	775,394	117,980	-	1,000	892,374	1,100,962	845,292	(255,670)	3.08	3.20	1.14
Millat Tractors Limited	141,200	-	-	-	141,200	96,838	74,767	(22,071)	0.27	0.28	0.32
Pakistan Suzuki Motor Company Limited	591,822	-	-	130,900	460,922	200,921	189,789	(11,132)	0.69	0.72	0.56
									6.91	7.18	4.19
Automobile parts and accessories											
Agriauto Industries Limited (note 5.1.2)	341,700	-	-	100	341,600	63,521	61,976	(1,545)	0.23	0.23	1.19
Thal Limited (note 5.1.2)	196,707	280,600	-	-	477,307	128,780	121,575	(7,205)	0.44	0.46	0.59
									0.67	0.70	1.78
Chemicals											
ICI Pakistan Limited	855,200	12,400	-	52,800	814,800	349,922	350,323	401	1.28	1.33	0.88
Ghani Gases Limited	-	850,000	-	-	850,000	23,690	16,915	(6,775)	0.06	0.06	1.14
Sitara Chemicals Industries Limited	500	5,000	-	-	5,500	1,893	1,991	98	0.01	0.01	0.03
									1.35	1.40	2.05
Cement											
Attock Cement Pakistan Limited	884,237	-	-	877,200	7,037	1,341	1,436	95	0.01	0.01	0.01
Cherat Cement Company Limited	4,289,612	2,542,500	-	86,500	6,745,612	602,583	727,919	125,336	2.65	2.76	3.82
D.G Khan Cement Company Limited	31,722	4,415,500	-	243,000	4,204,222	628,742	730,778	102,036	2.66	2.77	0.96
Fauji Cement Company Limited	34,740,500	1,575,000	-	3,846,000	32,469,500	1,135,205	1,360,797	225,592	4.96	5.16	2.44
Kohat Cement Company Limited	2,872,900	387,400	-	60,400	3,199,900	649,568	832,102	182,534	3.03	3.15	2.07
Lucky Cement Limited	4,648,379	379,400	-	931,000	4,096,779	2,114,254	2,204,518	90,264	8.04	8.35	1.27
Maple Leaf Cement Company Limited	8,440,000	1,820,000	-	5,086,500	5,173,500	411,952	477,048	65,096	1.74	1.81	0.98
Pioneer Cement Limited	6,714,000	1,351,500	-	100,000	7,965,500	682,829	787,947	105,118	2.87	2.99	3.51
									25.97	26.98	15.05
Glass & Ceramics											
Tariq Glass Industries Limited	-	51,500	-	-	51,500	3,371	2,910	(461)	0.01	0.01	0.07

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 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)			%		
Paper and Board											
Cherat Packaging Limited	-	157,000	-	-	157,000	45,944	43,062	(2,882)	0.16	0.16	0.53
Packages Limited	1,860,579	829,650	-	39,850	2,650,379	1,558,292	1,383,524	(174,768)	5.04	5.24	3.00
									5.20	5.40	3.53
Technology and communication											
Pakistan Telecommunication Company Limited "A"	15,314,037	-	-	12,000,000	3,314,037	67,938	49,777	(18,161)	0.18	0.19	0.09
Refinery											
Attock Refinery Limited	-	420,400	-	400,000	20,400	4,319	4,700	381	0.02	0.02	0.02
National Refinery Limited	2,905	266,500	-	132,800	136,605	35,978	36,950	972	0.13	0.14	0.17
									0.15	0.16	0.19
Miscellaneous											
Shifa International Hospitals Limited	384,300	256,300	46,188	52,000	634,788	174,798	168,219	(6,579)	0.61	0.64	1.26
Commercial Banks											
Meezan Bank Limited (an associate of the Fund)	10,280,000	97,500	-	2,514,919	7,862,581	322,629	330,228	7,599	1.20	1.25	0.78
Oil and gas Marketing Companies											
Attock Petroleum Limited	377,579	-	-	2,600	374,979	212,696	161,556	(51,140)	0.59	0.61	0.44
Hascal Petroleum Limited	1,751,640	117,100	305,108	878,600	1,295,248	126,746	181,697	54,951	0.66	0.69	1.07
Pakistan State Oil Company Limited	3,314,123	229,400	-	480,000	3,063,523	1,170,755	1,076,032	(94,723)	3.92	4.08	1.13
Shell Pakistan Limited	52,500	-	-	-	52,500	13,280	14,178	898	0.05	0.05	0.05
Sui Northern Gas Pipelines Limited	5,992,000	5,390,000	-	11,373,000	9,000	288	230	(58)	0.00	0.00	0.00
									5.23	5.43	2.69
Oil and gas Exploration Companies											
Pakistan Oilfields Limited	1,639,797	328,100	-	639,800	1,328,097	497,478	342,662	(154,816)	1.25	1.30	0.56
Pakistan Petroleum Limited	93,450	3,325,600	-	1,816,700	1,602,350	194,048	205,293	11,245	0.75	0.78	0.08
Mari Petroleum Company Limited	1,771,330	340,400	-	197,600	1,914,130	936,777	1,344,619	407,842	4.90	5.09	1.74
									6.90	7.17	2.38
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	478,250	511,400	-	103,300	886,350	579,442	586,897	7,455	2.14	2.22	0.91
Ferozsons Laboratories Limited	387,150	113,000	-	259,000	241,150	173,445	210,953	37,508	0.77	0.80	0.80
Glaxo Smithkline Pakistan Limited	3,520	-	-	-	3,520	688	853	165	0.00	0.00	0.00
Highnoon Laboratories Limited	-	162,200	-	133,200	29,000	9,583	15,294	5,711	0.06	0.06	0.14
The Searle Company Limited	1,252,800	513,000	628,368	262,000	2,132,168	541,809	937,067	395,258	3.42	3.55	1.74
									6.38	6.63	3.58
Power Generation and Distribution											
The Hub Power Company Limited	10,346,716	1,689,000	-	2,541,000	9,494,716	899,366	992,578	93,212	3.62	3.76	0.82
K - Electric Limited (note 5.1.2)	39,811,000	62,650,000	-	9,700,000	92,761,000	741,369	658,603	(82,766)	2.40	2.50	0.34
Kohinoor Energy Limited	1,189,500	-	-	-	1,189,500	60,070	47,818	(12,252)	0.17	0.18	0.70
Lalpir Power Limited	8,059,500	988,000	-	847,500	8,200,000	250,376	204,672	(45,704)	0.75	0.78	2.16
Pakgen Power Limited	1,475,000	539,000	-	1,332,500	681,500	20,258	18,387	(1,871)	0.07	0.07	0.18
									7.01	7.28	4.20
Cable & Electrical Goods											
Pak Elektron Limited	12,415,000	8,343,750	-	12,837,500	7,921,250	512,709	478,998	(33,711)	1.75	1.81	1.99
Fertilizer											
Dawood Hercules Corporation	-	2,931,800	-	-	2,931,800	349,317	357,005	7,688	1.30	1.35	0.61
Engro Corporation Limited (note 5.1.3)	8,463,100	1,152,100	-	3,051,200	6,564,000	1,945,159	2,072,255	127,096	7.56	7.85	1.25
Engro Fertilizers Limited	7,778,000	2,487,000	-	10,250,500	14,500	1,308	1,008	(300)	0.00	0.00	0.00
Fatima Fertilizer Company Limited	5,574,000	3,890,000	-	9,450,000	14,000	564	466	(98)	0.00	0.00	0.00
Fauji Fertilizer Bin Qasim Limited	9,749	-	-	9,749	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	2,559	1,044,300	-	1,042,000	4,859	510	518	8	0.00	0.00	0.00
									8.86	9.21	1.86
Engineering											
Amreli Steels Limited	-	2,550,000	-	-	2,550,000	138,965	133,034	(5,931)	0.49	0.50	0.86
Crescent Steel & Allied Products Limited	-	1,424,000	50,000	50,000	1,424,000	165,132	167,434	2,302	0.61	0.63	1.83
K.S.B. Pumps Company Limited	45,400	44,500	-	-	89,900	16,131	17,534	1,403	0.06	0.07	0.68
									1.16	1.20	3.37
Food and Personal Care Products											
Al-Shaheer Corporation Private Limited	-	3,172,000	667,275	-	3,839,275	260,698	205,209	(55,489)	0.75	0.78	3.11
Engro Foods Limited	5,150,621	1,912,500	-	3,984,200	3,078,921	467,990	490,287	22,297	1.79	1.86	0.40
									2.54	2.63	3.51
Textile Composite											
Kohinoor Textile Mills Limited	-	234,000	35,100	-	269,100	17,665	19,044	1,379	0.07	0.07	0.10
Nishat Mills Limited	7,828,100	238,000	-	6,601,500	1,464,600	165,371	140,323	(25,048)	0.51	0.53	0.42
									0.58	0.60	0.51
Rights Shares											
Ghani Gases Limited	-	-	578,000	-	578,000	-	98	98	0.00	0.00	1.14
Grand total						21,558,412	22,672,562	1,114,150			
Total cost of investments							18,712,638				

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

5.1.3 1,000,000 shares of Engro Corporation Limited having market value of Rs 315.70 million (June 2015: Rs 279.00 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'

Shares of listed companies

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 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	231,659	237,309	5,650	0.87	0.90	0.01
General industrials											
Packages Limited	374	-	-	-	374	222	195	(27)	0.00	0.00	0.00
Grand total						231,881	237,504	5,623			
Total cost of investments							57,329				

5.2 Investments categorised as 'available for sale'

5.2.1 Shares of listed companies

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Impairment	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 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 and parts												
Indus Motor Company Limited	53,068	-	-	-	53,068	12,165	-	50,268	38,103	0.18	0.19	0.07
Pakistan Suzuki Motor Company Limited	24,105	-	-	-	24,105	1,759	-	9,925	8,166	0.04	0.04	0.03
										0.22	0.23	0.10
Commercial Banks												
Meezan Bank Limited (an associate of the Fund)	124,880	-	-	-	124,880	1,552	-	5,245	3,693	0.02	0.02	0.01
BankIslami Pakistan Limited	875	-	-	-	875	5	-	9	4	0.00	0.00	0.00
										0.02	0.02	0.01
Chemicals												
ICI Pakistan Limited	59,975	-	-	-	59,975	7,795	-	25,786	17,991	0.09	0.10	0.03
Cement												
D.G Khan Cement Company Limited	1,312,000	-	-	1,312,000	-	-	-	-	-	-	-	-
Lucky Cement Limited	179,000	-	-	175,000	4,000	1,520	-	2,152	632	0.01	0.01	0.00
										0.01	0.01	0.00
Power Generation and Distribution												
The Hub Power Company Limited	15,000,000	-	-	1,000,000	14,000,000	886,303	-	1,463,560	577,257	5.34	5.54	1.21
Paper and Board												
Packages Limited	2,200,000	-	-	-	2,200,000	1,047,945	-	1,148,422	100,477	4.19	4.35	2.49

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Impairment	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 2016	Percentage in relation to		
	----- (Number of shares) -----				----- (Rupees in '000) -----				----- (%) -----			
Food and Personal Care Products												
Engro Foods Limited	3,600	-	-	3,600	-	-	-	-	-	-	-	-
Oil and gas Marketing Companies												
Pakistan State Oil Company Limited	1,914,500	-	-	-	1,914,500	519,035	-	672,449	153,414	2.45	2.55	0.70
Oil and gas Exploration Companies												
Pakistan Oilfields Limited	415,600	-	-	-	415,600	157,663	(46,273)	107,231	(4,159)	0.39	0.41	0.18
Pakistan Petroleum Limited	-	-	-	-	-	-	-	-	-	-	-	-
Refinery												
National Refinery Limited	151	-	-	-	151	28	-	41	13	0.00	0.00	0.00
Textile Composite												
Nishat Mills Limited	30,000	-	-	26,000	4,000	472	-	383	(89)	0.00	0.00	0.00
Grand total						<u>2,636,242</u>	<u>(46,273)</u>	<u>3,485,471</u>	<u>895,502</u>			
Total cost of investments								<u>2,636,242</u>				

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

	(Unaudited) March 31, 2016 (Rupees in '000)	(Audited) June 30, 2015
Market value of investment	3,485,471	4,008,922
Less: Cost of investments	<u>2,636,242</u>	<u>2,878,751</u>
	849,229	1,130,171
Less: Net unrealised diminution on re-measurement of investments classified as 'available for sale' at beginning of the period (net of impairment)	<u>1,130,171</u>	<u>364,706</u>
	(280,942)	765,465
Impairment loss on listed equity securities classified as 'available for sale' - transferred to income statement	<u>46,273</u>	<u>63,864</u>
	(234,669)	829,329

6. CONTINGENCIES AND COMMITMENTS

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

In this regard, a Constitutional Petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. On September 8, 2015, the Sindh High Court has dismissed the suit on the basis that bonus shares are included in the definition of income and

accordingly are chargeable to tax. An appeal against the judgment has been instituted and a stay order has been granted by the High Court of Sindh in favour of CISs.

In the current period, Hascol Petroleum Limited, The Searle Company Limited, Kohinoor Textile Mills Limited and Al Shaheer Corporation Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These haven't been deposited by the Company with the Government Treasury due to pending adjudication of the aforementioned Constitutional Petition and the stay order.

There were no other contingencies and commitments outstanding as at March 31, 2016.

7. ALLOCATED EXPENSES

In the current period, a statutory notification (S.R.O. No. 1160 (I)/2015 dated November 25, 2015) was issued by Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non - Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CIS) upto a maximum of 0.1% of average annual net assets of the Scheme. Accordingly, such expenses have been charged effective from December 16, 2015.

8. 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, 2015. 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. 0.41 per unit (0.67 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.

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 and Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund – III, Meezan Capital Preservation Fund – II, 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 units of the Fund.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations, 2008 and the Trust Deed respectively.

Details of transactions with connected persons and balances with them for the period ended March 31, 2016 and as of that date along with comparatives are as follows:

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration payable	46,366	46,538
Sindh Sales Tax and Federal Excise Duty on management fee payable	204,638	127,055
Sales load payable	7,906	10,763
Sindh Sales Tax and Federal Excise Duty on sales load payable	28,405	20,676
Certificate charges payable	5	5
Allocated expenses payable	2,325	-
Investment of 10,131,260 units (June 30, 2015: 12,251,197 units)	624,592	748,671
Meezan Bank Limited		
Bank balance	83,297	451,327
Sales load payable	-	1,109
Shariah advisor fee payable	501	-
Investment in 13,637,667 shares (June 30, 2015: 16,055,086 shares)	572,782	658,259
Investment of 15,675,049 units (June 30, 2015: 15,675,049 units)	966,367	957,902
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	2,403	2,409
Sindh Sales Tax on trustee fee payable	337	-
Deposit	100	100
AI Meezan Investment Management Limited - Employees' Gratuity Fund		
Investment of 436,872 units (June 30, 2015: 120,915 units)	26,933	7,389
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Investment of 4,531,510 units (June 30, 2015: 3,987,725 units)	275,600	243,690
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Investment of 2,656,730 units (June 30, 2015: 3,075,363 units)	161,168	187,935
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Investment of 944,264 units (June 30, 2015: 1,465,973 units)	57,326	89,586
Meezan Financial Planning Fund of Funds - MCPP - I		
Investment of 11,414,002 units (June 30, 2015: 20,807,623 units)	684,734	1,271,554
Meezan Financial Planning Fund of Funds - MCPP - II		
Investment of 10,997,791 units (June 30, 2015: 25,627,412 units)	655,669	1,566,091
Meezan Financial Planning Fund of Funds - MAAP - I		
Investment of 16,152,213 units (June 30, 2015: nil)	975,922	-
Meezan Financial Planning Fund of Funds - MAAP - II		
Investment of 11,683,582 units (June 30, 2015: nil)	689,985	-
Meezan Financial Planning Fund of Funds - MAAP - III		
Investment of 25,080,840 units (June 30, 2015: nil)	1,463,000	-
Meezan Capital Preservation Fund-III		
Investment of nil units (June 30, 2015: 42,727,003 units)	-	2,611,047
Meezan Capital Preservation Fund-II		
Investment in 15,791,441 units (June 30, 2015: 24,168,267 units)	916,955	1,476,923
Directors and executives of the Management Company		
Investment of 5,029,466 units (June 30, 2015: 4,815,135 units)	310,067	294,253

**Nine months period ended
March 31,**

	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	413,239	307,559
Sindh Sales Tax and Federal Excise Duty on management fee	133,228	102,724
Allocated expenses	7,907	-
Units issued: 8,066,263 units (March 31, 2015: 5,013,793 units)	464,092	239,860
Units redeemed: 10,186,200 units (March 31, 2015: nil)	610,000	-
Cash dividend paid (March 31, 2015: nil)	26,953	-
Meezan Bank Limited		
Profit on saving accounts	1,334	7,037
Units redeemed: nil (March 31, 2015: 5,800,000 units)	-	318,791
Shares purchased: 97,500 shares (March 31, 2015: 4,098,000 shares)	4,261	195,039
Shares disposed off: 2,514,919 (March 31, 2015: 4000 shares)	117,744	220
Dividend income	42,239	38,124
Shariah advisor fee	630	-
Cash dividend paid (March 31, 2015: nil)	34,485	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	21,413	16,129
Sindh Sales Tax on Trustee Fee	2,999	-
CDS charges	724	858
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Units issued: 316,353 units (March 31, 2015: nil)	18,165	-
Cash dividend paid (March 31, 2015: nil)	266	-
Meezan Financial Planning Fund of Funds - Aggressive Allocation Plan		
Units issued: 1,002,650 units (March 31, 2015: 1,539,479 units)	59,856	84,806
Units redeemed: 458,866 units (March 31, 2015: 1,408,450 units)	27,429	74,186
Transaction Cost Received	-	212
Cash dividend paid (March 31, 2015: nil)	8,773	-
Meezan Financial Planning Fund of Funds - Moderate Allocation Plan		
Units Issued: 735,717 units (March 31, 2015: 1,736,418 units)	43,602	95,043
Units Redeemed: 1,154,350 units (March 31, 2015: 978,981 units)	70,282	53,213
Transaction Cost Received	-	238
Cash dividend paid (March 31, 2015: nil)	6,766	-
Meezan Financial Planning Fund of Funds - Conservative Allocation Plan		
Units Issued: 420,942 units (March 31, 2015: 1,279,919 units)	25,211	67,285
Units Redeemed: 942,651 units (March 31, 2015: 1,038,436 units)	57,955	56,418
Transaction cost received	-	169
Cash dividend paid (March 31, 2015: nil)	3,225	-
Meezan Financial Planning Fund of Funds - MCPP - I		
Units Issued: 8,212,642 units (March 31, 2015: 24,863,414 units)	484,650	1,341,638
Units Redeemed: 17,606,263 units (March 31, 2015: 10,980,433 units)	1,033,752	570,000
Transaction cost received	-	3,362
Cash dividend paid (March 31, 2015: nil)	45,777	-

	Nine months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Meezan Financial Planning Fund of Funds - MCPP - II		
Units Issued: 16,105,288 units (March 31, 2015: 24,376,433 units)	961,394	1,443,981
Units Redeemed: 30,734,908 units (March 31, 2015: 11,867,089 units)	1,771,288	600,000
Transaction cost received	-	3,619
Cash dividend paid (March 31, 2015: nil)	56,380	-
Meezan Financial Planning Fund of Funds - MAAP - I		
Units Issued: 18,808,420 units (March 31, 2015: nil)	1,136,500	-
Units Redeemed: 2,656,208 units (March 31, 2015: nil)	160,000	-
Meezan Financial Planning Fund of Funds - MAAP - II		
Units Issued: 14,352,626 units (March 31, 2015: nil)	847,598	-
Units Redeemed: 2,669,045 units (March 31, 2015: nil)	161,000	-
Meezan Financial Planning Fund of Funds - MAAP - III		
Units Issued: 25,080,840 units (March 31, 2015: nil)	1,463,000	-
Meezan Capital Preservation Fund-III		
Units issued: 1,647,259 units (March 31, 2015: 22,829,553 units)	97,099	1,249,668
Units redeemed: 44,374,262 units (March 31, 2015: 32,909,895 units)	2,571,500	1,682,700
Transaction cost received	-	3,132
Cash dividend paid (March 31, 2015: nil)	93,999	-
Meezan Capital Preservation Fund-II		
Units issued: 13,231,245 units (March 31, 2015: 32,783,231 units)	795,170	1,726,772
Units redeemed: 21,608,071 units (March 31, 2015: 20,085,930 units)	1,268,325	1,043,480
Transaction cost received	-	4,328
Cash dividend paid (March 31, 2015: nil)	53,170	-
Directors and executives of the Management Company		
Units issued: 408,276 units (March 31, 2015: 2,882,190 units)	23,779	162,519
Units redeemed: 193,945 units (March 31, 2015: 150,762 units)	11,170	7,949
Cash dividend paid (March 31, 2015: nil)	10,593	-

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	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016 (Rupees in '000)									
Financial assets - measured at fair value									
Equity securities	26,395,537	-	-	-	26,395,537	26,395,537	-	-	26,395,537
Financial assets - not measured at fair value									
Cash and cash equivalents	10.1	-	-	1,266,701	-	1,266,701			
Trade and other receivables	10.1	-	345,802	-	-	345,802			
		<u>26,395,537</u>	<u>345,802</u>	<u>1,266,701</u>	<u>-</u>	<u>28,008,040</u>			
Financial liabilities - not measured at fair value									
Trade and other payables	10.1	-	-	-	136,520	136,530			

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

11. 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. Provided that for the purpose of determining distribution of at least 90 percent of accounting income, the income distributed through bonus units shall not be taken into account. 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, 2016, as reduced by capital gains (whether realised or unrealised) to its unitholders.

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue on April 20, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





QUARTERLY REPORT
MARCH 31, 2016

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)	Habib Metropolitan Bank Limited - Islamic Banking
Askari Bank Limited - Islamic Banking	MCB Bank Limited - Islamic Banking
Bank Alfalah Limited - Islamic Banking	Meezan Bank Limited
Bank Islami Pakistan Limited	National Bank of Pakistan - Islamic Banking
Burj Bank Limited	UBL Ameen - Islamic Banking
Dubai Islamic Bank	

LEGAL ADVISER

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

TRANSFER AGENT

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT MARCH 31, 2016

	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
(Rupees in '000)			
Assets			
Balances with banks		309,693	565,374
Investments	5	4,564,244	3,547,041
Receivable against sale of investments (net)		-	30,896
Receivable on conversion of units		-	802,517
Dividend receivable		44,395	4,586
Deposits, prepayments and other receivables		7,248	6,439
Total assets		4,925,580	4,956,853
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		45,942	30,084
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		569	381
Payable to Securities and Exchange Commission of Pakistan (SECP)		3,038	3,114
Payable to Meezan Bank Limited (MBL)		125	86
Payable on redemption and conversion of units		4,522	841,987
Payable against investments (net)		38,747	-
Accrued expenses and other liabilities		43,042	51,540
Unclaimed dividend		4,765	22,750
Total liabilities		140,750	949,942
Net assets		4,784,830	4,006,911
Contingencies and commitments	6		
Unitholders' fund (as per statement attached)		4,784,830	4,006,911
(Number of units)			
Number of units in issue		284,516,256	246,069,711
(Rupees)			
Net assets value per unit		16.82	16.28

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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2016	2015	2016	2015
(Rupees in '000)					
Income					
Net realised (loss) / gain on sale of investments		(18,151)	42,177	(30,469)	62,703
Dividend income		149,936	121,874	52,291	35,781
Profit on saving accounts with banks		7,311	6,879	2,528	2,836
Other income / (loss)		15	2,327	(1)	777
		<u>139,111</u>	<u>173,257</u>	<u>24,349</u>	<u>102,097</u>
Unrealised gain / (loss) on re-measurement of investments 'at fair value through profit or loss' (net)	5.2	148,756	21,805	161,135	(118,427)
Total income		287,867	195,062	185,484	(16,330)
Expenses					
Remuneration to Al Meezan Investment Management Limited (Al Meezan) - Management Company		63,605	48,312	21,966	17,126
Sindh Sales Tax and Federal Excise Duty on management fee		20,451	16,137	7,082	5,721
Remuneration to Central Depository Company of Pakistan Limited (CDC) - Trustee		3,932	3,166	1,347	1,103
Sindh Sales Tax on trustee fee		572	-	188	-
Annual fee to Securities and Exchange Commission of Pakistan (SECP)		3,038	2,295	1,044	814
Auditors' remuneration		600	551	146	123
Charity expense		1,409	1,932	81	389
Fees and subscription		251	113	147	37
Legal and professional charges		133	-	-	-
Brokerage		4,556	2,512	1,944	1,247
Bank and settlement charges		1,119	1,048	423	378
Allocated expenses		1,283	-	1,102	-
Provision for Workers' Welfare Fund (WWF)	8	-	2,528	-	(785)
Total expenses		100,949	78,594	35,470	26,153
Net income / (loss) from operating activities		186,918	116,468	150,014	(42,483)
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed (net)		(7,499)	7,398	(10,069)	4,023
Net income / (loss) for the period before taxation		179,419	123,866	139,945	(38,460)
Taxation	10	-	-	-	-
Net income / (loss) for the period after taxation		179,419	123,866	139,945	(38,460)
Other comprehensive income for the period					
Items can be reclassified to income statement in subsequent periods					
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'available for sale' (net)	5.1.2	(21,527)	53,328	6,709	(109,731)
Total comprehensive income for the period		157,892	177,194	146,654	(148,191)

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016 (Rupees in '000)	2015
Undistributed income brought forward		
- Realised	495,043	240,888
- Unrealised	395,282	198,627
	890,325	439,515
Net income for the period	179,419	123,866
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments (net)	(5,882)	5,654
Undistributed income carried forward	1,063,862	569,035
Undistributed income carried forward		
- Realised	915,106	547,230
- Unrealised	148,756	21,805
	1,063,862	569,035

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Net assets at beginning of the period	4,006,911	2,847,050
Issue of 115,667,286 units (2015: 68,665,324 units)	1,925,901	1,024,019
Redemption of 77,220,741 units (2015: 67,545,213 units)	(1,313,373)	(995,473)
	612,528	28,546
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed (net)	7,499	(7,398)
Net realised (loss) / gain on sale of investments	(18,151)	42,177
Unrealised appreciation in the value of investments (net)	127,229	75,133
Net other income for the period	48,814	59,884
Total other comprehensive income for the period	157,892	177,194
Net assets at end of the period	4,784,830	3,045,392
	(Rupees)	
Net assets value per unit at beginning of the period	16.28	13.90
Net assets value per unit at end of the period	16.82	14.79

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016 (Rupees in '000)	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	179,419	123,866
Adjustments for:		
Unrealised gain on re-measurement of investments 'at fair value through profit or loss' (net)	(148,756)	(21,805)
Element of loss / (income) and capital losses / (gains) losses included in prices of units issued less those in units redeemed (net)	7,499	(7,398)
	<u>38,162</u>	<u>94,663</u>
(Increase) / decrease in assets		
Investments (net)	(889,974)	(109,252)
Receivable against sale of investments (net)	30,896	17,972
Dividend receivable	(39,809)	(26,269)
Deposits, prepayments and other receivables	(809)	(313)
	<u>(899,696)</u>	<u>(117,862)</u>
Increase / (decrease) in liabilities		
Payable to Al Meezan Investment Management Limited - Management Company	15,858	12,252
Payable to Central Depository Company of Pakistan Limited - Trustee	188	62
Payable to Meezan Bank Limited	39	-
Payable to Securities and Exchange Commission of Pakistan	(76)	(51)
Payable against purchase of investments	38,747	-
Accrued expenses and other liabilities	(8,498)	4,483
	<u>46,258</u>	<u>16,746</u>
Net cash used in operating activities	<u>(815,276)</u>	<u>(6,453)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	2,728,418	1,024,019
Dividend paid	(17,985)	(59)
Payment against redemption and conversion of units	(2,150,838)	(840,628)
Net cash generated from financing activities	<u>559,595</u>	<u>183,332</u>
Net (decrease) / increase in cash and cash equivalents during the period	(255,681)	176,879
Cash and cash equivalents at beginning of the period	565,374	84,389
Cash and cash equivalents at end of the period	<u>309,693</u>	<u>261,268</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

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 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 Compliant" equity investments for the given level of risk, 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 investment 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 principles of Shariah.
- 1.3** The Fund is an open-end fund listed on the Pakistan Stock Exchange (formerly Islamabad Stock Exchange). Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as an Equity Scheme.
- 1.4** The Management Company of the Fund has been given a quality rating of AM2+ and the fund is ranked at 'MFR 2-Star' for one year and 'MFR 3-Star' for three years weighted average performance ranking by JCR-VIS Credit Rating Company Limited.
- 1.5** Title of the assets of the Fund is held in the name of CDC as a Trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of approved accounting standards as applicable in Pakistan.

3. STATEMENT OF COMPLIANCE

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended June 30, 2015 and period ended December 31, 2015.

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, 2015.

5. INVESTMENTS

	Note	(Unaudited) March 31, 2016 (Rupees in '000)	(Audited) June 30, 2015
Investments - 'available for sale'	5.1	1,036,112	1,070,842
Investments - 'at fair value through profit or loss' - Held for trading	5.2	3,528,132	2,476,199
		<u>4,564,244</u>	<u>3,547,041</u>

5.1 Investments - available for sale

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus shares	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain as at March 31, 2016	Percentage in relation to		
									Net assets of the fund on the basis of market value (note 5.3)	Total Market value of investments	Paid-up capital of the investee company (with face value of investments)
						(Number of shares)	(Rupees in '000)	%			
Sector / Companies											
Commercial Banks											
Bank Islami Pakistan Limited	875	-	-	-	875	5	9	4	0.00	0.00	0.00
Cement											
Lucky Cement Company Limited	620,127	-	-	-	620,127	217,162	333,697	116,534	6.97	7.31	0.19
D.G. Khan Cement Company Limited	111,000	-	-	107,500	3,500	289	608	320	0.01	0.01	0.00
Power Generation and Distribution											
The Hub Power Company Limited	2,580,500	-	-	-	2,580,500	157,902	269,765	111,863	5.64	5.91	0.22
Oil and gas Exploration Companies											
Pakistan Oilfields Limited	31,340	-	-	-	31,340	8,089	8,086	(3)	0.17	0.18	0.01
Pakistan Petroleum Limited	43,112	-	-	43,112	-	-	-	-	-	-	-
Oil and Gas Marketing Companies											
Attock Petroleum Limited	240	-	-	-	240	83	103	20	0.00	0.00	0.00
Pakistan State Oil Company Limited	371,147	-	-	-	371,147	101,077	130,362	29,285	2.72	2.86	0.14
Automobile Assembler											
Indus Motor Company Limited	16,200	-	-	-	16,200	3,961	15,345	11,384	0.32	0.34	0.02
Automobile Parts and Accessories											
Agriautos Industries Limited (note 5.1.1)	158,000	-	-	-	158,000	10,539	28,666	18,127	0.60	0.63	1.10
Fertilizer											
Fauji Fertilizer Company Limited	5,457	-	-	-	5,457	428	582	154	0.01	0.01	0.00
Fauji Fertilizer Bin Qasim Limited	1,685	-	-	1,685	-	-	-	-	-	-	-
Chemical											
ICI Pakistan Limited	91,557	-	-	-	91,557	34,618	39,365	4,747	0.82	0.86	0.10
Paper and Board											
Packages Limited	401,378	-	-	-	401,378	206,029	209,523	3,495	4.38	4.59	0.45
Total						<u>740,182</u>	<u>1,036,112</u>	<u>295,930</u>			
Total cost of investments - 'available for sale'							<u>740,182</u>				

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

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

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Market value of investment	1,036,112	1,070,842
Less: Cost of investments	740,182	753,385
	<u>295,930</u>	<u>317,457</u>
Less: Net unrealised appreciation on re-measurement of investments classified as 'available for sale' at beginning of the period	317,457	182,296
	<u>(21,527)</u>	<u>135,161</u>

5.2 Held for trading - shares of listed companies

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus / right shares	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 2016	Percentage in relation to		
									Net assets of the fund on the basis of market value (note 5.3)	Total Market value of investments	Paid-up capital of the investee company (with face value of investments)
	(Number of shares)				(Rupees in '000)			%			
Sector / Companies											
Commercial Banks											
Meezan Bank Limited (an associate of the Fund)	419	-	-	419	-	-	-	-	-	-	-
Cement											
Attock Cement Pakistan Limited	176,121	-	-	161,900	14,221	2,711	2,901	191	0.06	0.00	0.00
DG Khan Cement Company Limited	4,305	612,100	-	-	616,405	93,156	107,144	13,987	2.24	0.02	0.00
Fauji Cement Company Limited	5,983,000	260,000	-	-	6,243,000	218,325	261,644	43,319	5.47	0.06	0.00
Kohat Cement Company Limited	341,000	144,400	-	20,000	465,400	96,422	121,023	24,601	2.53	0.03	0.00
Cherat Cement Company Limited	661,440	794,500	-	-	1,455,940	132,252	157,110	24,858	3.28	0.03	0.01
Lucky Cement Company Limited	8,390	153,000	-	80,000	81,390	41,542	43,797	2,254	0.92	0.01	0.00
Maple Leaf Cement Limited	475,000	1,572,500	-	730,000	1,317,500	104,308	121,487	17,179	2.54	0.03	0.00
Pioneer Cement Limited	532,000	541,500	-	-	1,073,500	94,138	106,191	12,053	2.22	0.02	0.00
Oil and Gas Exploration Companies											
Pakistan Oilfields Limited	164,151	248,600	-	45,000	367,751	119,568	94,883	(24,684)	1.98	0.02	0.00
Pakistan Petroleum Limited	377,121	972,300	-	777,188	572,233	68,500	73,314	4,815	1.53	0.02	0.00
Mari Petroleum Company Limited	149,700	160,600	-	25,000	285,300	160,705	200,415	39,710	4.19	0.04	0.00
Oil & Gas Marketing Companies											
Attock Petroleum Limited	61,500	-	-	-	61,500	34,884	26,497	(8,387)	0.55	0.01	0.00
Pakistan State Oil Company Limited	483,120	126,700	-	210,000	399,820	147,539	140,433	(7,106)	2.93	0.03	0.00
Sui Northern Gas Pipeline Limited	850,000	955,000	-	1,805,000	-	-	-	-	-	-	-
Hascol Petroleum Limited	227,550	451,000	88,710	300,000	467,260	52,805	65,547	12,742	1.37	0.01	0.00
Engineering											
Crescent Steel & Allied Product	-	441,100	-	50,000	391,100	43,903	45,986	2,083	0.96	0.01	0.01
Amreli Steels	-	619,500	-	-	619,500	33,119	32,319	(800)	0.68	0.01	0.00
Automobile Assembler											
Indus Motor Company Limited	87,264	18,100	-	-	105,364	128,201	99,805	(28,396)	2.09	0.02	0.00
Honda Atlas Cars Pakistan Limited	267,500	25,000	-	-	292,500	64,116	73,839	9,723	1.54	0.02	0.00
Millat Tractors Limited	16,500	50,000	-	-	66,500	41,316	35,212	(6,104)	0.74	0.01	0.00
Pak Suzuki Motor Company Limited	83,689	-	-	20,000	63,689	27,763	26,225	(1,538)	0.55	0.01	0.00
Automobile Parts and Accessories											
Agriautos Industries Limited (note 5.2.1.1)	6,460	-	-	-	6,460	1,201	1,172	(29)	0.02	0.00	0.00
Thal Limited (note 5.2.1.1)	55,613	62,000	-	-	117,613	31,746	29,957	(1,788)	0.63	0.01	0.00

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus / right shares	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 2016	Percentage in relation to		
									Net assets of the fund on the basis of market value (note 5.3)	Total Market value of investments	Paid-up capital of the investee company (with face value of investments)
----- (Number of shares) -----						----- (Rupees in '000) -----			----- % -----		
Technology and Communication											
Pakistan Telecommunication Company Limited "A"	1,581,670	431,000	-	1,300,000	712,670	14,811	10,704	(4,106)	0.22	0.00	0.00
Chemicals											
Sitara Chemical Industries Limited	500	103,100	-	-	103,600	36,944	37,504	561	0.78	0.01	0.00
ICI Pakistan Limited	50,022	-	-	-	50,022	21,453	21,507	54	0.45	0.00	0.00
Dynea Pakistan (note 5.2.1.1)	-	1,000	-	-	1,000	50	39	(11)	0.00	0.00	0.00
Ghani Gases Limited	-	200,000	-	-	200,000	5,185	3,980	(1,205)	0.08	0.00	0.00
Fertilizer											
Fauji Fertilizer Company Limited	82,401	600,000	-	682,200	201	26	21	(5)	0.00	0.00	0.00
Engro Fertilizers Limited	805,000	224,000	-	975,000	54,000	4,847	3,752	(1,094)	0.08	0.00	0.00
Engro Corporation Limited (note 5.2.1.2)	1,219,500	374,800	-	315,000	1,279,300	377,339	403,875	26,537	8.44	0.09	0.00
Fatima Fertilizer Company Limited	686,000	600,000	-	980,000	306,000	13,088	10,184	(2,904)	0.21	0.00	0.00
Dawood Hercules Corporation	-	505,200	-	-	505,200	58,400	61,518	3,118	1.29	0.01	0.00
Paper and Board											
Packages Limited	152,700	135,000	-	-	287,700	168,702	150,182	(18,519)	3.14	0.03	0.00
Cherat Pack	-	25,000	-	-	25,000	7,675	6,857	(818)	0.14	0.00	0.00
Glass and Ceramics											
Tariq Glass Industries Ltd.	-	50,000	-	-	50,000	3,259	2,825	(434)	0.06	0.00	0.00
Food and personal care products											
Engro Foods Limited	632,000	430,000	-	561,000	501,000	76,721	79,779	3,058	1.67	0.02	0.00
Al-Shaheer Corporation Limited	-	647,000	144,200	50,000	741,200	50,656	39,617	(11,038)	0.83	0.01	0.01
Power Generation and Distribution											
The Hub Power Company Limited	1,739,500	305,000	-	792,500	1,252,000	118,835	130,884	12,049	2.74	0.03	0.00
KAPCO Ltd.	-	104,500	-	-	104,500	8,072	8,064	(7)	0.17	0.00	0.00
Pakgen Power Limited	130,000	200,000	-	-	330,000	9,633	8,903	(730)	0.19	0.00	0.00
Kohinoor Energy Limited	144,000	-	-	-	144,000	7,272	5,789	(1,483)	0.12	0.00	0.00
Lalpir Power Limited	1,037,000	300,000	-	-	1,337,000	40,631	33,372	(7,259)	0.70	0.01	0.00
K-Electric Limited (note 5.2.1.1)	3,995,000	12,725,000	-	1,000,000	15,720,000	123,277	111,612	(11,665)	2.33	0.02	0.00
Cable and Electrical Goods											
Pak Elektron Limited	1,575,000	2,102,500	-	2,150,000	1,527,500	100,830	92,368	(8,463)	1.93	0.02	0.00
Pharmaceuticals											
Abbot Laboratories Pakistan Limited	51,200	92,000	-	-	143,200	93,886	94,820	934	1.98	0.02	0.00
The Searle Company Limited	163,800	104,880	56,404	65,000	260,084	72,315	114,304	41,989	2.39	0.03	0.00
Ferozsons Laboratories Limited	25,150	32,350	-	3,100	54,400	45,539	47,588	2,049	0.99	0.01	0.00
Highnoon (Lab)	-	79,400	-	35,300	44,100	15,229	23,257	8,028	0.49	0.01	0.00
Textile Composite											
Nishat Mills Limited	876,800	-	-	248,500	628,300	71,771	60,197	(11,573)	1.26	0.01	0.00
Refinery											
Attock Refinery Limited	40,000	513,300	-	410,000	143,300	29,704	33,012	3,308	0.69	0.01	0.00
National Refinery Limited	1,800	175,000	-	40,000	136,800	34,897	37,003	2,106	0.77	0.01	0.00
Miscellaneous											
Shifa International Hospitals	38,600	81,890	-	16,000	104,490	30,113	27,690	(2,424)	0.58	0.01	0.00
Right Shares											
Ghani Gases Limited	-	-	136,000	-	136,000	1	23	22	0.00	0.00	0.00
Total						3,379,376	3,528,132	148,756			
Total cost of investments - 'held for trading'							2,919,046				

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

5.2.2 150,000 shares (June 2015: 150,000 shares) of Engro Corporation Limited, having market value of Rs 47.36 million (June 2015: Rs 44.52 million) as at March 31, 2016, have been pledged as collateral in favour of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

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

6. CONTINGENCIES AND COMMITMENTS

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

In this regard, a Constitutional Petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. On September 8, 2015, the Sindh High Court has dismissed the suit on the basis that bonus shares are included in the definition of income and accordingly are chargeable to tax. An appeal against the judgment has been instituted and a stay order has been granted by the High Court of Sindh in favour of CISs.

In the current period, Hascol Petroleum Limited, The Searle Company Limited and Al Shaheer Corporation (Pvt) Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These haven't been deposited by the Company with the Government Treasury due to pending adjudication of the aforementioned Constitutional Petition and the stay order.

There were no other contingencies and commitments outstanding as at March 31, 2016.

7. ALLOCATED EXPENSES

In the current period, a statutory notification (S.R.O. No. 1160 (I)/2015 dated November 25, 2015) was issued by Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non - Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CIS) upto a maximum of 0.1% of average annual net assets of the Scheme. Accordingly, such expenses have been charged effective from December 16, 2015.

8. 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, 2015. 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. 0.12 per unit (0.73 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.

9. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, directors and officers of the Management Company, Meezan Islamic Fund, KSE Meezan Index Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund - III, Meezan Capital Preservation Fund - II, 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.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, 2003, NBFC Regulations, 2008 and the Trust Deed respectively.

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

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	7,903	5,981
Sindh Sales Tax and Federal Excise Duty on management fee payable	32,458	20,702
Sales load payable	1,304	1,213
Sindh Sales Tax and Federal Excise Duty on sales load payable	3,357	2,188
Allocated expense payable	920	-
Investment of 41,095,856 units (June 30, 2015: 27,607,288 units)	691,232	449,447
Meezan Bank Limited		
Balances with banks	26,016	167,102
Sales load payable	-	86
Profit receivable on saving accounts	104	67
Shariah advisor fee payable	125	-
Investment in shares : Nil (June 30, 2015: 419 shares)	-	17
Investment of 10,336,190 units (June 30, 2015: 10,336,190 units)	173,855	168,273
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	480	381
Sindh sales tax on trustee fee payable	89	-
Deposit	238	238
Pakistan Kuwait Investment Company (Private) Limited		
Investment of 16,895,690 units (June 30, 2015 : 16,895,690 units)	284,186	275,062
Directors and Executives of the Management Company		
Investment of 18,592,866 units (June 30, 2015 : 18,278,967 units)	312,732	297,582
Unitholders holding 10 percent or more units of the Fund's net assets		
	-	449,446

	Nine months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	63,605	48,312
Sindh Sales Tax and Federal Excise Duty on management fee	20,451	16,137
Units issued: 19,023,313 units (2015: Nil)	299,654	-
Redemption / conversion of units: 5,534,745 units (2015: Nil units)	90,000	-
Allocated	1,283	-
Meezan Bank Limited		
Profit on saving accounts with banks	332	1,360
Dividend income	1	4,459
Gain on sale of investments	3	15,241
Sale of 419 shares (2015: 1,097,500 shares)	18	52,958
Shariah advisor fee	149	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	3,932	3,166
CDS charges	137	153
Meezan Capital Preservation Fund - II		
Units issued: 1,454,545 units (2015: 12,650,739 units)	24,000	178,000
Redemption / conversion of units: 1,454,545 units (2015: 15,521,243 units)	22,051	229,426
Meezan Capital Preservation Fund - III		
Units issued: Nil (2015: 4,130,435 units)	-	60,000
Redemption / conversion of units: Nil (2015: 4,130,435 units)	-	58,404
MFPF - Meezan Capital Preservation Plan - I		
Units issued: 6,325,870 units (2015: Nil)	103,000	-
Redemption / conversion of units: 6,325,870 units (2015: Nil)	98,873	-
Directors and Executives of the Management Company		
Units issued: 503,956 units (2015: 511,521 units)	8,168	7,728
Redemption / conversion of units: 190,057 units (2015: 140,790 units)	3,059	2,256

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. Provided that for the purpose of determining distribution of at least 90 percent of accounting income, the income distributed through bonus units shall not be taken into account. 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, 2016 as reduced by capital gains (whether realised or unrealised) to its unit holders.

11. FINANCIAL INSTRUMENTS - FAIR VALUES

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

Note	Carrying amount					Fair value			
	Investments	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016	(Rupees in '000)								
Financial assets - measured at fair value									
Equity securities	4,564,244	-	-	-	4,564,244	4,564,244	-	-	4,564,244
Financial assets - not measured at fair value									
Cash and cash equivalents	11.1	-	-	309,693	-	309,693			
Trade and other receivables	11.1	-	51,637	-	-	51,637			
		<u>4,564,244</u>	<u>51,637</u>	<u>309,693</u>	<u>-</u>	<u>4,925,574</u>			
Financial liabilities - not measured at fair value									
Trade and other payables	11.1	-	-	-	65,290	65,290			

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. Therefore, 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 April 20, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





QUARTERLY REPORT
MARCH 31, 2016

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

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

LEGAL ADVISER

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

TRANSFER AGENT

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT MARCH 31, 2016

	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
(Rupees in '000)			
Assets			
Balances with banks		7,547	11,061
Investments	5	794,325	1,167,189
Receivable against sale of investments - (net)		-	63,294
Receivable on conversion of units		-	229,679
Dividend receivable		11,793	4,849
Deposits, prepayments and other receivables		2,661	2,626
Preliminary expenses and floatation costs		464	764
Total assets		816,790	1,479,462
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		6,276	5,413
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		150	183
Payable to Securities and Exchange Commission of Pakistan (SECP)		634	1,192
Payable to Meezan Bank Limited (MBL)		133	23
Payable on redemption and conversion of units		246	295,827
Accrued expenses and other liabilities		16,175	17,501
Total liabilities		23,614	320,139
Net assets		793,176	1,159,323
Contingencies and commitments	6		
Unitholders' fund (as per statement attached)		793,176	1,159,323
(Number of units)			
Number of units in issue		11,056,854	15,761,944
(Rupees)			
Net assets value per unit		71.74	73.55

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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2016	2015	2016	2015
(Rupees in '000)					
Income					
Net realised (loss) / gain on sale of investments		(18,376)	(16,586)	(15,998)	10,405
Dividend income		42,389	68,245	13,110	25,107
Profit on saving accounts with banks		339	624	141	183
Other income		360	530	161	94
		24,712	52,813	(2,586)	35,789
Unrealised (diminution) / appreciation on re-measurement of investments at 'fair value through profit or loss' (net)	5.1	(14,270)	(5,367)	33,916	(58,277)
Total income		10,442	47,446	31,330	(22,488)
Expenses					
Remuneration to Al-Meezan - Management Company		6,679	9,510	1,961	3,226
Sindh Sales Tax and Federal Excise Duty on management fee		2,153	3,177	632	1,079
Remuneration to CDC - Trustee		1,317	1,702	392	569
Sindh Sales Tax on Trustee Fee		184	-	55	-
Annual fee to SECP		634	903	186	306
Auditors' remuneration		277	237	57	22
Charity expense		783	1,520	227	566
Fees and subscription		250	94	165	31
Legal and professional charges		133	-	-	-
Brokerage		1,017	1,054	301	236
Bank and settlement charges		497	496	154	143
Amortisation of preliminary expenses and floatation costs		303	302	100	99
Provision for Workers' Welfare Fund (WWF)	8	-	473	-	(732)
Printing charges		30	30	10	10
Allocated expenses	7	232	-	196	-
Total expenses		14,489	19,498	4,436	5,555
Net (loss) / income from operating activities		(4,047)	27,948	26,894	(28,043)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)		4,414	(4,795)	10,435	(7,840)
Net income / (loss) for the period before taxation		367	23,153	37,329	(35,883)
Taxation	10	-	-	-	-
Net income / (loss) for the period after taxation		367	23,153	37,329	(35,883)
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		367	23,153	37,329	(35,883)

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016 (Rupees in '000)	2015
Undistributed income brought forward		
- Realised	257,863	77,379
- Unrealised	110,537	122,114
	368,400	199,493
Final distribution for the year ended June 30,2015		
- cash dividend: @ 3.70% i.e. Rs.1.85 per unit (June 30, 2014: nil)	(29,160)	-
Net income for the period	367	23,153
Undistributed income carried forward	339,607	222,646
Undistributed income / accumulated (loss) carried forward		
- Realised	353,877	228,013
- Unrealised	(14,270)	(5,367)
	339,607	222,646

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Net assets at beginning of the period	1,159,323	1,176,027
Issue of 2,114,134 units (March 31, 2015: 3,344,251 units)	170,636	215,299
Issue of 330,912 units for re- investment cash dividend (March 31,2015 : nil)	23,726	-
Redemption of 7,150,136 units (March 31, 2015: 5,007,766 units)	(527,302)	(324,612)
	(332,940)	(109,313)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(4,414)	4,795
Net realised loss on sale of investments	(18,376)	(16,586)
Unrealised diminution in the value of investments (net)	(14,270)	(5,367)
Other net income for the period	33,013	45,106
Total comprehensive income for the period	367	23,153
Final distribution for the year ended June 30, 2015 - cash dividend: @ 3.70% i.e. Rs. 1.85 per unit (June 30, 2014: nil)	(29,160)	-
Net (loss) / income for the period less distribution	(28,793)	23,153
Net assets at end of the period	793,176	1,094,662
	(Rupees)	
Net asset value per unit at beginning of the period	73.55	62.83
Net asset value per unit at end of the period	71.74	64.19

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016	2015
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	367	23,153
Adjustments for:		
Unrealised diminution on re-measurement of investments at 'fair value through profit or loss' (net)	14,270	5,367
Amortisation of preliminary expenses and floatation costs	303	302
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed (net)	(4,414)	4,795
	<u>10,526</u>	<u>33,617</u>
Decrease / (increase) in assets		
Investments (net)	358,594	81,855
Receivable against sale of investments (net)	63,294	-
Dividend receivable	(6,944)	(20,578)
Deposits, prepayments and other receivables	(35)	(31)
	<u>414,909</u>	<u>61,246</u>
Increase / (decrease) in liabilities		
Payable to AI Meezan - Management Company	863	2,297
Payable to CDC - Trustee	(33)	43
Payable to MBL	110	(14)
Payable to SECP	(558)	(22)
Payable against purchase of investments (net)	-	(235,085)
Accrued expenses and other liabilities	(1,328)	2,185
	<u>(946)</u>	<u>(230,596)</u>
Net cash generated from/ (used in) operating activities	<u>424,489</u>	<u>(135,733)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt against issuance of units	400,315	215,299
Receipts against dividend re-investment	23,726	-
Payment against redemption of units	(822,884)	(322,916)
Dividend paid	(29,160)	-
Net cash (used in) / generated from financing activities	<u>(428,003)</u>	<u>(107,617)</u>
Net decrease in cash and cash equivalents during the period	(3,514)	(243,350)
Cash and cash equivalents at beginning of the period	11,061	248,684
Cash and cash equivalents at end of the period	<u>7,547</u>	<u>5,334</u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED MARCH 31, 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 Limited (Al Meezan) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was executed on March 13, 2012 and was approved by Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.

1.2 The Fund is a Shariah Compliant Index Fund that aims to provide investors an opportunity to track closely the performance of the KSE-Meezan Index 30 (KMI 30) by investing in companies of the index in proportion to their weightages. For this purpose the fund shall invest at least eighty five percent of its net assets in listed equity securities. The remaining net assets of the fund shall be invested in cash and cash equivalents not exceeding ninety days maturity. 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 Islamabad Stock Exchange). Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an Equity Scheme.

1.4 The Management Company of the Fund has been given quality rating of AM2+ by JCR-VIS Credit Rating Company Limited.

1.5 Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the 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, 2015 and period ended December 31, 2015.

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, 2015.

5. INVESTMENTS

	Note	(Unaudited) March 31, 2016 (Rupees in '000)	(Audited) June 30, 2015
Investments at 'fair value through profit or loss'			
Ordinary shares - Held for trading	5.1	794,325	1,163,796
Preference shares - Fair value through profit and loss upon initial recognition		-	3,393
		<u>794,325</u>	<u>1,167,189</u>

5.1 Held for trading - shares of listed companies

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 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	39,400	8,000	-	18,700	28,700	6,401	7,245	844	0.91	0.02	0.91	
Millat Tractors Limited	-	21,700	-	3,900	17,800	9,884	9,425	(459)	1.19	0.04	1.19	
Pak Suzuki Motor Company Limited	30,100	4,800	-	13,100	21,800	9,649	8,976	(673)	1.13	0.03	1.13	
									3.23		3.23	
Cable & Electrical Goods												
Pak Elektron Limited	248,000	42,500	54,375	109,500	235,375	16,591	14,233	(2,358)	1.79		1.79	
Cement												
Cherat Cement Company Limited	159,527	30,100	-	74,000	115,627	10,155	12,477	2,322	1.57	0.07	1.57	
D.G. Khan Cement Company Limited	-	302,100	-	59,800	242,300	35,253	42,117	6,864	5.31	0.06	5.30	
Fauji Cement Company Limited	1,012,694	165,600	-	441,500	736,794	25,933	30,879	4,946	3.89	0.06	3.89	
Kohat Cement Company Limited	64,240	2,200	-	66,440	-	-	-	-	0.00	0.00	0.00	
Pakcem Limited (formerly Lafarge Pakistan Cement Limited)	502,194	21,500	-	523,694	-	-	-	-	0.00	0.00	0.00	
Lucky Cement Limited	178,990	28,800	-	77,700	130,090	67,255	70,003	2,748	8.83	0.04	8.81	
Maple Leaf Cement Factory Limited	329,200	55,200	-	146,000	238,400	18,544	21,983	3,439	2.77	0.05	2.77	
Pioneer Cement Limited	173,500	29,600	-	77,500	125,600	10,777	12,424	1,647	1.57	0.06	1.56	
									23.94		23.90	
Fertilizer												
Dawood Hercules Corporation Limited	466,200	74,600	-	202,000	338,800	39,381	41,256	1,875	5.20	0.07	5.19	
Engro Corporation Limited	362,400	57,800	-	156,900	263,300	77,437	83,124	5,687	10.48	0.05	10.46	
Engro Fertilizers Limited	276,500	209,500	-	151,500	334,500	28,688	23,244	(5,444)	2.93	0.03	2.93	
Fatima Fertilizer Company Limited	580,000	92,200	-	249,500	422,700	16,757	14,067	(2,690)	1.77	0.02	1.77	
Fauji Fertilizer Bin Qasim Limited	452,920	72,600	-	196,500	329,020	18,086	16,787	(1,299)	2.12	0.04	2.11	
Fauji Fertilizer Company Limited	899,501	203,800	-	400,100	703,201	99,376	74,975	(24,401)	9.45	0.06	9.44	
									31.95		31.91	

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 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
					(Rupees in '000)			%			
Food & Personal Care Products											
Engro Foods Limited	159,100	25,200	-	68,800	115,500	17,378	18,392	1,014	2.32	0.02	2.32
Treet Corporation Limited	28,950	63,200	-	43,450	48,700	3,022	2,313	(709)	0.29	0.04	0.29
									2.61		2.61
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	30,494	5,600	-	14,000	22,094	10,798	15,520	4,722	1.96	0.02	1.95
Pakistan Oilfields Limited	149,664	24,200	-	65,100	108,764	41,022	28,062	(12,960)	3.54	0.05	3.53
Pakistan Petroleum Limited (note 5.1.3)	665,778	106,500	-	288,900	483,378	75,400	61,930	(13,470)	7.81	0.02	7.80
									13.30		13.28
Oil & Gas Marketing Companies											
Hasco Petroleum Limited	43,800	10,700	6,840	26,100	35,240	3,679	4,943	1,264	0.62	0.03	0.62
Pakistan State Oil Company Limited	175,088	6,000	-	181,088	-	-	-	-	0.00	0.00	0.00
Shell Pakistan Limited	29,722	6,800	-	15,000	21,522	5,326	5,812	486	0.73	0.02	0.73
									1.36		1.35
Pharmaceuticals											
GlaxoSmithKline Pakistan Limited	70,232	12,200	-	31,500	50,932	10,147	12,347	2,200	1.56	0.02	1.55
The Searle Company Limited	53,500	6,800	16,506	38,000	38,806	9,793	17,055	7,262	2.15	0.04	2.15
									3.71		3.70
Power Generation & Distribution											
K-Electric Limited (note 5.1.2)	3,819,153	591,500	-	1,632,000	2,778,653	22,775	19,728	(3,047)	2.49	0.03	2.48
Kot Addu Power Company Limited	628,753	21,500	-	650,253	-	-	-	-	0.00	0.00	0.00
The Hub Power Company Limited	1,201,462	192,300	-	520,800	872,962	83,026	91,260	8,234	11.51	0.08	11.49
									13.99		13.97
Refinery											
Attock Refinery Limited	47,285	9,200	-	22,100	34,385	7,688	7,922	234	1.00	0.04	1.00
Technology & Communication											
Pakistan Telecommunication Company Limited 'A'	814,823	141,000	-	363,000	592,823	11,643	8,905	(2,738)	1.12	0.02	1.12
Textile Composite											
Nishat Mills Limited	-	216,600	-	40,000	176,600	16,731	16,921	190	2.13	0.05	2.13
Total						808,595	794,325	(14,270)			
Total cost of investments - 'held for trading'							714,946				

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, 2015: 417,000 shares) of Pakistan Petroleum Limited having market value of Rs. 53.426 million as at March 31, 2016 (June 30, 2015: Rs. 68.496 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

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

In this regard, a Constitutional Petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax

provision should not be applicable on bonus shares received by CISs. On September 8, 2015, the Sindh High Court has dismissed the suit on the basis that bonus shares are included in the definition of income and accordingly are chargeable to tax. An appeal against the judgement has been instituted and a stay order has been granted by the High Court of Sindh in favour of CISs.

In the current period, Hascol Petroleum Limited and The Searle Company Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These haven't been deposited by the Company with the Government Treasury due to pending adjudication of the aforementioned Constitutional Petition and the stay order.

There were no other contingencies and commitments outstanding as at March 31, 2016.

7. ALLOCATED EXPENSES

In the current period, a statutory notification (S.R.O. No. 1160 (I)/2015 dated November 25, 2015) was issued by Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non - Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CIS) upto a maximum of 0.1% of average annual net assets of the Scheme. Accordingly, such expenses have been charged effective from December 16, 2015.

8. 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, 2015. 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. 12.90 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 1.17 per unit (1.63 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.

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, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund – III, Meezan Capital Preservation Fund – II, 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 provision of NBFC Rules, NBFC Regulations, 2008 and the Trust Deed respectively.

Details of transactions with connected persons and balances with them for the period ended March 31, 2016 and as of that date along with comparatives are as follows:

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	657	1,012
Sindh Sales Tax and Federal Excise Duty on management fee payable	5,117	3,959
Sales load payable	61	109
Sindh Sales Tax and Federal Excise Duty on sales load payable	375	333
Allocated expenses payable	66	-
Investment as at March 31, 2016: 2,807,016 units (June 30, 2015 : 1,989,357 units)	201,375	146,317
Meezan Bank Limited		
Sales load payable	-	23
Bank balance	4,530	3,170
Shariah advisor fee payable	133	-
Investment as at March 31, 2016: 2,113,224 units (June 30, 2015: 2,113,224 units)	151,603	155,428
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	132	183
Sindh Sales Tax on Trustee Fee Payable	18	-
Deposit	103	103
Meezan Capital Preservation Fund - III		
Investments as at March 31, 2016: nil units (June 30, 2015: 4,638,473 units)	-	341,160
Meezan Capital Preservation Fund - II		
Investments as at March 31, 2016: 613,123 units (June 30, 2015: 1,734,306 units)	43,985	127,558
Directors and Executives of the Management Company		
Investment as at March 31, 2016: 421,355 units (June 30, 2015: 411,792 units)	30,228	30,287

	(Unaudited) Nine months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	6,679	9,510
Sindh Sales Tax and Federal Excise Duty on management fee	2,153	3,177
Allocated expense	232	-
Units issued: 817,658 units (March 31, 2015: nil units)	53,680	-
Cash dividend paid	3,680	-
Meezan Bank Limited		
Profit on savings account	35	95
Shariah advisor fee	156	-
Cash dividend paid	3,909	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	1,317	1,702
Sindh Sales tax on Trustee Fee for the period	184	-
CDS charges	80	61
Meezan Capital Preservation Fund - III		
Units issued: 119,682 units (March 31, 2015: 1,532,729)	8,581	99,750
Transaction Cost received	-	250
Redemption of units: 4,758,155 units (March 31, 2015: nil units)	329,438	-
Cash dividend paid	8,581	-
Meezan Capital Preservation Fund - II		
Units issued: 44,748 units (March 31, 2015: 215,039)	3,208	13,540
Transaction Cost received	-	34
Redemption of units : 1,165,932 units (March 31, 2015: 2,306,891)	85,100	155,000
Cash dividend paid	3,208	-
Directors and Executives of the Management Company		
Units issued: 9,563 units (March 31, 2015: 1,530 units)	686	104
Redemption of units: nil units (March 31, 2015: 4,445 units)	-	293
Cash dividend paid	762	-

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. Provided that for the purpose of determining distribution of at least 90 percent of accounting income, the income distributed through bonus units shall not be taken into account. 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, 2016 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016									
(Rupees in '000)									
Financial assets - measured at fair value									
	794,325	-	-	-	794,325	794,325	-	-	794,325
Financial assets - not measured at fair value									
	-	-	7,547	-	7,547				
	-	14,918	-	-	14,918				
	<u>794,325</u>	<u>14,918</u>	<u>7,547</u>	<u>-</u>	<u>816,790</u>				
Financial liabilities - not measured at fair value									
	-	-	-	4,517	4,517				

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. Therefore, 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 April 20, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director



QUARTERLY REPORT
MARCH 31, 2016

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 SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

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

LEGAL ADVISER

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

TRANSFER AGENT

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT MARCH 31, 2016

	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
(Rupees in '000)			
Assets			
Balances with banks		762,002	438,024
Investments	5	3,834,528	2,859,132
Receivable on conversion of units		-	198,040
Dividend receivable		28,502	3,614
Receivables against investments (net)		1,760	-
Deposits and other receivables		31,828	21,193
Total assets		4,658,620	3,520,003
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		43,147	28,033
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		534	358
Payable to Securities and Exchange Commission of Pakistan (SECP)		2,783	2,135
Payable to Meezan Bank Limited (MBL)		149	-
Payable on redemption and conversion of units		5,127	10,220
Accrued expenses and other liabilities		40,753	56,084
Unclaimed dividend		7,347	39,713
Total liabilities		99,840	136,543
Net assets		4,558,780	3,383,460
Contingencies and commitments	6		
Unitholders' fund (as per statement attached)		4,558,780	3,383,460
(Number of units)			
Number of units in issue		298,224,826	230,697,369
(Rupees)			
Net assets value per unit		15.29	14.67

The annexed notes 1 to 13 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2016	2015	2016	2015
(Rupees in '000)					
Income					
Net realised (loss) / gain on sale of investments		(14,636)	47,734	(5,330)	16,036
Dividend income		92,380	49,691	31,115	17,201
Profit on saving accounts with banks		40,084	26,918	10,606	12,020
Profit on Term Deposit Receipts		8,649	-	2,907	-
Profit on sukuk certificates		47,936	44,792	18,391	16,738
Back end load		-	(80)	-	(31)
		174,413	169,055	57,689	61,964
Unrealised appreciation / (diminution) on re-measurement of investments - 'at fair value through profit or loss' (net)		89,661	(26,951)	103,768	(97,168)
Reversal of non-performing debt securities	5.1.2.6	-	85	-	-
		89,661	(26,866)	103,768	(97,168)
Total income		264,074	142,189	161,457	(35,204)
Expenses					
Remuneration to Al Meezan - Management Company		65,402	34,142	22,369	13,347
Sindh Sales Tax and Federal Excise Duty on Management Fee		21,110	11,403	7,212	4,457
Remuneration to CDC - Trustee		4,026	2,458	1,367	914
Sindh Sales Tax on Trustee Fee		564	-	192	-
Annual fee to SECP		2,783	1,451	951	567
Auditors' remuneration		412	352	92	64
Charity expense		923	697	195	177
Fees and subscription		262	164	164	54
Legal and professional charges		133	-	-	-
Brokerage		2,088	1,508	336	651
Bank and settlement charges		846	666	173	250
Allocated expenses		1,317	-	1,119	-
Provision for Workers' Welfare Fund (WWF)	8	-	2,934	-	(273)
Total expenses		99,866	55,775	34,170	20,208
Net income from operating activities		164,208	86,414	127,287	(55,412)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed (net)		20,843	57,330	(3,407)	42,018
Net income for the period before taxation		185,051	143,744	123,880	(13,394)
Taxation		-	-	-	-
Net income for the period after taxation		185,051	143,744	123,880	(13,394)
Other comprehensive income for the period					
Items that can be reclassified to income statements in subsequent periods					
Net unrealised diminution on re-measurement of investments classified as 'available for sale'	5.2.1	(2,911)	(91)	(10,043)	(8,835)
Total comprehensive income for the period		182,140	143,653	113,837	(22,229)

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM DISTRIBUTION STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016 (Rupees in '000)	2015
Undistributed income brought forward		
- Realised	408,678	209,274
- Unrealised	189,493	101,271
	598,171	310,545
Net income for the period	185,051	143,744
Element of income and capital gains included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments (net)	2,551	9,119
Undistributed income carried forward	785,773	463,408
Undistributed income carried forward		
- Realised	696,112	490,274
- Unrealised	89,661	(26,866)
	785,773	463,408

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016 (Rupees in '000)	2015
Net assets at the beginning of the period	3,383,460	1,930,486
Issue of 142,405,604 units for the nine months ended March 31, 2016 (2015: 84,298,527 units)	2,133,779	1,211,658
Redemption of 74,878,147 units for the nine months ended March 31, 2016 (2015: 31,899,802 units)	(1,119,755)	(445,685)
	1,014,023	765,973
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(20,843)	(57,330)
Net realised (loss) / gain on sale of investments	(14,636)	47,734
Unrealised appreciation / (diminution) in the value of investments (net)	89,661	(26,951)
Total other comprehensive income for the period	107,115	122,870
Net income for the period less distribution	182,140	143,653
Net assets at end of the period	4,558,780	2,782,782
	(Rupees)	
Net assets value per unit at beginning of the period	14.67	13.35
Net assets value per unit at end of the period	15.29	14.13

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016	2015
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	185,051	143,744
Adjustments for:		
Unrealised (gain) / loss on re-measurement of investments - 'at fair value through profit or loss' (net)	(89,661)	26,951
Reversal of non-performing debt securities	-	(85)
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(20,843)	(57,330)
	<u>74,547</u>	<u>113,280</u>
Increase in assets		
Investments (net)	(888,646)	(883,962)
Dividend receivable	(24,888)	(12,889)
Deposits and other receivables	(12,395)	(67,574)
	<u>(925,929)</u>	<u>(964,425)</u>
Increase / (decrease) in liabilities		
Payable to Al Meezan - Management Company	15,114	12,132
Payable to CDC - Trustee	176	89
Payable to SECP	648	(14)
Payable to MBL	149	-
Accrued expenses and other liabilities	(15,331)	2,506
	<u>756</u>	<u>14,713</u>
Net cash used in operating activities	<u>(850,626)</u>	<u>(836,432)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	2,331,819	1,211,658
Dividend paid	(32,366)	(29)
Payment against redemption and conversion of units	(1,124,849)	(396,561)
Net cash inflow from financing activities	<u>1,174,603</u>	<u>815,068</u>
Net increase / (decrease) in cash and cash equivalents during the period	323,978	(21,364)
Cash and cash equivalents at beginning of the period	438,024	470,857
Cash and cash equivalents at end of the period	<u>762,002</u>	<u>449,493</u>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

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

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

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

1.3 The Fund is an open-end fund listed on Pakistan Stock Exchange (formerly Islamabad Stock Exchange). Units of the fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

1.4 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 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 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, 2015 and period ended December 31, 2015.

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, 2015.

5. INVESTMENTS

	Note	(Unaudited) March 31, 2016 (Rupees in '000)	(Audited) June 30, 2015
Investments 'at fair value through profit or loss'	5.1	3,416,294	2,434,966
Investments - 'available for sale'	5.2	244,234	250,166
Loans and receivables	5.3	174,000	174,000
		<u>3,834,528</u>	<u>2,859,132</u>
5.1 Investments 'at fair value through profit or loss'			
Held for trading	5.1.1	2,583,779	1,826,772
Investments at fair value through profit or loss upon initial recognition	5.1.2	832,515	608,194
		<u>3,416,294</u>	<u>2,434,966</u>
5.1.1 Held for trading			
Shares of listed companies	5.1.1.1	2,362,458	1,539,664
Sukuk certificates	5.1.1.5	221,321	287,108
		<u>2,583,779</u>	<u>1,826,772</u>

5.1.1.1 Shares of listed companies

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 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)	1,073,500	-	-	475,000	598,500	24,538	25,137	599	0.55	0.06	0.66
Automobile assemblers											
Millat Tractors Company Limited	11,800	-	-	-	11,800	8,093	6,248	(1,845)	0.14	0.03	0.16
Indus Motors Company Limited	10,000	20,000	-	-	30,000	33,687	28,417	(5,270)	0.62	0.04	0.74
Pakistan Suzuki Motor Company Limited	22,800	-	-	22,000	800	349	330	(19)	0.01	0.00	0.01
Honda Atlas Cars	246,500	40,000	-	20,000	266,500	59,722	67,275	7,553	1.48	0.19	1.75
									2.24		2.67
Automobile parts and accessories											
Thal Limited (note 5.1.1.2)	41,000	85,000	-	-	126,000	33,463	32,094	(1,369)	0.70	0.16	0.84
Cable & Electrical Goods											
Pak Elektron	800,000	1,086,750	-	1,078,000	808,750	57,260	48,905	(8,355)	1.07	0.20	1.28
Chemicals											
ICI Pakistan Limited	17,195	-	-	-	17,195	7,375	7,393	18	0.16	0.02	0.19
Sitara Chemical Industries Limited	-	2,100	-	-	2,100	777	760	(17)	0.02	0.01	0.02
									0.18		0.21
Cement											
Attock Cement Pakistan Limited	85,402	-	-	40,000	45,402	8,654	9,262	608	0.20	0.04	0.24
Cherat Cement Company Limited	124,000	575,000	-	-	699,000	63,006	75,429	12,423	1.65	0.40	1.97
DG Khan Cement Company Limited	70,760	320,000	-	60,000	330,760	50,576	57,493	6,917	1.26	0.08	1.50
Fauji Cement Company Limited	2,388,000	250,000	-	-	2,638,000	92,338	110,559	18,221	2.43	0.19	2.88
Kohat Cement Limited	225,200	141,000	-	20,000	346,200	71,756	90,026	18,270	1.97	0.22	2.35
Pakcem Limited (formerly Lafarge Pak Limited)	16,646	-	-	-	16,646	324	310	(14)	0.01	0.00	0.01
Lucky Cement Limited	334,000	103,400	-	-	437,400	224,045	235,369	11,324	5.16	0.14	6.14
Maple Leaf Cement Limited	350,000	200,000	-	220,000	330,000	26,681	30,429	3,748	0.67	0.06	0.79
Pioneer Cement Limited	216,000	350,000	-	-	566,000	50,808	55,989	5,181	1.23	0.25	1.46
									14.57		17.34
Fertilizers											
Dawood Hercules	-	338,000	-	-	338,000	38,491	41,158	2,667	0.90	0.07	1.07
Engro Fertilizers Limited	455,000	497,500	-	950,000	2,500	232	174	(58)	0.00	0.00	0.00
Engro Corporation Pakistan Limited (note 5.1.1.4)	575,000	445,500	-	35,000	985,500	302,106	311,122	9,016	6.82	0.19	8.11
Fatima Fertilizer Limited	734,000	-	-	332,500	401,500	15,687	13,362	(2,325)	0.29	0.02	0.35
Fauji Fertilizer Company Limited	119,700	-	-	119,500	200	30	21	(9)	0.00	0.00	0.00
									8.02		9.53
Technology & Communication											
Pakistan Telecommunication Company Limited "A"	1,672,510	-	-	300,000	1,372,510	28,137	20,615	(7,522)	0.45	0.04	0.54
Paper & Board											
Packages Limited	147,600	250,300	-	15,000	382,900	215,506	199,878	(15,628)	4.38	0.43	5.21
Refinery											
Attock Refinery Limited	-	25,000	-	-	25,000	5,025	5,759	734	0.13	0.03	0.15
National Refinery Limited	2,500	50,000	-	39,300	13,200	3,465	3,570	105	0.08	0.02	0.09
									0.20		0.24
Oil & Gas Exploration											
Pakistan Oilfields Limited	186,725	134,000	-	80,000	240,725	88,929	62,109	(26,820)	1.36	0.10	1.62
Pakistan Petroleum Limited	4,396	170,000	-	-	174,396	20,463	22,344	1,881	0.49	0.01	0.58
Mari Petroleum Company Limited	8,000	76,250	-	-	84,250	43,740	59,183	15,443	1.30	0.08	1.54
									3.16		3.75
Oil and Gas Marketing											
Pakistan State Oil Company Limited	300,004	195,000	-	115,000	380,004	141,022	133,473	(7,549)	2.93	0.14	3.48
Attock Petroleum	9,600	-	-	-	9,600	5,445	4,136	(1,309)	0.09	0.01	0.11
Hascol Petroleum Limited	55,500	50,000	21,100	120,000	6,600	657	926	269	0.02	0.01	0.02
Sui Northern Gas Pipeline Limited	475,000	880,000	-	1,349,500	5,500	172	140	(32)	0.00	0.00	0.00
									3.04		3.62
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	31,000	42,300	-	-	73,300	46,622	48,535	1,913	1.06	0.07	1.27
Ferozsons (Lab)	-	37,400	-	7,000	30,400	25,439	26,593	1,154	0.58	0.10	0.69
The Searle Company	104,800	101,480	54,384	25,000	235,664	59,180	103,572	44,392	2.27	0.19	2.70
Highnoon (Lab)	-	31,000	-	20,000	11,000	3,759	5,801	2,042	0.13	0.05	0.15
									4.05		4.81
Food & Personal Care Products											
Engro Foods Limited	600,000	-	-	259,500	340,500	51,565	54,221	2,656	1.19	0.04	1.41
Al-Shaheer Corporation	-	280,500	70,000	-	350,500	24,305	18,734	(5,571)	0.41	0.28	0.49
									1.60		1.90

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 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) -----			----- % -----		
Textile (Composite)											
Nishat Mills Limited	441,800	-	-	300,000	141,800	16,198	13,586	(2,612)	0.30	0.04	0.35
Power Generation & Distribution											
Hub Power Company Limited	736,097	567,000	-	-	1,303,097	125,901	136,226	10,325	2.99	0.11	3.55
K-Electric Limited (note 5.1.1.2)	2,440,000	6,985,000	-	-	9,425,000	72,624	66,918	(5,706)	1.47	0.03	1.75
Kohinoor Energy Limited	65,000	-	-	-	65,000	3,282	2,613	(669)	0.06	0.04	0.07
Lalpir Power	677,000	400,000	-	-	1,077,000	32,250	26,882	(5,368)	0.59	0.28	0.70
Pakgen Power Limited	50,000	241,500	-	-	291,500	9,041	7,865	(1,176)	0.17	0.08	0.21
									5.27		6.27
Real Estate Investment Trust											
Dolmen City REIT	2,728,000	-	-	-	2,728,000	30,035	28,480	(1,555)	0.62	0.12	0.74
Engineering											
Crescent Steel & Allied products	-	382,250	-	-	382,250	37,544	44,945	7,401	0.99	0.49	1.17
Amreli Steels Limited	-	100,000	-	-	100,000	4,778	5,217	439			
Miscellaneous											
Shifa International Hospital	-	48,584	-	-	48,584	15,737	12,875	(2,862)	0.28	0.10	0.34
Total						2,280,819	2,362,458	81,639			
Total cost of investments							2,088,490				

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

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

5.1.1.4 150,000 shares of Engro Corporation Limited, having market value of Rs 47.355 million as at March 31, 2016 (June 30, 2015: Rs. 44.520 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, 2015	Purchases during the period	Sales / Matured during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain as at March 31, 2016	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)	Total market value of investments	
GoP Ijarah Sukuk Certificates - IX (Note 5.1.1.6)	November 21, 2015	Weighted Average 6 months T-Bills	1,700	-	1,700	-	-	-	-	----- (%) -----	
GoP Ijarah Sukuk Certificates - XII (Note 5.1.1.6)	November 21, 2015	Weighted Average 6 months T-Bills	1,150	-	1,150	-	-	-	-	----- (%) -----	
GoP Ijarah Sukuk Certificates - XVI (Note 5.1.1.6)	December 18, 2018	Weighted Average 6 months T-Bills	-	4,250	4,250	-	-	-	-	----- (%) -----	
GoP Ijarah Sukuk Certificates - XVII (Note 5.1.1.6)	February 15, 2019	Weighted Average 6 months T-Bills	-	2,200	10	2,190	219,000	221,321	2,321	4.85	5.77
Total							219,000	221,321	2,321		
Total cost of investments							219,000				

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

	Note	(Unaudited) December 31, 2016	(Audited) June 30, 2015
5.1.2 Investments - 'at fair value through profit or loss upon initial recognition'			
(Rupees in '000)			
Shares of listed companies 'Ordinary shares'	5.1.2.1	60,364	75,369
Sukuk certificates	5.1.2.2	772,151	529,931
Preference shares	5.1.3	-	2,894
		832,515	608,194

5.1.2.1 Shares of listed companies 'Ordinary shares'

Name of the investee company	As at July 01, 2015	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 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												
Automobile assemblers												
Indus Motor Company Limited	50,055	-	-	-	50,055	62,519	47,414	(15,105)	1.04	0.06	1.24	
Banks												
Meezan Bank Limited (an associate company of the Fund)	277,593	-	-	-	277,593	11,381	11,659	278	0.26	0.00	0.30	
Paper and Board												
Packages Limited	2,473	-	-	-	2,473	1,469	1,291	(178)	0.03	0.00	0.03	
Total						75,369	60,364	(15,005)				
Total cost of investments							12,894					

5.1.2.2 Sukuk certificates

Name of the investee company	Maturity	Profit rate	As at July 01, 2015	Purchases during the period	Redemptions / Matured during the period	As at March 31, 2016	Carrying value as at March 31, 2016*	Market value as at March 31, 2016*	Unrealised gain / (loss) as at March 31, 2016	Percentage in relation to		
										Net assets of the fund on the basis of market value (note 5.1.1.3)	Paid-up capital of the investee company (with face value of investments)	Total market value of investments
					(Number of certificates)	(Rupees in '000)			%			
Secured												
Engro Fertilizer Pakistan Limited (A+, PACRA, non-traded) (note 5.1.2.3)	September 1, 2015	6 months KIBOR plus base rate of 1.5%	5,000	-	5,000	-	-	-	-	-	-	-
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%	13,260	-	680	12,580	65,180	65,416	236	1.43	0.00	1.71
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	436,265	448,610	12,345	9.84	0.01	11.70
Security Leasing * Corporation Limited II (note 5.1.2.3 5.1.2.5 & 5.1.2.6)	January 19, 2022	Nil	1,540	-	-	1,540	-	-	-	-	-	-
Eden Housing Limited * (note 5.1.2.3 5.1.2.5 & 5.1.2.6)	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 & 5.1.2.6)	April 15, 2014	6 months KIBOR plus base rate of 2%	5,000	-	-	5,000	-	-	-	-	-	-
Lalpir Power Limited- CP Sukuk (note 5.1.2.3 & 5.1.2.4)	February 4, 2016	6 months KIBOR plus base rate of 0.25%	-	10,000	10,000	-	-	-	-	-	-	-
Hascol Petroleum Limited- Sukuk (note 5.1.2.3 & 5.1.2.4)	January 7, 2022	3 months KIBOR plus base rate of 1.50%	-	50,000	-	50,000	250,000	258,125	8,125	5.66	0.01	6.73
Total							751,445	772,151	20,706			
Total cost of investments								784,326				

* 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.

5.1.2.4 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.

5.1.2.5 Eden Housing Limited and Security Leasing Corporation sukuk certificates have been classified as non-performing by MUFAP. Details are given in the financial statements for the year ended June 30, 2015.

5.1.2.6 The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. All Meezan Investment Management Limited (Management Company) classified Meezan Balanced Fund (the Fund) as 'Balanced Scheme' in accordance with the said circular. As at March 31, 2016, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires the rating of any security in the portfolio shall not be lower than the investment grade.

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

Name of the investee company	Type of investments	Value of investment before provision	Provision held as at March 31, 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	-		

5.1.2.6 Provision on sukuk certificates

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Opening	37,623	37,708
Reversal for the period - net	-	(85)
Closing	<u>37,623</u>	<u>37,623</u>

5.1.3 Preference Shares - Unlisted

Name of Security	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
		(Rupees in '000)	
Mari Petroleum Company Limited- at cost	5.1.3.1	-	2,894

5.1.3.1 In accordance with the notice of redemption of preference shares issued by Mari Petroleum Company Limited (MPCL) dated September 23, 2015. All preference shares were surrendered by the Fund to MPCL on September 30, 2015. These preference shares were redeemed on October 06, 2015 and the Fund received dividend for the period from June 19, 2015 to September 11, 2015, which were duly recognized as charity in the interim financial information.

5.2 Investments - 'available for sale'

Shares of listed companies (Ordinary shares)

Name of the investee company	As at July 01, 2015	Purchases during the period	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 2016	Percentage in relation to		
								Net assets of the Fund on the basis of market value (see 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 assemblers										
Indus Motor Company Limited	11,075	-	-	11,075	2,422	10,491	8,069	0.23	0.01	0.27
Pakistan Suzuki Motor Company Limited	11,260	-	8,000	3,260	241	1,342	1,101	0.03	0.00	0.03
								0.26		0.31
Banks										
Meezan Bank Limited (an associate of the Fund)	1,207	-	-	1,207	17	51	34	0.00	0.00	0.00
BankIslami Pakistan Limited	875	-	-	875	6	10	4	0.00	0.00	0.00
								0.00		0.00
Fertilizers										
Fauji Fertilizer Bin Qasim Limited	377	-	377	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	30,599	-	30,000	599	48	64	16	0.00	0.00	0.00
								0.00		0.00
Chemicals										
ICI Pakistan Limited	7,921	-	-	7,921	999	3,406	2,407	0.07	0.01	0.09
Cement										
Attock Cement Pakistan Limited	287	-	-	287	11	58	47	0.00	0.00	0.00
DG Khan Cement Company Limited	79,249	-	-	79,249	3,121	13,775	10,654	0.30	0.02	0.36
Lucky Cement Limited	7,451	-	-	7,451	887	4,009	3,122	0.09	0.00	0.10
								0.39		0.47
Power Generation & Distribution										
Hub Power Company Limited	1,264,050	-	-	1,264,050	46,726	132,144	85,418	2.90	0.11	3.45
Paper and Board										
Packages Limited	150,000	-	-	150,000	77,511	78,302	791	1.72	0.17	2.04
Oil & Gas										
Pakistan Petroleum Limited	4,548	-	-	4,548	558	582	24	0.01	0.00	0.02
Total					132,547	244,234	111,687			
Total cost of investments						132,547				

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

	Note	(Unaudited) March 31, 2016 (Rupees in '000)	(Audited) June 30, 2015
Market value of investments		244,234	250,166
Less: Cost of investments		132,547	135,568
		111,687	114,598
Less: Net unrealised appreciation on re-measurement of investments classified as 'available for sale' at beginning of the period		108,776	98,514
		(2,911)	16,084

5.3 Investment loans and receivables'

Term deposit receipts - having original maturity of more than 3 months	5.3.1	174,000	174,000
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5.3.1	Name of the bank	Maturity date	Profit rate	As at July 01, 2015	Placement made during the period	Matured during the period	As at March 31, 2016	Percentage of total value of investments
			---- % ----	----- (Rupees in '000) -----				---- % ----
	Meezan Bank Limited (an associate of the Fund)	June 22, 2016	6.70	174,000	-	-	174,000	4.54
				174,000	-	-	174,000	

6. CONTINGENCIES AND COMMITMENTS

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

In this regard, a Constitutional Petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. On September 8, 2015, the Sindh High Court has dismissed the suit on the basis that bonus shares are included in the definition of income and accordingly are chargeable to tax. An appeal against the judgment has been instituted and a stay order has been granted by the High Court of Sindh in favour of CISs.

In the current period, Hascol Petroleum Limited, The Searle Company Limited and Al-Shaheer Corporation issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These haven't been deposited by the Company with the Government Treasury due to pending adjudication of the aforementioned Constitutional Petition and the stay order.

There were no other contingencies and commitments outstanding as at March 31, 2016.

7. ALLOCATED EXPENSES

In the current period, a statutory notification (S.R.O. No. 1160 (I)/2015 dated November 25, 2015) was issued by Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non - Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CIS) upto a maximum of 0.1 percent of average annual net assets of the Scheme. Accordingly, such expenses have been charged effective from December 16, 2015.

8. 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, 2015. 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. 0.13 per unit (0.83 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. SEGMENT REPORTING

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

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

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

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

	For the nine months period ended March 31, 2016			For the nine months period ended March 31, 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	141,730	71,523	213,253	69,808	43,950	113,758
Unallocated expenses	-	-	(28,202)	-	-	29,986
Total net income	-	-	185,051	-	-	143,744

	As at March 31, 2016			As at June 30, 2015		
	Equity sub-portfolio	Debt sub-portfolio	Total	Equity sub-portfolio	Debt sub-portfolio	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Total segment assets	2,695,558	1,176,288	3,871,846	1,868,813	1,000,333	2,869,146
Unallocated assets			786,774			650,857
Total assets			4,658,620			3,520,003
Total segment liabilities	1,694	-	1,694	2,041	-	2,041
Unallocated liabilities			98,146	-	-	134,502
Total liabilities	1,694	-	99,840	2,041	-	136,543

There were no transactions between reportable segments.

10. 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 Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Capital Preservation Fund -III, Meezan Capital Preservation Fund -II, 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 respectively.

Details of transactions with connected persons and balances with them for the period ended March 31, 2016 and as of that date along with the comparative are as follows:

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	<u>7,677</u>	<u>5,515</u>
Sindh Sales Tax and Federal Excise Duty payable on management fee	<u>27,635</u>	<u>15,433</u>
Sales load payable	<u>1,265</u>	<u>3,418</u>
Sindh Sales Tax and Federal Excise Duty payable on sales load	<u>5,831</u>	<u>3,667</u>
Allocated expenses payable	<u>739</u>	<u>-</u>
Investment of 830,090 units (June 30, 2015: 830,090 units)	<u>12,689</u>	<u>12,177</u>
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	<u>534</u>	<u>358</u>
Deposits	<u>300</u>	<u>300</u>
Meezan Bank Limited		
Bank balance	<u>27,949</u>	<u>84,014</u>
Term Deposit Receipts	<u>174,000</u>	<u>174,000</u>
Investment in 877,300 shares (June 30, 2015: 1,352,300 shares)	<u>36,847</u>	<u>55,443</u>
Investment of 18,886,746 units (June 30, 2015: 18,886,746 units)	<u>288,708</u>	<u>277,069</u>
Shariah advisory fee payable	<u>149</u>	<u>-</u>
Pakistan Kuwait Investment Company (Private) Limited		
Investment of 11,057,791 units (June 30, 2015: 11,057,791 units)	<u>169,033</u>	<u>162,218</u>
Al Meezan Investment Management Limited - Employees Gratuity Fund		
Investment of 400,115 units (June 30, 2015: 400,115 units)	<u>6,116</u>	<u>5,870</u>
Directors and Executives of the Management Company		
Investment of 2,401,320 units (June 30, 2015: 2,322,530 units)	<u>36,707</u>	<u>34,072</u>

	For the nine months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	<u>65,402</u>	<u>34,142</u>
Sindh Sales Tax and Federal Excise Duty on management fee	<u>21,110</u>	<u>11,403</u>
Allocated expenses	<u>1,317</u>	<u>-</u>
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	<u>4,026</u>	<u>2,458</u>
CDS Charges for the period	<u>90</u>	<u>71</u>
Meezan Bank Limited		
Profit on saving account	<u>907</u>	<u>2,756</u>
Profit on TDR	<u>8,649</u>	<u>1,473</u>
Sale of shares: 475,000 (2015: Nil)	<u>23,394</u>	<u>-</u>
Purchase of shares: Nil (2015: 400,000 shares)	<u>-</u>	<u>19,000</u>
Shariah advisor fee	<u>149</u>	<u>-</u>
Directors and Executives of the Management Company		
Units issued: 300,518 (2015: 211,334)	<u>4,442</u>	<u>2,982</u>
Units redeemed: 221,728 (2015: 144,354)	<u>3,296</u>	<u>2,142</u>

11. 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. Provided that for the purpose of determining distribution of at least 90 percent of accounting income, the income distributed through bonus units shall not be taken into account. 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, 2016 as reduced by capital gains (whether realised or unrealised) to its unitholders.

12. FINANCIAL INSTRUMENTS - FAIR VALUES

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

Note	Carrying amount					Fair value			
	Investments	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016									
(Rupees in '000)									
Financial assets - measured at fair value									
Equity securities	2,667,056	-	-	-	2,667,056	2,667,056	-	-	2,667,056
GoP Ijarah sukuk certificates	221,321	-	-	-	221,321	221,321	-	-	221,321
Corporate sukuk certificates	772,151	-	-	-	772,151	772,151	-	-	772,151
Financial assets - not measured at fair value									
Cash and cash equivalents	12.1	-	-	762,002	-	762,002	-	-	762,002
Trade and other receivables	12.1	-	236,084	-	-	236,084	-	-	236,084
		<u>3,660,528</u>	<u>236,084</u>	<u>762,002</u>	<u>-</u>	<u>4,658,614</u>			
Financial liabilities - not measured at fair value									
Trade and other payables	12.1	-	-	-	25,179	25,179	-	-	25,179

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

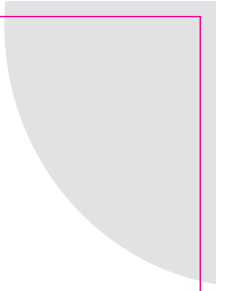
13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 20, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





QUARTERLY REPORT
MARCH 31, 2016

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

Allied Bank Limited	Askari Bank Limited - Islamic Banking
Al Baraka Islamic Bank B.S.C (E.C)	Bank Alfalah Limited
Bank Al Habib Limited - Islamic Banking	Burj Bank Limited
Bankislami Pakistan Limited	Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited - Islamic Banking	Habib Bank Limited - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking	MCB Bank Limited - Islamic Banking
Meezan Bank Limited	National Bank of Pakistan - Islamic Banking
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 MARCH 31, 2016

	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
(Rupees in '000)			
Assets			
Balances with banks	5	3,142,316	2,559,304
Investments	6	5,125,613	3,209,537
Deposits, prepayments and other receivables		85,165	96,081
Total assets		8,353,094	5,864,922
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		57,290	35,897
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		663	472
Payable to Securities and Exchange Commission of Pakistan (SECP)		4,520	4,761
Payable to Meezan Bank Limited (MBL)		199	350
Payable on redemption and conversion of units		1,398	1,509,505
Accrued expenses and other liabilities		46,703	50,937
Total liabilities		110,773	1,601,922
Net assets		8,242,321	4,263,000
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		8,242,321	4,263,000
(Number of units)			
Number of units in issue		154,605,441	78,577,810
(Rupees)			
Net asset value per unit		53.31	54.25

The annexed notes 1 to 13 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2016	2015	2016	2015
(Rupees in '000)					
Income					
Profit on saving accounts with banks		181,097	230,239	52,896	42,390
Profit on term deposit receipts		83,642	31,611	32,276	31,611
Profit on sukuk certificates		151,224	186,967	63,576	63,466
Realised gain on sale of sukuk certificates (net)		43,599	21,007	23,303	17,951
Other income		2,004	1,620	127	1,414
		461,566	471,444	172,178	156,832
Unrealised appreciation / (diminution) on re-measurement of investments 'at fair value through profit or loss' (net)	6.1.1 & 6.1.3	49,773	24,814	(12,265)	15,842
Reversal against sukuk certificates (net)		-	169	-	-
		49,773	24,983	(12,265)	15,842
Total income		511,339	496,427	159,913	172,674
Expenses					
Remuneration to Al Meezan - Management Company		90,397	70,095	33,187	21,750
Sindh Sales Tax and Federal Excise Duty on Management Fee		29,143	23,412	10,698	7,265
Remuneration to CDC - Trustee		5,416	4,472	1,946	1,409
Sindh Sales Tax on Trustee Fee		758	-	272	-
Annual fee to SECP		4,520	3,505	1,659	1,088
Auditors' remuneration		448	410	93	63
Fees and subscription		467	223	287	72
Legal and professional charges		165	-	-	-
Brokerage		510	402	236	163
Bank and settlement charges		124	70	40	27
Provision for Workers' Welfare Fund	9	-	9,754	-	4,878
Printing expense		156	-	50	-
Allocated expenses	8	2,649	-	2,213	-
Total expenses		134,753	112,343	50,681	36,715
Net income from operating activities		376,586	384,084	109,232	135,959
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed (net)		3,894	93,851	(66,239)	103,046
Net income for the period before taxation		380,480	477,935	42,993	239,005
Taxation	11	-	-	-	-
Net income for the period after taxation		380,480	477,935	42,993	239,005
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		380,480	477,935	42,993	239,005

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM DISTRIBUTION STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016 (Rupees in '000)	2015
Undistributed income / accumulated (loss) brought forward		
- Realised	308,543	88,966
- Unrealised	22,460	(79,179)
	331,003	9,787
Final distribution for the year ended June 30, 2015		
- cash dividend at the rate of 6.80% i.e. Rs. 3.40 per unit (June 30, 2014: nil)	(267,165)	-
Net income for the period	380,480	477,935
Undistributed income carried forward	444,318	487,722
Undistributed income carried forward		
- Realised	394,545	462,739
- Unrealised	49,773	24,983
	444,318	487,722

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Net assets at beginning of the period	4,263,000	4,918,355
Issue of 401,727,182 units (March 31, 2015: 164,698,832 units)	21,031,648	8,534,936
Issue of 4,720,443 units for re-investment of cash dividend (March 31, 2015: nil)	240,035	-
Redemption of 330,419,994 units (March 31, 2015: 114,361,018 units)	(17,401,784)	(5,915,637)
	3,869,899	2,619,299
Element of income and capital gains included in prices of units sold less those in units redeemed (net)	(3,894)	(93,851)
Realised gain on sale of sukuk certificates	43,599	21,007
Unrealised appreciation in the value of investments (net)	49,773	24,983
Net other income for the period	287,108	431,945
Total comprehensive income for the period	380,480	477,935
Final distribution for the year ended June 30, 2015 - cash dividend at the rate of 6.80% i.e. Rs. 3.40 per unit (June 30, 2014: nil)	(267,165)	-
Net income for the period less distribution	113,315	477,935
Net assets at end of the period	8,242,321	7,921,738
	(Rupees)	
Net assets value per unit at beginning of the period	54.25	50.17
Net assets value per unit at end of the period	53.31	53.39

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Note	Nine Months period ended March 31,	
		2016 (Rupees in '000)	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period		380,480	477,935
Adjustments for			
Unrealised appreciation on re-measurement of investments 'at fair value through profit or loss' (net)		(49,773)	(24,814)
Reversal against sukuk certificates (net)		-	(169)
Element of income and capital gains included in prices of units sold less those in units redeemed (net)		(3,894)	(93,851)
		326,813	359,101
(Increase) / decrease in assets			
Investments (net)		(1,616,303)	(1,643,491)
Deposits, prepayments and other receivables		10,917	(36,957)
		(1,605,387)	(1,680,448)
Increase / (decrease) in liabilities			
Payable to Al Meezan - Management Company		21,393	16,038
Payable to CDC - Trustee		191	109
Payable to SECP		(241)	804
Payable to Meezan Bank Limited		(151)	(112)
Accrued expenses and other liabilities		(4,234)	9,630
		16,958	26,469
Net cash used in operating activities		(1,261,616)	(1,294,878)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance of units		21,031,648	8,534,936
Receipts against dividend re-investment		240,035	-
Payments against redemption and conversion of units		(18,909,891)	(5,922,484)
Dividend paid		(267,165)	(983)
Net cash generated from financing activities		2,094,628	2,611,469
Net increase in cash and cash equivalents during the period		833,012	1,316,591
Cash and cash equivalents at the beginning of the period		2,559,304	3,298,683
Cash and cash equivalents at the end of the period	5.2	3,392,316	4,615,274

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED MARCH 31, 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 (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. 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 a trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the approved accounting standards as applicable in Pakistan.

3. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions and directives issued under the Companies Ordinance, 1984, the 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, 2015 and period ended December 31, 2015.

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, 2015.

	Note	(Unaudited) March 31, 2016 (Rupees in '000)	(Audited) June 30, 2015
5. BALANCES WITH BANKS			
On saving accounts	5.1	3,127,684	2,554,137
On current accounts		14,632	5,167
		3,142,316	2,559,304
5.1 The balance in saving accounts bears expected profit which ranges from 2.48% to 6.65% per annum (June 30, 2015: 3.79% to 7.00% per annum).			
5.2 Cash and cash equivalents			
Balances with banks		3,142,316	2,559,304
Term deposit receipts - having original maturity of 3 months or less		250,000	-
		3,392,316	2,559,304
6. INVESTMENTS			
Investments - 'at fair value through profit or loss'	6.1	2,964,613	2,030,537
Investments - 'loans and receivables'	6.2	2,161,000	1,179,000
		5,125,613	3,209,537
6.1 Investments at 'fair value through profit or loss'			
- Held for trading	6.1.1	842,735	420,186
- Investments at 'fair value through profit or loss upon initial recognition'	6.1.3	2,121,878	1,610,351
		2,964,613	2,030,537

6.1.1 Held for trading - Sukuk certificates

Name of the security	Maturity date	Profit rate	As at July 01, 2015	Purchases during the period	Sales / maturity during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 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	
GoP Ijarah Sukuk Certificates - IX (note 6.1.2)	November 21, 2015	Weighted Average 6 months T-Bills	3,170	-	3,170	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XII (note 6.1.2)	November 21, 2015	Weighted Average 6 months T-Bills	1,000	-	1,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XVI (note 6.1.2)	December 18, 2018	Weighted Average 6 months T-Bills	-	36,000	35,660	340	34,000	34,255	255	0.42	0.67
GoP Ijarah Sukuk Certificates - XVII (note 6.1.2)	February 15, 2019	Weighted Average 6 months T-Bills	-	9,000	1,000	8,000	800,280	808,480	8,200	9.81	15.77
Total							834,280	842,735	8,455		
Total cost of investments								834,280			

6.1.2 The nominal value of the GoP Ijarah 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, 2015	Purchases during the period	Sales / redemptions during the period	As at March 31, 2016	*Carrying value as at March 31, 2016	*Market value as at March 31, 2016	Unrealised gain / (loss)	Percentage in relation to		
			----- (Number of certificates) -----			----- (Rupees in '000) -----			Net assets of the fund on the basis of market value	Total issue (with face value of investment)	Total market value of investments	
Arzoo Textile Mills Limited (note 6.1.4) *	April 15, 2014	6 months KIBOR plus base rate of 2%	14,000	-	-	14,000	-	-	-	9.46	-	
Eden Housing Limited (note 6.1.5) *	September 29, 2014	6 months KIBOR plus base rate of 2.5%	59,400	-	-	59,400	-	-	-	12.32	-	
Security Leasing Corporation Limited II (note 6.1.4) *	January 19, 2022	Nil	3,081	-	-	3,081	-	-	-	6.67	-	
Maple Leaf Cement Factory Limited (note 6.1.4) (A, PACRA traded)	December 3, 2018	3 months KIBOR plus base rate of 1.70%	27,464	-	19,732	7,732	30,888	38,911	8,023	0.47	4.00	
Engro Fertilizer Limited (note 6.1.4) (A+, PACRA)	September 1, 2015	6 months KIBOR plus base rate of 1.5%	17,750	-	17,750	-	-	-	-	-	-	
Engro Fertilizer Limited (note 6.1.4) (AA-, PACRA, traded)	July 9, 2019	6 months KIBOR plus base rate of 1.75%	82,875	-	4,250	78,625	407,376	408,848	1,472	4.96	13.28	
K-Electric Limited (sukuk 2) (note 6.1.4) (AA, JCR-VIS, traded)	March 19, 2017	3 months KIBOR plus base rate of 2.25%	35,600	-	-	35,600	182,621	181,827	(794)	2.21	4.75	
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%	160,000	70,000	-	230,000	1,159,674	1,182,543	22,869	14.35	23.07	
Hascol Petroleum Limited (note 6.1.4) (AA-, JCR-VIS, traded)	January 6, 2022	3 months KIBOR plus base rate of 1.50%	-	60,000	-	60,000	300,000	309,750	9,750	3.76	15.00	
Lalpir Power Limited CP Sukuk (note 6.1.4 & 6.1.4.1)	February 4, 2016	6 months KIBOR plus base rate of 0.25%	-	40,000	40,000	-	-	-	-	-	-	
Total							2,080,559	2,121,878	41,320			
Total cost of investments								2,193,564				

* 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 the sukuk certificates is Rs 5,000 each.

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

6.1.5 The nominal value of the sukuk certificates of Eden Housing Limited is Rs 984.375 each.

6.1.6 The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. Al Meezan Investment Management Limited (Management Company) classified Meezan Islamic Income Fund (the Fund) as 'Income Scheme' in accordance with the said circular. As at March 31, 2016, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires the rating of any security in the portfolio shall not be lower than the investment grade.

Following investments of the Fund are in 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)
March 31, **June 30,**
2016 **2015**
(Rupees in '000)

6.2 Investments - loans and receivables

Term Deposit Receipts

- having original maturity of 3 months or less		250,000	-
- having original maturity of more than 3 months	6.2.1	1,911,000	1,179,000
		2,161,000	1,179,000

6.2.1

Name of the bank	Maturity date	Profit rate	As at July 01, 2015	TDR placed during the period	Matured during the period	As at March 31, 2016	Percentage of total market value of investments
		----- % -----	----- (Rupees in '000) -----				---- % ----
Bank Islami Pakistan Limited	June 29, 2016	7.00	579,000	970,000	579,000	970,000	18.92
Albaraka Bank (Pakistan) Limited	June 22, 2016*	6.85	600,000	-	600,000	-	0.00
Dubai Islamic Bank Pakistan Limited	September 4, 2016	6.65	-	506,000	-	506,000	9.87
Dubai Islamic Bank Pakistan Limited	November 21, 2016	6.25 to 6.50	-	435,000	-	435,000	8.49
Habib Metropolitan Bank Limited	May 02, 2016	6.50	-	250,000	-	250,000	4.88
			1,179,000	2,161,000	1,179,000	2,161,000	

*The Fund predated this Term Deposit Receipt on November 11, 2015.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2016.

8. ALLOCATED EXPENSES

In the current period, a statutory notification (S.R.O. No. 1160 (I)/2015 dated November 25, 2015) was issued by Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non - Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CIS) upto a maximum of 0.1% of average annual net assets of the Scheme. Accordingly, such expenses have been charged effective from December 16, 2015.

9. 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 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. 0.29 per unit (0.46 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.

10. 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 Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund – III, 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 are as follows:

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Al Meezan Investment Management Limited		
- Management Company		
Remuneration payable	9,576	7,314
Sales load payable	1,200	408
Allocated expenses payable	639	-
Certificate charges payable	1	1
Sindh Sales Tax and Federal Excise Duty on management fee	44,071	27,339
Sindh Sales Tax and Federal Excise Duty on sales load	1,803	835
Investment as at March 31, 2016: 16,974,558 units (June 30, 2015: 9,721,722 units)	904,914	527,403
Meezan Bank Limited		
Sales load payable	-	350
Shariah advisor fee payable	199	-
Balances with bank	40,885	41,621
Profit receivable on saving account	529	118
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	582	472
Sindh Sales Tax on Trustee Fee	81	-
Deposit	100	100
Meezan Capital Preservation Fund - III		
Investments as at March 31, 2016: nil (June 30, 2015: 1,991 units)	-	108
Meezan Capital Preservation Fund - II		
Investments as at March 31, 2016: nil (June 30, 2015: 1,053,621 units)	-	57,159
MFPF - Meezan Asset Allocation Plan - III		
Investments as at March 31, 2016: 14,102,207 units (June 30, 2015: nil)	751,789	-
Al Meezan Investment Management Limited - Employees' Gratuity Fund		
Investments as at March 31, 2016: 173,997 units (June 30, 2015: 38,330 units)	9,276	2,079
Directors and Executives of the Management Company		
Investments as at March 31, 2016: 1,493,814 units (June 30, 2015: 1,236,744 units)	79,635	67,093
Unitholders' holding 10% or more of the Fund		
Investments as at March 31, 2016: nil (June 30, 2015: 13,709,348 units)	-	743,732

	(Unaudited) Nine months period ended March 31,	
	2016	2015
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration for the period	90,397	70,095
Sindh Sales Tax and Federal Excise Duty on management fee	29,143	23,412
Units issued: 26,926,232 units (March 31, 2015: 4,495,021 units)	1,424,140	235,000
Redemptions: 19,673,396 units (March 31, 2015: 7,159,794 units)	1,036,066	366,104
Allocated expenses	2,649	-
Cash dividend paid	33,054	-
Meezan Bank Limited		
Profit on saving account	1,245	2,759
Shariah advisor fee	234	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	5,416	4,472
Sindh Sales Tax on trustee fee	758	-
CDS Charges	21	15
Meezan Capital Preservation Fund - III		
Units issued: 63,538,509 units (March 31, 2015: 33,300,956 units)	3,316,167	1,740,404
Units redeemed: 63,540,500 units (March 31, 2015: 28,658,397 units)	3,356,780	1,480,980
Cash dividend paid	7	-
Meezan Capital Preservation Fund - II		
Units issued: 33,206,005 units (March 31, 2015: 59,546,575 units)	1,719,031	3,055,461
Units redeemed: 34,259,626 units (March 31, 2015: 35,199,032 units)	1,813,401	1,802,944
Cash dividend paid	3,582	-
MFPF - Meezan Asset Allocation Plan - I		
Units issued: 13,269,037 units (March 31, 2015: nil)	691,257	-
Units redeemed: 13,269,037 units (March 31, 2015: nil)	695,776	-
MFPF - Meezan Asset Allocation Plan - II		
Units issued: 17,621,434 units (March 31, 2015: nil)	927,024	-
Units redeemed: 17,621,434 units (March 31, 2015: nil)	928,652	-
MFPF - Meezan Asset Allocation Plan - III		
Units issued: 42,157,199 units (March 31, 2015: nil)	2,233,000	-
Units redeemed: 28,054,992 units (March 31, 2015: nil)	1,486,325	-
AI Meezan Investment Management Limited - Employees' Gratuity Fund		
Units issued: 135,667 units (March 31, 2015: nil)	7,043	-
Cash dividend paid	130	-
Directors and Executives of the Management Company		
Units issued: 419,134 units (March 31, 2015: 154,315 units)	21,752	8,099
Units redeemed: 162,064 units (March 31, 2015: 3,094,534 units)	8,401	161,678
Cash dividend paid	4,205	-

11. 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. Provided that, for the purpose of determining distribution of at least 90 percent of accounting income, the income distributed through bonus units shall not be taken into account. 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, 2016 as reduced by capital gains (whether realised or unrealised) to its unitholders.

12. FINANCIAL INSTRUMENTS

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

Note	Carrying amount					Fair value			
	Investments	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016 (Rupees in '000)									
Financial assets - measured at fair value									
	GoP Ijarah sukuk certificates	842,735	-	-	-	842,735	-	-	842,735
	Corporate sukuk certificates	2,121,878	-	-	-	2,121,878	-	-	2,121,878
Financial assets - not measured at fair value									
	Cash and cash equivalents	-	-	3,142,316	-	-	-	-	3,142,316
	Trade and other receivables	-	2,246,165	-	-	-	-	-	2,246,165
		<u>2,964,613</u>	<u>2,246,165</u>	<u>3,142,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,353,094</u>
Financial liabilities - not measured at fair value									
	Trade and other payables	-	-	-	14,470	-	-	-	14,470

12.1 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.

13. DATE OF AUTHORISATION FOR ISSUE AND GENERAL

This condensed interim financial information was authorised for issue on April 20, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





QUARTERLY REPORT
MARCH 31, 2016

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

Askari Bank Limited - Islamic Banking	MCB Bank Limited - Islamic Banking
Bank Alfalah Limited - Islamic Banking	Meezan Bank Limited
Bank Al Habib Limited - Islamic Banking	National Bank of Pakistan - Islamic Banking
Faysal Bank Limited - Islamic Banking	UBL Ameen
Habib Metropolitan Bank Limited - Islamic Banking	Dubai Islamic Bank Pakistan Limited
Habib Bank Limited - Islamic Banking	Sindh 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: 36103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2016

	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
(Rupees in '000)			
Assets			
Balances with banks	5	2,059,281	3,234,525
Investments	6	8,011,269	8,275,796
Receivable on conversion of units		-	79,483
Deposits, prepayments and other receivables		154,171	192,846
Total assets		10,224,721	11,782,650
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		82,528	71,521
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		793	807
Payable to Securities and Exchange Commission of Pakistan (SECP)		4,974	10,213
Payable to Meezan Bank Limited (MBL)		176	499
Payable on redemption and conversion of units		12,672	2,901,599
Accrued expenses and other liabilities		138,033	141,310
Total liabilities		239,176	3,125,949
Net assets		9,985,545	8,656,701
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		9,985,545	8,656,701
(Number of units)			
Number of units in issue		190,481,561	160,548,092
(Rupees)			
Net assets value per unit		52.42	53.92

The annexed notes 1 to 13 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2016

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2016	2015	2016	2015
(Rupees in '000)					
Income					
Profit on saving accounts with banks		111,561	245,018	24,387	67,170
Profit on sukuk certificates		323,020	728,304	121,175	184,148
Profit on TDR		45	-	45	-
Net realised (loss) /gain on sale of sukuk certificates		(34,454)	(63,753)	6,762	2,609
		<u>400,172</u>	<u>909,569</u>	<u>152,369</u>	<u>253,927</u>
Unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss (net)	6.1	53,533	(67,313)	(30,614)	42,005
Total income		453,705	842,256	121,755	295,932
Expenses					
Remuneration to Al Meezan - Management Company		66,321	105,042	24,288	27,432
Sindh Sales Tax and Federal Excise Duty on management fee		21,395	35,156	7,844	9,234
Remuneration to CDC - Trustee		5,536	7,992	2,005	2,201
Sindh Sales Tax on trustee fee		775	-	274	-
Annual fee to SECP		4,974	7,878	1,822	2,057
Auditors' remuneration		342	393	77	73
Fees and subscription		422	193	255	65
Legal and professional charges		165	-	32	-
Amortisation of preliminary expenses and floatation costs		-	312	-	54
Brokerage		611	746	385	30
Bank and settlement charges		163	185	3	85
Allocated Expenses		2,856	-	2,429	-
Provision for Workers' Welfare Fund (WWF)	9	-	14,158	-	8,219
Printing expenses		72	563	-	185
Total expenses		103,632	172,618	39,414	49,635
Net income from operating activities		350,073	669,638	82,341	246,297
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed (net)		29,450	24,115	(16,600)	156,462
Net income for the period before taxation		379,523	693,753	65,741	402,759
Taxation	11	-	-	-	-
Net income for the period after taxation		379,523	693,753	65,741	402,759
Other comprehensive income for the period					
Items that can be reclassified to income statement in subsequent periods					
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'available for sale'		(6,979)	(23,433)	-	6,616
Total comprehensive income for the period		372,544	1,325,806	65,741	409,375

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM DISTRIBUTION STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine Months period ended March 31,	
	2016 (Rupees in '000)	2015
Undistributed income / (accumulated loss) brought forward		
- Realised	783,971	15,835
- Unrealised	(47,805)	147,842
	736,166	163,677
Less: Final distribution for the year ended June 30, 2015		
Cash dividend at the rate of 6.9% i.e. Rs.3.45 per unit (June 30, 2014: nil)	(553,891)	-
Net income for the period	379,523	693,753
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed pertaining to 'available for sale' investments	(552)	7,249
Undistributed income carried forward	561,246	864,679
Undistributed income / (accumulated loss) carried forward		
- Realised	507,713	931,992
- Unrealised	53,533	(67,313)
	561,246	864,679

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine Months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Net assets at the beginning of the period	8,656,701	20,280,685
Issuance of 327,868,384 units (2015: 290,723,552 units)	16,882,658	15,050,312
Redemption of 297,934,915 units (2015: 422,998,055 units)	(15,343,017)	(21,695,982)
	1,539,641	(6,645,670)
Element of income and capital gains included in prices of units sold less those in units redeemed (net)	(29,450)	(24,115)
Realised loss on sale of sukuk certificates	(34,454)	(63,753)
Unrealised appreciation / (diminution) in the value of investments (net)	46,554	(90,746)
Net other income for the period	360,444	824,819
Total other comprehensive income for the period	372,544	670,320
Less: Final distribution for the period ended June 30, 2015 -Cash dividend at the rate of 6.9% i.e. Rs.3.45 per unit (June 30, 2014: nil)	(553,891)	-
Net (loss) / income for the period less distribution	(181,347)	670,320
Net assets at the end of the period	9,985,545	14,281,220
	(Rupees)	
Net assets value per unit at beginning of the period	53.92	50.48
Net assets value per unit at end of the period	52.42	53.00

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Note	Nine Months period ended March 31,	
		2016 (Rupees in '000)	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period		379,523	693,753
Adjustments for :			
Unrealised (gain) / loss on re-measurement of investments at fair value through profit or loss (net)		(53,533)	67,313
Amortisation of preliminary expenses and floatation costs		-	312
Element of income and capital gains included in prices of units issued less those in units redeemed		(29,450)	(24,115)
		<u>296,540</u>	<u>737,263</u>
Decrease in assets			
Investments (net)		311,081	5,729,254
Deposits, prepayments and other receivables		38,675	39,335
		<u>349,756</u>	<u>5,768,589</u>
Increase in liabilities			
Payable to Al Meezan - Management Company		11,007	10,779
Payable to CDC - Trustee		(14)	(427)
Payable to SECP		(5,239)	(7,409)
Payable to Meezan Bank Limited		(323)	(270)
Accrued expenses and other liabilities		(3,277)	15,959
		<u>2,154</u>	<u>18,632</u>
Net cash generated from operating activities		<u>648,450</u>	<u>6,524,484</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance of units		16,962,141	15,050,312
Payments against redemption of units		(18,231,944)	(21,896,050)
Dividend paid		(553,891)	-
Net cash used in financing activities		<u>(1,823,694)</u>	<u>(6,845,738)</u>
Net decrease in cash and cash equivalents during the period		(1,175,244)	(321,254)
Cash and cash equivalents at beginning of the period		3,234,525	6,690,140
Cash and cash equivalents at end of the period	5	<u>2,059,281</u>	<u>6,368,886</u>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 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 (formerly Islamabad Stock Exchange). Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** The Management Company of the Fund has been given quality rating of AM2+ and the stability rating of the Fund is AA(f) given by JCR-VIS Credit Rating Company Limited.
- 1.5** Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund.

2. BASIS OF PRESENTATION

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

3. STATEMENT OF COMPLIANCE

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2015 and December 31, 2015.

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, 2015.

5. BALANCES WITH BANKS	Note	(Unaudited) March 31, 2016 (Rupees in '000)	(Audited) June 30, 2015
On saving accounts	5.1	2,040,795	3,218,428
On current accounts		18,486	16,097
		<u>2,059,281</u>	<u>3,234,525</u>

5.1 The balance in saving accounts bears expected profit which ranges from 2.48% to 6.25% per annum (June 30, 2015: 4.00% to 9.27% per annum).

6. INVESTMENTS	Note	(Unaudited) March 31, 2016 (Rupees in '000)	(Audited) June 30, 2015
Investments at - 'fair value through profit & loss'	6.1	7,761,269	6,891,142
Investments - 'available for sale'	6.2	-	1,384,654
Investments - 'loans and receivables'	6.3	250,000	-
		<u>8,011,269</u>	<u>8,275,796</u>

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

Name of the security	Maturity date	Profit rate	As at July 01, 2015	Purchases during the period	Sales / Matured during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 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	----- % -----
GoP Ijarah Sukuk Certificates - IX (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	29,770	-	29,770	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - X (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	18,030	-	18,030	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XII (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	19,669	-	19,669	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XIII (note 6.2.1)	September 18, 2015	Weighted average 6 months T-Bills	750	-	750	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XIV (note 6.2.1)	March 28, 2016	Weighted average 6 months T-Bills	167	13,700	13,867	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XVI (note 6.2.1)	December 18, 2018	Weighted average 6 months T-Bills	-	81,500	19,110	62,390	6,241,736	6,285,793	44,057	62.95	78.46
GoP Ijarah Sukuk Certificates - XVII (note 6.2.1)	February 15, 2019	Weighted average 6 months T-Bills	-	24,600	10,000	14,600	1,466,000	1,475,476	9,476	14.78	18.42
Total							<u>7,707,736</u>	<u>7,761,269</u>	<u>53,533</u>		
Total cost of investments								<u>7,707,736</u>			

6.2 Investments - 'Available for Sale'

Name of the security	Maturity date	Profit rate	As at July 01, 2015	Purchases during the period	Sale / redemptions during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised (loss) / gain	Percentage in relation to	
			----- (Number of certificates) -----			----- (Rupees in '000) -----			----- % -----		
GoP Ijarah Sukuk Certificates - X (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	13,500	-	13,500	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XI (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	230	-	230	-	-	-	-	-	-
Total											
Total cost of investments											

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

6.2.2 Unrealised diminution on re-measurement of investment classified as 'available for sale' (net).

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Market value of investments	-	1,384,654
Less: Cost of investments	-	(1,377,675)
	-	6,979
Less: Unrealised appreciation on re-measurement of investments classified as 'available for sale' at beginning of the period	6,979	27,840
	(6,979)	(20,861)

Name of the bank	Maturity date	Profit rate	As at July 01, 2015	TDR placed during the period	Matured during the period	As at March 31, 2016	Percentage in relation to	
			----- (Rupees in '000) -----			----- % -----		
Habib Metropolitan Bank Limited	May 2, 2016	6.50%	-	250,000	-	250,000	2.50	3.12

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2015 and March 31, 2016.

8. ALLOCATED EXPENSES

In the current period, a statutory notification (S.R.O. No. 1160 (I)/2015 dated November 25, 2015) was issued by Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non - Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CIS) upto a maximum of 0.1% of average annual net assets of the Scheme. Accordingly, such expenses have been charged effective from December 16, 2015.

9. 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 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. 0.70 per unit (1.34 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.

10. 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, Meezan Islamic Fund, Meezan Gold Fund, AI Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Islami Income Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund – III, Meezan Capital Preservation Fund – II and Meezan Tahaffuz Pension Fund being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company and AI Meezan Investment Management Limited - Employees Gratuity Fund and unit holders 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 Rules, NBFC Regulations and the Trust Deed respectively.

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

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
AI Meezan Investment Management Limited - Management Company		
Remuneration payable	8,415	10,333
Sindh Sales Tax and Federal Excise Duty payable on management fee	70,002	58,277
Sales load payable	1,041	904
Sindh Sales Tax and Federal Excise Duty payable on sales load	2,227	2,007
Allocated expense payable	843	-
Meezan Bank Limited		
Sales load payable	-	499
Balances with bank	190,136	101,475
Profit receivable on savings account	315	332
Shariah adviser fee payable	176	-
Investments as at March 31, 2016: 21,593,102 units (June 30, 2015: 56,706,764 units)	1,131,910	3,057,628

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	696	807
Sales Tax payable on trustee fee	97	-
Deposits	100	100
AI Meezan Investment Management Limited - Staff Gratuity Fund		
Investments as at March 31, 2016: 47,890 units (June 30, 2015: 44,826 units)	2,510	2,417
MEEZAN FINANCIAL PLANNING FUND OF FUNDS		
MFPF - Aggressive Allocation Plan		
Investments as at March 31, 2016: 2,284,032 units (June 30, 2015: 1,936,916 units)	119,729	104,439
MFPF - Conservative Allocation Plan		
Investments as at March 31, 2016: 3,331,583 units (June 30, 2015: 4,984,360 units)	174,642	268,757
MFPF - Moderate Allocation Plan		
Investments as at March 31, 2016: 3,124,521 units (June 30, 2015: 3,485,449 units)	163,787	187,935
MFPF - Meezan Capital Preservation Plan I		
Investments as at March 31, 2016: 15,285,003 units (June 30, 2015: 4,529,964 units)	801,240	244,256
MFPF - Meezan Capital Preservation Plan II		
Investments as at March 31, 2016: 43,615,468 units (June 30, 2015: 8,689,559 units)	2,286,323	468,541
Meezan Capital Preservation Fund II		
Investments as at March 31, 2016: 23,666,927 units (June 30, 2015: 5,647,987 Units)	1,240,620	304,540
Meezan Capital Preservation Fund III		
Investments as at March 31, 2016: Nil (June 30, 2015: 5,533,153 Units)	-	298,348
MFPF - Meezan Asset Allocation Plan		
Investments as at March 31, 2016: 3,338,553 units (June 30, 2015: Nil)	175,007	-
MFPF - Meezan Asset Allocation Plan II		
Investments as at March 31, 2016: 2,318,320 units (June 30, 2015: Nil)	121,526	-
Directors and officers (key executives) of the Management Company		
Investments as at March 31, 2016: 99,387 units (June 30, 2015: 177,443 units)	5,210	9,568

**Nine months period ended
March 31,**

2016 2015
(Rupees in '000)

Al Meezan Investment Management Limited - Management Company

Remuneration for the period	<u>66,321</u>	105,042
Sindh Sales Tax and Federal Excise Duty on management fee	<u>21,395</u>	35,156
Allocated expenses	<u>2,856</u>	-
Units issued : 7,649,936 units (March 31, 2015: Nil)	<u>393,000</u>	-
Units redeemed : 7,649,936 units (March 31, 2015: 619,702 units)	<u>396,512</u>	31,481

Meezan Bank Limited

Profit on saving accounts	<u>890</u>	3,687
Shariah advisor fee	<u>223</u>	-
Units redeemed : 35,113,662 units (March 31, 2015: 69,672,157 units)	<u>1,988,056</u>	3,558,117
Cash dividend paid (March 31, 2015: Nil)	<u>195,638</u>	-

Central Depository Company of Pakistan Limited- Trustee

Remuneration for the period	<u>5,536</u>	7,992
Sindh Sales Tax on trustee fee	<u>775</u>	-
CDS charges	<u>4</u>	4

Al Meezan Investment Management Limited - Staff Gratuity Fund

Units issued : 3,064 units (March 31, 2015: Nil)	<u>155</u>	-
Cash dividend paid (March 31, 2015: Nil)	<u>155</u>	-

MEEZAN FINANCIAL PLANNING FUND OF FUNDS

MFPP - Aggressive Allocation Plan

Units issued : 619,793 units (March 31, 2015: units 744,980)	<u>31,732</u>	38,584
Units redeemed : 272,677 units (March 31, 2015: units 679,440)	<u>14,003</u>	35,091
Cash dividend paid	<u>6,682</u>	-

MFPP - Conservative Allocation Plan

Units issued : 1,628,826 units (March 31, 2015: units 3,791,760)	<u>83,138</u>	194,570
Units redeemed : 3,281,603 units (March 31, 2015: units 3,042,584)	<u>166,823</u>	156,869
Cash dividend paid	<u>17,196</u>	-

MFPP - Moderate Allocation Plan

Units issued : 984,350 units (March 31, 2015: units 1,820,025)	<u>50,583</u>	93,941
Units redeemed : 1,345,278 units (March 31, 2015: units 1,050,420)	<u>68,561</u>	54,553
Cash dividend paid	<u>12,025</u>	-

MFPP - Meezan Capital Preservation Plan I

Units issued : 39,886,908 units (March 31, 2015: 10,765,750 units)	<u>2,055,209</u>	570,010
Units redeemed : 29,131,869 units (March 31, 2015: Nil)	<u>1,500,967</u>	-
Cash dividend paid	<u>15,628</u>	-

MFPP - Meezan Capital Preservation Plan II

Units issued : 78,711,404 units (March 31, 2015: 58,123,228 units)	<u>4,051,209</u>	3,055,200
Units redeemed : 43,785,495 units (March 31, 2015: 15,129,412 units)	<u>2,254,016</u>	794,800
Cash dividend paid	<u>29,979</u>	-

	Nine months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Meezan Capital Preservation Fund II		
Units issued : 28,673,320 units (March 31, 2015: Nil)	<u>1,491,667</u>	-
Units redeemed : 10,654,380 units (March 31, 2015: Nil)	<u>546,934</u>	-
Cash dividend paid	<u>19,486</u>	-
Meezan Capital Preservation Fund III		
Units issued : 3,836,414 units (March 31, 2015: Nil)	<u>194,889</u>	-
Units redeemed : 9,369,567 units (March 31, 2015: Nil)	<u>477,647</u>	-
Cash dividend paid	<u>19,089</u>	-
MFPF - Meezan Asset Allocation Plan		
Units issued : 19,545,042 units (March 31, 2015: Nil)	<u>999,576</u>	-
Units redeemed : 16,206,489 units (March 31, 2015: Nil)	<u>826,754</u>	-
MFPF - Meezan Asset Allocation Plan II		
Units issued : 3,132,123 units (March 31, 2015: Nil)	<u>163,054</u>	-
Units redeemed : 813,803 units (March 31, 2015: Nil)	<u>42,364</u>	-
Directors and officers (key executives) of the Management Company		
Units issued : 111,699 units (March 31, 2015: 122,951 units)	<u>5,784</u>	5,747
Units redeemed : 189,755 units (March 31, 2015: 1,221,922 units)	<u>9,647</u>	62,483
Cash dividend paid	<u>612</u>	-

11. 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. Provided that for the purpose of determining distribution of at least 90 per cent of accounting income, the income distributed through bonus units shall not be taken into account. 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, 2016 as reduced by capital gains (whether realised or unrealised) to its unitholders.

12. FINANCIAL INSTRUMENTS - FAIR VALUES

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

Note	Carrying amount				Fair value				
	Investments	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016									
(Rupees in '000)									
Financial assets - measured at fair value									
	GoP Ijarah sukuk certificates	7,761,269	-	-	-	7,761,269	-	-	7,761,269
Financial assets - not measured at fair value									
	Cash and cash equivalents	12.1	-	-	2,059,281	-	-	-	2,059,281
	Trade and other receivables	12.1	-	404,171	-	-	-	-	404,171
			<u>7,761,269</u>	<u>404,171</u>	<u>2,059,281</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,224,721</u>
Financial liabilities - not measured at fair value									
	Trade and other payables	12.1	-	-	-	25,324	-	-	25,324

12.1 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.

13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 20, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





QUARTERLY REPORT
MARCH 31, 2016

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 SultanTrust Building No.2, Beaumont Road, Karachi - 75530.

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

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

LEGAL ADVISER

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

TRANSFER AGENT

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2016

	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
(Rupees in '000)			
Assets			
Balances with banks	5	3,081,340	3,177,258
Investments	6	950,000	1,291,766
Receivable on Conversion of units		-	3,505,115
Profit receivable		62,181	59,920
Deposits and prepayments		343	521
Total assets		4,093,864	8,034,580
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		27,048	19,805
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		345	338
Payable to Securities and Exchange Commission of Pakistan (SECP)		3,103	2,975
Payable on redemption and conversion of units		19,328	314,563
Payable to Meezan Bank Limited (MBL)		200	-
Brokerage payable		1	25
Dividend payable		-	3,820
Accrued expenses and other liabilities		61,100	75,315
Total liabilities		111,125	416,841
Net assets		3,982,739	7,617,739
Contingencies and commitments	7		
Unitholders' fund (as per statement attached)		3,982,739	7,617,739
(Number of units)			
Number of units in issue		76,885,005	152,058,910
(Rupees)			
Net assets value per unit		51.80	50.10

The annexed notes 1 to 13 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2016	2015	2016	2015
(Rupees in '000)					
Income					
Profit on saving accounts with banks		205,163	146,933	43,916	39,003
Profit on Term Deposit Receipts		27,399	43,570	11,441	18,358
Profit on sukuk certificates		19,028	70,007	1,679	26,547
Net realised (loss) / gain on sale of sukuk certificates		(3,575)	-	5	-
Other income		5	-	-	-
		248,020	260,510	57,041	83,908
Unrealised gain /(loss) on re-measurement of investments 'at fair value through profit or loss' (net)	6.2	-	3,292	(18)	7,425
Total income		248,020	263,802	57,023	91,333
Expenses					
Remuneration to Al Meezan - Management Company		41,359	28,676	9,626	9,354
Sindh Sales Tax and Federal Excise Duty on management fee		13,337	9,577	3,104	3,124
Remuneration to CDC - Trustee		3,666	2,714	908	887
Sindh Sales Tax on trustee fee		513	-	127	-
Annual fee to SECP		3,103	2,151	722	702
Auditors' remuneration		345	409	74	160
Fees and subscription		426	199	257	65
Legal and Professional Charges		65	-	-	-
Brokerage		75	-	1	-
Bank and settlement charges		107	130	5	38
Allocated expenses	8	1,131	-	963	-
Provision for Workers' Welfare Fund (WWF)	9	-	4,024	-	882
Total expenses		64,127	47,880	15,787	15,212
Net income from operating activities		183,893	215,922	41,236	76,121
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed (net)		(52,678)	(18,757)	15,010	(32,909)
Net income for the period before taxation		131,215	197,165	56,246	43,212
Taxation	11	-	-	-	-
Net income for the period after taxation		131,215	197,165	56,246	43,212
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		131,215	197,165	56,246	43,212

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM DISTRIBUTION STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Note	Nine Months period ended March 31,	
		2016 (Rupees in '000)	2015
Undistributed income brought forward			
- Realised		11,339	8,803
- Unrealised		1,796	-
		<u>13,135</u>	<u>8,803</u>
Net income for the period		131,215	197,165
Undistributed income carried forward		<u>144,350</u>	<u>205,968</u>
Undistributed income carried forward			
- Realised		144,350	202,676
- Unrealised	6.3	-	3,292
		<u>144,350</u>	<u>205,968</u>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31,	
	2016 (Rupees in '000)	2015
Net assets at beginning of the period	7,617,739	3,049,366
Issue of 272,477,643 units (2015: 137,399,978 units)	13,917,070	7,048,535
Redemption of 347,651,548 units (2015: 129,901,108 units)	(17,735,963)	(6,691,824)
	(3,818,893)	356,711
Element of loss and capital losses included in prices of units sold less those in units redeemed (net)	52,678	18,757
Realised loss on sale of sukuk certificates	(3,575)	-
Unrealised appreciation in the value of investments (net)	-	3,292
Net other income for the period	134,790	193,873
Total comprehensive income for the period	131,215	197,165
Net income for the period less distribution	131,215	197,165
Net assets at end of the period	3,982,739	3,621,999
	(Rupees)	
Net assets value per unit at beginning of the period	50.10	50.07
Net assets value per unit at end of the period	51.80	52.95

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE NINE MONTHS MARCH 31, 2016 (UNAUDITED)

	Note	Nine Months period ended March 31,	
		2016 (Rupees in '000)	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period		131,215	197,165
Adjustments for :			
Unrealised gain on re-measurement of investments at fair value through profit or loss (net)		-	(3,292)
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)		52,678	18,757
		183,893	212,630
Decrease / (Increase) in assets			
Investments (net)		341,766	(982,353)
Profit receivable		(2,261)	(27,499)
Receivable on Conversion of units		3,505,115	-
Receivable against Bai Muajjal		-	530,078
Deposits and prepayments		178	(26)
		3,844,798	(479,800)
(Decrease) / Increase in liabilities			
Payable to AI Meezan - Management Company		7,243	5,192
Payable to CDC - Trustee		7	(2)
Payable to MBL		200	-
Payable to SECP		128	(2,048)
Brokerage payable		(24)	-
Accrued expenses and other liabilities		(14,215)	5,367
		(6,661)	8,509
Net cash generated / (used in) from operating activities		4,022,030	(258,661)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance of units		13,917,070	7,048,535
Payments against redemption of units		(18,031,198)	(6,664,417)
Dividend paid		(3,820)	-
Net cash (used in) / generated from financing activities		(4,117,948)	384,118
Net decrease in cash and cash equivalents during the period		(95,918)	125,457
Cash and cash equivalents at beginning of the period		3,177,258	2,544,117
Cash and cash equivalents at end of the period	5.2	3,081,340	2,669,574

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS MARCH 31, 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 unit holders' safe and stable stream of halal income on their investments and to generate superior long term risk adjusted returns. The Fund shall also keep an exposure in short-term instruments for the purpose of maintaining liquidity and to capitalise on exceptional returns if available at any given point in time. Under the Trust Deed all the conducts and acts of the Fund are based on Shariah. Meezan Bank Limited (MBL) acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.3 The Fund is an open-end Shariah compliant (Islamic) Money Market Scheme listed on the Pakistan Stock Exchange (formerly: Islamabad Stock Exchange). Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

1.4 The Management Company has been given a quality rating of AM2+ and the stability rating of the Fund is AA(f) given by JCR-VIS Credit Rating Company Limited.

1.5 Title to the assets of the Fund are held in the name of CDC as a Trustee.

2. BASIS OF PRESENTATION

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

3. STATEMENT OF COMPLIANCE

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2015 and period ended December 31, 2015.

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, 2015.

5. BALANCES WITH BANKS	Note	(Unaudited)	(Audited)
		March 31, 2016	June 30, 2015
(Rupees in '000)			
On saving accounts	5.1	3,065,337	3,167,390
On current accounts		16,003	9,868
		<u>3,081,340</u>	<u>3,177,258</u>

5.1 The balances in saving accounts have an expected profit ranging from 2.48% to 6.00% per annum (June 30, 2015 : 4.00% to 9.27% per annum).

5.2 Cash and cash equivalents	(Unaudited)	(Audited)
	March 31, 2016	June 30, 2015
(Rupees in '000)		
Balances with banks	3,081,340	3,177,258
Term deposit receipts - having original maturity of 3 months or less	950,000	559,000
	<u>4,031,340</u>	<u>3,736,258</u>

6. INVESTMENTS	Note	(Unaudited)	(Audited)
		March 31, 2016	June 30, 2015
(Rupees in '000)			
Investments - 'loans and receivables'	6.1	950,000	559,000
Investments - 'fair value through profit or loss'	6.2	-	732,766
		<u>950,000</u>	<u>1,291,766</u>

6.1 Investments - Loans and receivables - Term Deposit Receipts

Name of the bank	Maturity date	Profit rate	As at July 01, 2015	Placements made during the period	Matured during the period	As at March 31, 2016	Percentage in relation to	
							Net assets of the fund on the basis of market value	Total market value of investments
		---- (%) ----	----- (Rupees in '000) -----				----- % -----	
Meezan Bank Limited	December 22, 2015	6.19%	559,000	-	(559,000)	-	-	-
Habib Metropolitan Bank Limited	March 29, 2016	6.25%	-	450,000	(450,000)	-	-	-
Habib Metropolitan Bank Limited	June 29, 2016	6.25%	-	400,000	-	400,000	0.10	42.11
Bank Alfalah Limited	May 12, 2016	6.05%	-	550,000	-	550,000	0.24	57.89
Total						<u>950,000</u>		

	Note	(Unaudited) March 31, 2016 (Rupees in '000)	(Audited) June 30, 2015
6.2 Investments - 'fair value through profit or loss			
- Held for trading		-	732,766
- fair value through profit or loss upon initial recognition		-	-
	6.3	-	732,766

6.3 Fair Value through profit or loss

Name of the Issuer / Security	Maturity date	Profit rate	As at July 01, 2015	Purchases during the period	Sales / redemptions during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain	Percentage in relation to	
			----- (Number of certificates) -----			----- (Rupees in '000) -----			----- % -----		
Held for trading											
GoP Ijarah Sukuk - IX (note 6.3.1)	November 21, 2015	Weighted average 6 months T-Bills	7,270	-	7,270	-	-	-	-	-	-
GoP Ijarah Sukuk - X (note 6.3.1)	November 21, 2015	Weighted average 6 months T-Bills	-	5,780	5,780	-	-	-	-	-	-
GoP Ijarah Sukuk - XIV (note 6.3.1)	March 28, 2016	Weighted average 6 months T-Bills	-	50	50	-	-	-	-	-	-
Fair value through profit or loss upon initial recognition											
Lalpir Power Limited - Sukuk (note 6.3.2 & 6.3.3)	February 04, 2016	6 months KIBOR plus base rate of 0.25%	-	50,000	50,000	-	-	-	-	-	-
Total											
Total cost of investment											

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

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

6.3.3 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 March 31, 2016 and June 30, 2015.

8. ALLOCATED EXPENSES

In the current period, a statutory notification (S.R.O. No. 1160 (I)/2015 dated November 25, 2015) was issued by Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non - Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CIS) upto a maximum of 0.1% of average annual net assets of the Scheme. Accordingly, such expenses have been charged effective from December 16, 2015.

9. 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 amounting to Rs. 58.59 million. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.76 per unit (1.47 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.

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of NBFC Regulations, 2008 and the Trust Deed respectively.

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

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	3,176	3,690
Sindh Sales Tax and Federal Excise Duty payable on management fee	23,554	16,115
Back office expense	318	-
Investment of Nil units (June 30, 2015: 8,185,592 units)	-	410,098
Meezan Bank Limited		
Balances with bank	48,719	574,501
Investment - Term deposit receipts	-	559,000
Shariah advisor fee	200	-
Profit receivable on saving accounts	624	236
Central Depository Company of Pakistan Limited (CDC) - Trustee		
Trustee fee payable	302	338
Sindh Sales Tax on Trustee Fee Payable	43	-
Deposits	100	100

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Al Meezan Investment Management Limited		
- Staff Gratuity Fund		
Investments as at March 31, 2016: Nil units (June 30, 2015: 47,160 units)	-	2,363
Meezan Financial Planning Fund of Funds		
- Meezan Capital Preservation Plan-I		
Investments as at March 31, 2016: 44,802 units (June 30, 2015: 1,591,429 units)	2,321	79,731
Meezan Financial Planning Fund of Funds		
- Meezan Capital Preservation Plan-II		
Investments as at March 31, 2016: nil units (June 30, 2015: 21,072,974 units)	-	1,055,756
Meezan Capital Preservation Fund - II		
Investment as at March 31, 2016: Nil (June 30, 2015: 5,570,285 units)	-	279,071
Meezan Capital Preservation Fund - III		
Investment as at March 31, 2016: Nil (June 30, 2015: 3,016,655 units)	-	151,134
Directors and Executives of the Management Company		
Investment as at March 31, 2016: 74,061 units (June 30, 2015: 76,676 units)	3,836	3,841
	Nine months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	41,359	28,676
Sindh Sales Tax and Federal Excise Duty on management fee	13,337	9,577
Allocated expenses	1,131	-
Units issued: 4,935,429 units (2015 :1,577,909 units)	250,000	80,000
Units redeemed: 13,121,021 units (2015: 1,577,909 units)	668,976	80,679
Meezan Bank Limited		
Profit on saving accounts	10,712	3,503
Shariah Advisor Fee	223	-
Central Depository Company of Pakistan Limited (CDC) - Trustee		
Trustee fee for the period	3,666	2,714
Sindh Sales Tax on trustee for the period	513	-
CDS Charges	3	4
Al Meezan Investment Management Limited - Staff Gratuity Fund		
Units issued: Nil units (2015 : Nil units)	-	-
Units redeemed: 47,160 units (2015: Nil units)	2,412	-
Bonus units issued : nil (2015: Nil units)	-	112

	Nine months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Meezan Financial Planning Fund of Funds - Meezan Capital Preservation Plan-I		
Units issued: 30,086,521 units (2015: 29,294,459 units)	<u>1,532,037</u>	<u>1,492,000</u>
Units redeemed: 31,633,148 units (2015: Nil units)	<u>1,619,198</u>	<u>1,345,010</u>
Meezan Financial Planning Fund of Funds - Meezan Capital Preservation Plan-II		
Units issued: 49,329,322 units (2015 : 47,481,251 units)	<u>2,504,395</u>	<u>210,000</u>
Units redeemed: 70,402,296 units (2015: 68,554,225 units)	<u>3,594,445</u>	<u>201,000</u>
Meezan Capital Preservation Fund - II		
Units issued: 2,809,688 units (2015 : Nil units)	<u>141,500</u>	<u>-</u>
Units redeemed: 8,379,975 units (2015: Nil units)	<u>423,411</u>	<u>-</u>
Meezan Capital Preservation Fund - III		
Units issued: 64,902,849 units (2015 : Nil units)	<u>3,340,390</u>	<u>-</u>
Units redeemed: 67,919,504 units (2015: Nil units)	<u>3,497,909</u>	<u>-</u>
Meezan Financial Planning Fund of Funds - Meezan Asset Allocation Plan-I		
Units issued: 17,878,903 units (2015 : Nil units)	<u>906,714</u>	<u>-</u>
Units redeemed: 17,878,903 units (2015: Nil units)	<u>909,257</u>	<u>-</u>
Directors and officers of the Management Company		
Units issued: 183,796 units (2015 :73,458 units)	<u>9,323</u>	<u>3,838</u>
Units redeemed: 186,411 units (2015: 63918 units)	<u>9,475</u>	<u>3,286</u>
Bonus units issued: Nil units (2015: nil units)	<u>-</u>	<u>-</u>

11. 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. Provided that for the purpose of determining distribution of at least 90 percent of accounting income, the income distributed through bonus units shall not be taken into accounts. 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, 2016, as reduced by capital gains (whether realised or unrealised) to its unitholders.

12. FINANCIAL INSTRUMENTS

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

Note	Carrying amount					Fair value			
	Investments	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016 (Rupees in '000)									
Financial assets									
- measured at fair value									
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Financial assets - not measured at fair value									
		-	-	3,081,340	-	3,081,340			
		-	1,012,525	-	-	1,012,525			
		-	1,012,525	3,081,340	-	4,093,865			

Note	Carrying amount					Fair value			
	Investments	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016 (Rupees in '000)									
Financial liabilities - not measured at fair value									
		-	-	-	26,832	26,832			

12.1 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.

13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 20, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director



QUARTERLY REPORT
MARCH 31, 2016

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

Meezan Bank Limited
Habib Metropolitan Bank Limited - Islamic Banking

LEGAL ADVISER

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

TRANSFER AGENT

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2016

		As at March 31, 2016 (Unaudited)								
		Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	MAAP-I	MAAP-II	MAAP-III	Total
Note		(Rupees in '000)								
Assets										
		1,871	3,245	2,024	11,552	2,823	3,531	21,537	38,825	85,408
	Balances with banks									
5	Investments	399,097	327,575	232,856	1,507,234	3,043,358	1,223,289	841,819	2,622,814	10,198,042
	Preliminary expenses and floatation cost	-	-	415	-	-	-	-	-	415
	Profit receivable on saving accounts with banks	21	11	10	33	10	15	41	254	395
	Total assets	400,989	330,831	235,305	1,518,819	3,046,191	1,226,835	863,397	2,661,893	10,284,260
Liabilities										
	Payable to AI Meezan Investment Management Limited (AI Meezan) - Management Company	486	538	487	4,576	9,650	3,392	1,909	47,259	68,297
	Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	33	24	26	112	213	89	56	161	714
	Payable to Meezan Bank Limited (MBL)	3	2	2	11	23	9	5	7	62
	Payable to Securities and Exchange Commission of Pakistan (SECP)	268	223	172	1,120	2,195	650	205	248	5,081
	Payable on redemption and conversion of units	197	294	31	-	91	247	200	-	1,060
	Accrued expenses and other liabilities	2,891	1,772	1,553	2,566	465	47	17	17	9,328
	Total liabilities	3,878	2,853	2,271	8,385	12,637	4,434	2,392	47,692	84,542
	Net assets	397,111	327,978	233,034	1,510,434	3,033,554	1,222,401	861,005	2,614,201	10,199,718
Contingencies and Commitments										
	Unitholders' fund (as per statement attached)	397,111	327,978	233,034	1,510,434	3,033,554	1,222,401	861,005	2,614,201	10,199,718
(Number of units)										
	Number of units in issue	5,447,452	4,873,129	3,632,087	27,054,469	59,163,151	24,014,693	16,406,191	49,871,930	
(Rupees)										
	Net assets value per unit	72.90	67.30	64.16	55.83	51.27	50.90	52.48	52.42	

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2016

		As at June 30, 2015 (Audited)					
		Aggressive	Moderate	Conservative	MCPPI	MCPPII	Total
Note		(Rupees in '000)					
Assets							
		4,513	44,016	37,237	2,827	2,605	91,198
	5	348,128	375,871	358,342	1,595,540	3,090,388	5,768,269
		12,354	23,584	21	-	-	35,959
		-	-	557	-	-	557
		22	66	42	36	10	176
		365,017	443,537	396,199	1,598,403	3,093,003	5,896,159
Liabilities							
		423	415	423	4,537	9,530	15,328
		27	25	35	104	194	385
		1	2	-	-	-	3
		327	307	386	1,114	1,124	3,258
		5,030	120,556	156,318	-	1	281,905
		2,794	2,186	1,616	2,410	355	9,361
		8,602	123,491	158,778	8,165	11,204	310,240
		356,415	320,046	237,421	1,590,238	3,081,799	5,585,919
Net assets							
		356,415	320,046	237,421	1,590,238	3,081,799	5,585,919
Contingencies and Commitments							
	6						
Unitholders' fund (as per statement attached)							
		356,415	320,046	237,421	1,590,238	3,081,799	5,585,919
		(Number of units)					
		5,087,294	4,977,786	3,874,698	29,498,825	61,362,673	
		(Rupees)					
		70.06	64.29	61.27	53.91	50.22	

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine months period ended March 31, 2016									
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	MAAP-I	MAAP-II	MAAP-III	Total	
	For the period from July 10, 2015 to March 31, 2016									
	For the period from November 27, 2015 to March 31, 2016									
	For the period from January 26, 2016 to March 31, 2016									
	Total									
Note	(Rupees in '000)									
Income										
Net realised (loss) / gain on sale of investments	(1,088)	(3,645)	(8,267)	(38,337)	(79,492)	7,524	5,055	2,303	(115,947)	
Dividend income	15,455	18,791	20,421	61,405	86,359	-	-	-	202,431	
Profit on saving accounts with banks	91	107	177	160	144	642	282	640	2,243	
Other income	-	-	-	6,832	5,610	441	44	-	12,927	
	14,458	15,253	12,331	30,060	12,621	8,607	5,381	2,943	101,654	
Unrealised appreciation / (diminution) on re-measurement of investments at 'fair value through profit or loss' (net)	5.1	1,901	8	(791)	27,926	59,483	22,505	31,104	104,511	246,647
Total income	16,359	15,261	11,540	57,986	72,104	31,112	36,485	107,454	348,301	
Expenses										
Remuneration to AI Meezan - Management Company	27	107	98	51	20	85	113	124	625	
Sindh Sales Tax and Federal Excise Duty on Management Fee	8	34	32	16	6	28	36	40	200	
Remuneration to CDC - Trustee	222	184	142	927	1,816	536	168	202	4,197	
Sindh Sales Tax on Trustee Fee	31	26	20	130	254	75	24	28	588	
Annual fee to SECP	268	223	172	1,120	2,195	650	205	248	5,081	
Auditors' remuneration	17	15	12	113	140	35	7	7	346	
Fees and subscription	13	12	15	18	31	15	6	7	117	
Amortisation of preliminary expenses and floatation costs	-	-	140	-	-	-	-	-	140	
Legal and Professional charges	10	9	7	52	88	6	-	-	172	
Bank and settlement charges	2	3	2	2	-	3	2	1	15	
Printing charges	15	12	7	58	118	6	2	1	219	
Allocated Expenses	7	114	89	68	446	894	345	212	2,428	
Provision for Workers' Welfare Fund (WWF)	8	-	-	-	-	-	-	-	-	
Total expenses	727	714	715	2,933	5,562	1,784	775	918	14,128	
Net income from operating activities	15,632	14,547	10,825	55,053	66,542	29,328	35,710	106,536	334,173	
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed (net)	(168)	113	(347)	(2,540)	(1,369)	(7,662)	4,985	14,068	7,080	
Net income for the period before taxation	15,464	14,660	10,478	52,513	65,173	21,666	40,695	120,604	341,253	
Taxation	10	-	-	-	-	-	-	-	-	
Net income for the period after taxation	15,464	14,660	10,478	52,513	65,173	21,666	40,695	120,604	341,253	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	15,464	14,660	10,478	52,513	65,173	21,666	40,695	120,604	341,253	

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For AI Meezan Investment Management Limited (Management Company)

Chief Executive

Director

CONDENSED INTERIM INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

		Nine Months period ended March 31, 2015					
		Aggressive	Moderate	Conservative	MCPPI	MCPPII	Total
	Note	(Rupees in '000)					
Income							
		3,737	4,316	6,562	(8,074)	(99,230)	(92,689)
		186	170	255	929	1,388	2,928
		-	-	-	148	108	256
		3,923	4,486	6,817	(6,997)	(97,734)	(89,505)
		Unrealised appreciation / (diminution) on re-measurement of investments at fair value through profit or loss' (net)					
	5.1	10,429	8,577	14,750	(6,396)	(62,640)	(35,280)
		14,352	13,063	21,567	(13,393)	(160,374)	(124,785)
Total income							
Expenses							
		38	32	36	109	121	336
		13	11	12	37	46	119
		222	203	266	652	347	1,690
		241	221	287	745	412	1,906
		50	42	58	83	17	250
		7	5	7	-	-	19
		-	-	150	-	-	150
		214	241	170	3,364	3,624	7,613
		12	11	12	6	2	43
	8	342	326	384	-	-	1,052
		1,139	1,092	1,382	4,996	4,569	13,178
Total expenses							
		13,213	11,971	20,185	(18,389)	(164,943)	(137,963)
Net income / (loss) from operating activities							
		3,567	4,026	(1,386)	6,366	26,958	39,531
Net income / (loss) for the period before taxation							
		16,780	15,997	18,799	(12,023)	(137,985)	(98,432)
		Taxation					
	10	-	-	-	-	-	-
Net income / (loss) for the period after taxation							
		16,780	15,997	18,799	(12,023)	(137,985)	(98,432)
Other comprehensive income for the period							
		-	-	-	-	-	-
Total comprehensive income for the period							
		16,780	15,997	18,799	(12,023)	(137,985)	(98,432)

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 MARCH 31, 2016 (UNAUDITED)

	Quarter ended March 31, 2016								
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	Total
Note (Rupees in '000).....									
Income									
Net realised (loss) / gain on sale of investments	(192)	(314)	(368)	(15,509)	(31,598)	2,421	4,520	2,303	(38,737)
Profit on saving accounts with banks	15	26	19	66	15	24	205	640	1,010
Other income	-	-	-	2,797	3,615	331	44	-	6,787
	(177)	(288)	(349)	(12,646)	(27,968)	2,776	4,769	2,943	(30,940)
Unrealised appreciation on re-measurement of investments at 'fair value through profit or loss' (net)	5.1 8,934	6,435	3,493	34,530	49,676	31,158	30,580	104,511	269,317
Total income	8,757	6,147	3,144	21,884	21,708	33,934	35,349	107,454	238,377
Expenses									
Remuneration to AI Meezan - Management Company	5	9	7	26	9	10	96	124	286
Sindh Sales Tax and Federal Excise Duty on Management Fee	1	3	2	8	2	4	30	40	90
Remuneration to CDC - Trustee	76	60	45	294	585	226	157	202	1,645
Sindh Sales Tax on Trustee Fee	11	9	6	41	82	32	22	28	231
Annual fee to SECP	92	74	55	358	714	277	192	248	2,010
Auditors' remuneration	3	2	2	12	22	9	6	7	63
Fees and subscription	5	5	5	14	27	11	6	7	80
Amortisation of preliminary expenses and floatation costs	-	-	39	-	-	-	-	-	39
Legal and Professional charges	-	1	1	12	10	4	-	-	28
Bank and settlement charges	-	-	1	2	-	-	1	1	5
Printing charges	3	1	-	2	4	1	2	1	14
Allocated Expenses	7 97	76	57	378	759	292	203	260	2,122
Provision for Workers' Welfare Fund (WWF)	8 -	-	-	-	-	-	-	-	-
Total expenses	293	240	220	1,147	2,214	866	715	918	6,613
Net income from operating activities	8,464	5,907	2,924	20,737	19,494	33,068	34,634	106,536	231,764
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed (net)	(52)	139	(204)	(1,209)	(909)	133	1,432	14,068	13,398
Net income for the quarter before taxation	8,412	6,046	2,720	19,528	18,585	33,201	36,066	120,604	245,162
Taxation	10 -	-	-	-	-	-	-	-	-
Net income for the quarter after taxation	8,412	6,046	2,720	19,528	18,585	33,201	36,066	120,604	245,162
Other comprehensive income for the quarter	-	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter	8,412	6,046	2,720	19,528	18,585	33,201	36,066	120,604	245,162

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For AI Meezan Investment Management Limited (Management Company)

Chief Executive

Director

CONDENSED INTERIM INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

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

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine months period ended March 31, 2016					For the period from July 10, 2015 to March 31, 2016	For the period from November 27, 2015 to March 31, 2016	For the period from January 26, 2016 to March 31, 2016	Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	
Note (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
	<u>103,854</u>	<u>65,594</u>	<u>55,691</u>	<u>115,297</u>	<u>13,666</u>	-	-	-	<u>354,102</u>
Final distribution for the year ended June 30, 2015									
- cash dividend:									
MCPP-I @ 0.04% i.e. Rs. 0.02 per unit (June 30, 2014: nil)	-	-	-	(590)	-	-	-	-	(590)
MCPP-II @ 0.10% i.e. Rs. 0.05 per unit (June 30, 2014: nil)	-	-	-	-	(3,068)	-	-	-	(3,068)
Net income for the period	15,464	14,660	10,478	52,513	65,173	21,666	40,695	120,604	341,253
Undistributed income carried forward	<u>119,318</u>	<u>80,254</u>	<u>66,169</u>	<u>167,220</u>	<u>75,771</u>	<u>21,666</u>	<u>40,695</u>	<u>120,604</u>	<u>691,697</u>
Undistributed income / (accumulated loss) carried forward									
- Realised	117,417	80,246	66,960	139,294	16,288	(839)	9,591	16,093	445,050
- Unrealised	1,901	8	(791)	27,926	59,483	22,505	31,104	104,511	246,647
	<u>119,318</u>	<u>80,254</u>	<u>66,169</u>	<u>167,220</u>	<u>75,771</u>	<u>21,666</u>	<u>40,695</u>	<u>120,604</u>	<u>691,697</u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM DISTRIBUTION STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31, 2015					Total
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	
	(Rupees in '000)					
Undistributed income brought forward						
- Realised	5,850	3,638	2,433	-	-	11,921
- Unrealised	47,622	23,730	31,555	-	-	102,907
	<u>53,472</u>	<u>27,368</u>	<u>33,988</u>	<u>-</u>	<u>-</u>	<u>114,828</u>
Final distribution for the year ended June 30, 2014						
- cash dividend: nil	-	-	-	-	-	-
Net income / (loss) for the period	16,780	15,997	18,799	(12,023)	(137,985)	(98,432)
Undistributed income / (accumulated loss) carried forward	<u>70,252</u>	<u>43,365</u>	<u>52,787</u>	<u>(12,023)</u>	<u>(137,985)</u>	<u>16,396</u>
Undistributed income / (accumulated loss) carried forward						
- Realised	59,823	34,788	38,037	(5,627)	(75,345)	51,676
- Unrealised	10,429	8,577	14,750	(6,396)	(62,640)	(35,280)
	<u>70,252</u>	<u>43,365</u>	<u>52,787</u>	<u>(12,023)</u>	<u>(137,985)</u>	<u>16,396</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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine months period ended March 31, 2016					For the period from July 10, 2015 to March 31, 2016	For the period from November 27, 2015 to March 31, 2016	For the period from January 26, 2016 to March 31, 2016	Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	
	Note (Rupees in '000)								
Net assets at beginning of the period	356,415	320,046	237,421	1,590,238	3,081,799	-	-	-	5,585,919
Issue of units: Aggressive: 1,155,353 units, Moderate: 1,559,262 units, Conservative: 1,701,514 units, MCPP I: Nil, MCPP II: Nil, MAAP I: 26,579,804 units, MAAP II: 16,476,099 units MAAP III: 52,274,588 units	82,102	102,776	106,886	-	-	1,333,127	828,813	2,633,286	5,086,990
Issue of units for re-investment of cash dividend: Aggressive: Nil, Conservative: Nil, Moderate: Nil, MCPP I: 9,364 units, MCPP II: 48,728 units, MAAP I: Nil, MAAP II: Nil	-	-	-	581	2,737	-	-	-	3,318
Redemption of units: Aggressive: 795,195 units, Moderate: 1,663,919 units, Conservative: 1,944,125 units, MCPP I: 2,453,720 units, MCPP II: 2,248,250 units, MAAP I: 2,565,111 units, MAAP II: 69,908 MAAP III: 2,402,658	(57,038)	(109,391)	(122,098)	(134,848)	(114,456)	(140,054)	(3,518)	(125,621)	(807,024)
	25,064	(6,615)	(15,212)	(134,267)	(111,719)	1,193,073	825,295	2,507,665	4,283,284
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed (net)	168	(113)	347	2,540	1,369	7,662	(4,985)	(14,068)	(7,080)
Net realised (loss) / gain on sale of investments	(1,088)	(3,645)	(8,267)	(38,337)	(79,492)	7,524	5,055	2,303	(115,947)
Unrealised appreciation / (diminution) on re-measurement of investments 'at fair value through profit or loss' (net)	1,901	8	(791)	27,926	59,483	22,505	31,104	104,511	246,647
Net other income / (loss) for the period	14,651	18,297	19,536	62,924	85,182	(8,363)	4,536	13,790	210,553
Total comprehensive income for the period	15,464	14,660	10,478	52,513	65,173	21,666	40,695	120,604	341,253
Final distribution for the year ended June 30, 2015 - cash dividend: MCPP-I @ 0.04% i.e. Rs. 0.02 per unit (June 30, 2014: nil)	-	-	-	(590)	-	-	-	-	(590)
MCPP-II @ 0.10% i.e. Rs. 0.05 per unit (June 30, 2014: nil)	-	-	-	-	(3,068)	-	-	-	(3,068)
Net assets at end of the period	397,111	327,978	233,034	1,510,434	3,033,554	1,222,401	861,005	2,614,201	10,199,718
	(Rupees)								
Net assets value per unit at beginning of the period	70.06	64.29	61.27	53.91	50.22	-	-	-	
Net assets value per unit at end of the period	72.90	67.30	64.16	55.83	51.27	50.90	52.48	52.42	

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31, 2015					Total
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	
	(Rupees in '000)					
Net assets at beginning of the period	330,020	255,369	341,276	-	-	926,665
Issue of units: Aggressive: 2,473,045 units, Moderate: 3,821,109 units, Conservative: 5,675,530 units, MCPPI-I: 32,012,747 units, MCPPI-II: 63,242,069 units,	158,483	227,378	323,161	1,608,693	3,191,748	5,509,463
Redemption of units: Aggressive: 2,351,007 units, Moderate: 2,510,895 units, Conservative: 4,789,704 units, MCPPI-I: 2,185,705 units, MCPPI-II: 1,650,652	(147,572)	(149,166)	(275,223)	(110,975)	(85,219)	(768,155)
	10,910	78,212	47,938	1,497,718	3,106,529	4,741,307
Element of (income) / loss and capital / (gains) losses included in prices of units issued less those in units redeemed (net)	(3,567)	(4,026)	1,386	(6,366)	(26,958)	(39,531)
Net realised gain / (loss) on sale of investments	3,737	4,316	6,562	(8,074)	(99,230)	(92,689)
Unrealised appreciation (diminution) on re-measurement of investments 'at fair value through profit or loss' (net)	10,429	8,577	14,750	(6,396)	(62,640)	(35,280)
Net other income / (loss) for the period	2,614	3,104	(2,513)	2,447	23,885	29,537
Total comprehensive income for the period	16,780	15,997	18,799	(12,023)	(137,985)	(98,432)
Final distribution for the year ended June 30, 2014 - cash dividend: nil	-	-	-	-	-	-
Net assets at end of the period	354,143	345,552	409,399	1,479,329	2,941,586	5,530,009
	(Rupees)					
Net assets value per unit at beginning of the period	60.16	56.62	55.68			
Net assets value per unit at end of the period	63.15	59.36	58.36	49.60	47.76	

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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

Nine months period ended March 31, 2016	For the period from July 10, 2015 to March 31, 2016		For the period from November 27, 2015 to March 31, 2016		For the period from January 26, 2016 to March 31, 2016		Total		
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I		MAAP-II	MAAP-III
----- (Rupees in '000) -----									
CASH FLOWS FROM OPERATING ACTIVITIES									
Net income for the period	15,464	14,660	10,478	52,513	65,173	21,666	40,695	120,604	341,253
Adjustments for									
Unrealised (appreciation) / diminution on re-measurement at fair value through profit or loss' (net)	(1,901)	(8)	791	(27,926)	(59,483)	(22,505)	(31,104)	(104,511)	(246,647)
Amortisation of preliminary expenses and floatation costs	-	-	140	-	-	-	-	-	140
Element of loss / (income) and capital losses / (gains) included issued less those in units redeemed (net)	168	(113)	347	2,540	1,369	7,662	(4,985)	(14,068)	(7,080)
	13,731	14,539	11,756	27,127	7,059	6,823	4,606	2,025	87,666
(Increase) / decrease in assets									
Investments (net)	(49,066)	48,306	124,697	116,232	106,513	(1,200,784)	(810,715)	(2,518,303)	(4,183,120)
Profit receivable on saving accounts with banks	1	55	32	3	-	(15)	(41)	(254)	(219)
	(49,065)	48,361	124,729	116,235	106,513	(1,200,799)	(810,756)	(2,518,557)	(4,183,339)
Increase / (decrease) in liabilities									
Remuneration to AI Meezan - Management Company	63	123	64	39	120	3,392	1,909	47,259	52,969
Remuneration to CDC - Trustee	6	(1)	(9)	8	19	89	56	161	329
Payable to MBL	-	(2)	2	11	23	9	5	7	55
Annual fee to SECP	(59)	(84)	(214)	6	1,071	650	205	248	1,823
Accrued expenses and other liabilities	97	(414)	(63)	156	110	47	17	17	(33)
	107	(378)	(220)	220	1,343	4,187	2,192	47,692	55,143
Net cash (used in) / generated from operating activities	(35,227)	62,522	136,265	143,582	114,915	(1,189,789)	(803,958)	(2,468,840)	(4,040,530)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts against issuance and conversion of units	94,456	126,360	106,907	-	-	1,333,127	828,813	2,633,286	5,122,949
Payments against redemption and conversion of units	(61,871)	(229,653)	(278,385)	(134,848)	(114,366)	(139,807)	(3,318)	(125,621)	(1,087,869)
Receipt against Reinvestment	-	-	-	581	2,737	-	-	-	3,318
Dividend payable	-	-	-	(590)	(3,068)	-	-	-	(3,658)
Net cash generated / (used in) from financing activities	32,585	(103,293)	(171,478)	(134,857)	(114,697)	1,193,320	825,495	2,507,665	4,034,740
Net (decrease) / increase in cash and cash equivalents during the period	(2,642)	(40,771)	(35,213)	8,725	218	3,531	21,537	38,825	(5,790)
Cash and cash equivalents at beginning of the period	4,513	44,016	37,237	2,827	2,605	-	-	-	91,198
Cash and cash equivalents at end of the period	1,871	3,245	2,024	11,552	2,823	3,531	21,537	38,825	85,408

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	Nine Months period ended March 31, 2015					Total
	Aggressive	Moderate	Conservative	MCPPI-I	MCPPI-II	
(Rupees in '000)						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income / (loss) for the period	16,780	15,997	18,799	(12,023)	(137,985)	(98,432)
Adjustments for						
Unrealised diminution / (appreciation) on re-measurement of investments at fair value through profit or loss' (net)	(10,429)	(8,577)	(14,750)	6,396	62,640	35,280
Amortisation of preliminary expenses and floatation costs	-	-	-	-	-	-
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed (net)	(3,567)	(4,026)	1,386	(6,366)	(26,958)	(39,531)
	2,784	3,394	5,435	(11,993)	(102,303)	(102,683)
(Increase) / decrease in assets						
Investments (net)	(17,452)	(85,535)	(55,130)	(1,480,564)	(3,005,150)	(4,643,831)
Preliminary expenses and floatation costs	-	-	150	-	-	150
Profit receivable on saving accounts with banks	(9)	(12)	(16)	(60)	(358)	(455)
	(17,461)	(85,547)	(54,996)	(1,480,624)	(3,005,508)	(4,644,136)
(Decrease) / increase in liabilities						
Remuneration to AI Meezan - Management Company	(72)	199	291	4,540	57,675	62,633
Remuneration to CDC - Trustee	(2)	4	-	106	198	306
Payable to MBL	-	(2)	-	-	-	(2)
Annual fee to SECP	(34)	48	(26)	745	412	1,145
Accrued expenses and other liabilities	325	378	370	66	19	1,158
	217	627	635	5,457	58,304	65,240
Net cash (used in) / generated from operating activities	(14,460)	(81,526)	(48,926)	(1,487,160)	(3,049,507)	(4,681,579)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts against issuance and conversion of units	158,483	227,378	323,161	1,608,693	3,191,748	5,509,463
Payments against redemption and conversion of units	(137,874)	(148,151)	(271,157)	(110,975)	(85,219)	(753,377)
Receipt against Reinvestment	-	-	-	-	-	-
Dividend payable	-	-	-	-	-	-
Net cash generated from / (used in) financing activities	20,608	79,227	52,004	1,497,718	3,106,529	4,756,086
Net increase / (decrease) in cash and cash equivalents during the period	6,148	(2,299)	3,078	10,558	57,022	74,507
Cash and cash equivalents at beginning of the period	5,970	6,652	3,855	-	-	16,477
Cash and cash equivalents at end of the period	12,118	4,353	6,933	10,558	57,022	90,984

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED MARCH 31, 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 Al Meezan Investment Management Limited (Al Meezan) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on July 27, 2012 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) issued through S.R.O.1203(I)/2008 on November 21, 2008. The registered office of the Management Company of the Fund, is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shahrah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund has been formed to enable the unitholders to participate in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah guidelines. The Management Company has appointed Meezan Bank Limited (MBL) as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3** The Fund is an open-end Shariah compliant fund of funds scheme listed on Pakistan Stock Exchange (formerly Islamabad Stock Exchange). Units are offered for public subscription on a continuous basis except for four 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) and Meezan Asset Allocation Plan III (MAAP-III) in which the offer of units is discontinued after the end of the subscription period, however, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the Commission after intimation to the Trustee and by providing notice to investors in order to protect the interest of the unitholders. The units of the plan are transferable and can be redeemed by surrendering them to the Fund.
- 1.4** The Fund is an open-end Shariah compliant fund of funds scheme that aims to generate returns on investment as per allocation plans (sub funds) namely Aggressive Plan, Moderate Plan, Conservative Plan, Meezan Capital Preservation Plan-I (MCPPI), Meezan Capital Preservation Plan-II (MCPPII), Meezan Asset Allocation Plan I (MAAP-I), Meezan Asset Allocation Plan II (MAAP-II) and Meezan Asset Allocation Plan III (MAAP-III) by investing in Shariah compliant income, money market and equity mutual funds in line with the risk tolerance of the investor. Investors of the Fund may hold different types of allocation plans and may invest in any one or more of the available allocation plans. The management may also invest in other Collective Investments Schemes available to it with prior approval of SECP.
- 1.5** Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund. The Fund's property of different types of allocation plans shall be accounted for and maintained separately in books of accounts, which shall collectively constitute the Fund property of the Scheme.
- 1.6** The Management Company of the Fund has been given quality rating of AM2+ by JCR-VIS Credit Rating Company Limited.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund 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, 2015 and period ended December 31, 2015.

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, 2015.

5. INVESTMENTS

Note	As at March 31, 2016 (Unaudited)									(Audited)	
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	Total	June 30, 2015	
	(Rupees in '000)										
Investments - 'at fair value through profit or loss' - held for trading	5.1	399,097	327,575	232,856	1,507,234	3,043,358	1,223,289	841,819	2,622,814	10,198,042	5,768,269

5.1 Held for Trading - Units of mutual funds

Name of Investee Funds	As at July 01, 2015	Purchases during the period	Bonus	Redemption during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss)	Percentage of Market value to total investments
	(Number of units)				(Rupees in '000)		(Percentage)		
Aggressive Allocation Plan									
Meezan Islamic Fund	3,987,725	1,002,651	-	458,866	4,531,510	275,600	279,368	3,768	70.00
Meezan Sovereign Fund	1,936,916	619,793	-	272,677	2,284,032	121,596	119,729	(1,867)	30.00
Total cost of investments						397,196	399,097	1,901	100
Moderate Allocation Plan									
Meezan Islamic Fund	3,075,363	735,717	-	1,154,350	2,656,730	161,168	163,787	2,619	50.00
Meezan Sovereign Fund	3,485,449	984,350	-	1,345,278	3,124,521	166,398	163,787	(2,611)	50.00
Total cost of investments						327,566	327,574	8	100
Conservative Allocation Plan									
Meezan Islamic Fund	1,465,973	420,942	-	942,651	944,264	57,326	58,214	888	25.00
Meezan Sovereign Fund	4,984,360	1,628,826	-	3,281,603	3,331,583	176,321	174,642	(1,679)	75.00
Total cost of investments						233,647	232,856	(791)	100
Meezan Capital Preservation Plan I									
Al Meezan Mutual Fund	-	6,325,869	-	6,325,869	-	-	-	-	-
Meezan Islamic Fund	20,807,623	8,212,642	-	17,606,263	11,414,002	684,734	703,673	18,939	46.69
Meezan Cash Fund	1,591,429	30,180,049	-	31,726,676	44,802	2,301	2,321	20	0.15
Meezan Sovereign Fund	4,529,964	39,886,909	-	29,131,869	15,285,004	792,273	801,240	8,967	53.16
Total cost of investments						1,479,308	1,507,234	27,926	100
							1,453,749		

Name of Investee Funds	As at July 01, 2015	Purchases during the period	Bonus	Redemption during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss)	Percentage of Market value to total investments
	----- (Number of units) -----				----- (Rupees in '000) -----		(Percentage)		
Meezan Capital Preservation Plan II									
Al Meezan Mutual Fund	-	6,516,989	-	1,818,953	4,698,036	75,527	79,021	3,494	2.60
Meezan Islamic Fund	25,627,412	16,105,288	-	30,734,909	10,997,791	655,669	678,014	22,345	22.28
Meezan Cash Fund	21,072,974	49,329,322	-	70,402,296	-	-	-	-	-
Meezan Sovereign Fund	8,689,559	78,711,404	-	43,785,495	43,615,468	2,252,680	2,286,323	33,644	75.13
						2,983,876	3,043,358	59,483	100
Total cost of investments								2,979,296	
Meezan Asset Allocation Plan I									
Al Meezan Mutual Fund	-	3,121,175	-	-	3,121,175	51,000	52,498	1,498	4.29
Meezan Islamic Fund	-	18,808,421	-	2,656,208	16,152,213	975,922	995,784	19,862	81.39
Meezan Cash Fund	-	17,878,902	-	17,878,902	-	-	-	-	-
Meezan Sovereign Fund	-	19,545,042	-	16,206,489	3,338,553	173,862	175,007	1,145	14.31
Meezan Islamic Income Fund	-	13,269,035	-	13,269,035	-	-	-	-	-
						1,200,784	1,223,289	22,505	100
Total cost of investments								1,200,784	
Meezan Asset Allocation Plan II									
Meezan Islamic Fund	-	14,352,627	-	2,669,045	11,683,582	689,985	720,293	30,308	85.56
Meezan Sovereign Fund	-	3,132,123	-	813,803	2,318,320	120,730	121,526	796	14.44
Meezan Islamic Income Fund	-	17,621,433	-	17,621,433	-	-	-	-	-
						810,715	841,819	31,104	100
Total cost of investments								810,715	
Meezan Asset Allocation Plan III									
Al Meezan Mutual Fund	-	17,169,530	-	-	17,169,530	270,325	288,792	18,467	11.01
Meezan Islamic Fund	-	25,080,840	-	-	25,080,840	1,463,000	1,546,234	83,234	58.95
Meezan Islamic Income Fund	-	44,033,020	-	29,255,521	14,777,499	784,978	787,788	2,810	30.04
						2,518,303	2,622,814	104,511	100
Total cost of investments								2,518,303	
Total investments in units of mutual funds									
Al Meezan Mutual Fund	-	26,616,574	-	6,325,869	24,988,741	396,852	420,311	23,459	4.12
Meezan Islamic Fund	54,964,096	84,719,128	-	56,222,292	83,460,933	4,963,404	5,145,367	181,963	50.45
Meezan Cash Fund	22,664,403	97,388,273	-	120,007,874	44,802	2,301	2,321	20	0.02
Meezan Sovereign Fund	23,626,248	144,508,447	-	94,837,214	73,297,481	3,803,860	3,842,254	38,394	37.68
Meezan Islamic Income Fund	-	74,923,488	-	60,145,989	14,777,499	784,978	787,789	2,811	7.72
						9,951,395	10,198,042	246,647	100
Total cost of investments								9,806,610	

6. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2016.

7. ALLOCATED EXPENSES

In the current period, a statutory notification (S.R.O. No. 1160 (I)/2015 dated November 25, 2015) was issued by Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non - Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CIS) upto a maximum of 0.1% of average annual net assets of the Scheme. Accordingly, such expenses have been charged effective from December 16, 2015.

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 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. 0.49 per unit (0.68%) in Aggressive Allocation Plan, Rs. 0.40 per unit (0.62%) in Conservative Allocation Plan, Rs. 0.36 per unit (0.53%) in Moderate Allocation Plan, Rs. 0.04 per unit (0.07%) in Meezan Capital Preservation Plan I and Rs. 0.004 per unit (0.009%) 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.

9. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include AI 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, AI Meezan Mutual Fund, Meezan Islamic Fund, Meezan Tahaffuz Pension Fund, Meezan Islamic Income Fund, Meezan Balanced Fund, Meezan Gold Fund, KSE Meezan Index Fund, Meezan Cash Fund, Meezan Sovereign Fund, Meezan Capital Preservation Fund-II and Meezan Capital Preservation Fund-III being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, AI Meezan Investment Management Limited - Employees Gratuity Fund and unitholders holding 10% or more units of the Fund.

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 period end are as follows:

	March 31, 2016 (Unaudited)								Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	
(Rupees in '000)									
AI Meezan Investment Management Limited - Management Company									
Remuneration Payable	2	1	2	11	5	3	19	26	69
Sindh Sales Tax and Federal Excise Duty on Management fee Payable	18	36	31	30	47	15	23	26	226
Sales load payable	71	74	6	1	-	7	-	35,559	35,718
Sindh Sales Tax and Federal Excise Duty on Sales load payable	362	400	428	4,406	9,341	3,266	1,795	11,465	31,463
Allocated Expenses payable	33	27	20	128	257	101	72	183	821
Investment as at March 31, 2016: 98,437 units - Conservative Allocation Plan	-	-	6,316	-	-	-	-	-	6,316
Investment as at March 31, 2016: 2,651,947 units - Meezan Capital Preservation Plan-I	-	-	-	148,057	-	-	-	-	148,057
Investment as at March 31, 2016: 476,758 units - Meezan Asset Allocation Plan-II	-	-	-	26,617	-	-	-	-	26,617
Investment as at March 31, 2016: 2,475,201 units - Meezan Asset Allocation Plan-III	-	-	-	129,746	-	-	-	-	129,746
Meezan Bank Limited									
Bank balance	1,776	3,171	1,911	11,552	2,823	3,531	21,537	38,825	85,126
Profit Receivable	20	11	10	33	10	15	41	254	394
Shariah Advisor Fee payable	3	2	2	11	23	9	5	7	62
Investment as at March 31, 2016: 3,964,321 units - Meezan Capital Preservation Plan-II	-	-	-	-	203,268	-	-	-	203,268

	March 31, 2016 (Unaudited)								Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	
(Rupees in '000)									
Central Depository Company of Pakistan Limited - Trustee									
Trustee Fee payable	29	21	23	98	186	78	48	141	624
Sindh Sales Tax on trustee fee payable	4	3	2	14	27	11	8	20	90
Directors and Executives of the Management Company									
Investment as at March 31, 2016: 47,023 units - Aggressive Allocation Plan	3,428	-	-	-	-	-	-	-	3,428
Investment as at March 31, 2016: 11,038 units - Moderate Allocation Plan	-	743	-	-	-	-	-	-	743
Investment as at March 31, 2016: 10,492 units - Conservative Allocation Plan	-	-	673	-	-	-	-	-	673
Investment as at March 31, 2016: 21,322 units - Meezan Capital Preservation Plan-I	-	-	-	1,190	-	-	-	-	1,190
Investment as at March 31, 2016: 297,591 units - Meezan Capital Preservation Plan-II	-	-	-	-	15,259	-	-	-	15,259
Investment as at March 31, 2016: 3,894 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	198	-	-	198
Meezan Islamic Fund									
Investment as at March 31, 2016: 4,531,510 units - Aggressive Allocation Plan	279,368	-	-	-	-	-	-	-	279,368
Investment as at March 31, 2016: 2,656,730 units - Moderate Allocation Plan	-	163,787	-	-	-	-	-	-	163,787
Investment as at March 31, 2016: 944,264 units - Conservative Allocation Plan	-	-	58,214	-	-	-	-	-	58,214
Investment as at March 31, 2016: 11,414,002 units - Meezan Capital Preservation Plan-I	-	-	-	703,673	-	-	-	-	703,673
Investment as at March 31, 2016: 10,997,791 units - Meezan Capital Preservation Plan-II	-	-	-	-	678,014	-	-	-	678,014
Investment as at March 31, 2016: 16,152,213 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	995,784	-	-	995,784
Investment as at March 31, 2016: 11,683,582 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	720,293	-	720,293
Investment as at March 31, 2016: 25,080,840 units - Meezan Asset Allocation Plan-III	-	-	-	-	-	-	-	1,546,234	1,546,234
Meezan Sovereign Fund									
Investment as at March 31, 2016: 2,284,032 units - Aggressive Allocation Plan	119,729	-	-	-	-	-	-	-	119,729
Investment as at March 31, 2016: 3,124,521 units - Moderate Allocation Plan	-	163,787	-	-	-	-	-	-	163,787
Investment as at March 31, 2016: 3,331,583 units - Conservative Allocation Plan	-	-	174,642	-	-	-	-	-	174,642
Investment as at March 31, 2016: 15,285,004 units - Meezan Capital Preservation Plan-I	-	-	-	801,240	-	-	-	-	801,240
Investment as at March 31, 2016: 43,615,468 units - Meezan Capital Preservation Plan-II	-	-	-	-	2,286,323	-	-	-	2,286,323
Investment as at March 31, 2016: 3,338,553 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	175,007	-	-	175,007
Investment as at March 31, 2016: 2,318,320 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	121,526	-	121,526
Al Meezan Mutual fund									
Investment as at March 31, 2016: 4,698,036 units - Meezan Capital Preservation Plan-II	-	-	-	-	79,021	-	-	-	79,021
Investment as at March 31, 2016: 3,121,175 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	52,498	-	-	52,498
Investment as at March 31, 2016: 17,169,530 units - Meezan Asset Allocation Plan-III	-	-	-	-	-	-	288,792	-	288,792
Meezan Cash Fund									
Investment as at March 31, 2016: 44,802 units - Meezan Capital Preservation Plan-I	-	-	-	2,321	-	-	-	-	2,321
Meezan Islamic Income Fund									
Investment as at March 31, 2016: 14,777,499 units - Meezan Asset Allocation Plan-III	-	-	-	-	-	-	-	787,788	787,788
Unit Holders holding 10% or more units of the Fund	125,404	50,075	-	313,322	-	197,660	153,393	-	839,854

	June 30, 2015 (Audited)							
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III
Al Meezan Investment Management Limited - Management Company								
Remuneration Payable	4	23	6	5	69	-	-	107
Sindh Sales Tax and Federal Excise Duty on Management fee	15	22	17	24	59	-	-	137
Sales load payable	60	45	15	-	-	-	-	120
Sindh Sales Tax and Federal Excise Duty on Sales load payable	344	325	325	4,508	9,402	-	-	14,904
Investment as at June 30, 2015: 98,437 units - Conservative Allocation Plan	-	-	6,031	-	-	-	-	6,031
Investment as at June 30, 2015: 2,651,209 units - Meezan Capital Preservation Plan-I	-	-	-	142,927	-	-	-	142,927
Meezan Bank Limited								
Bank balance	4,414	43,921	37,126	2,827	2,605	-	-	90,893
Sales load payable	1	2	-	-	-	-	-	3
Profit Receivable	19	63	39	36	10	-	-	167
Investment as at June 30, 2015: 3,964,321 units - Meezan Capital Preservation Plan-II	-	-	-	-	199,088	-	-	199,088

	June 30, 2015 (Audited)								Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	
(Rupees in '000)									
Central Depository Company of Pakistan Limited - Trustee									
Trustee Fee payable	27	25	35	104	194	-	-	-	385
Directors and Executives of the Management Company									
Investment as at June 30, 2015: 13,528 units - Aggressive Allocation Plan	948	-	-	-	-	-	-	-	948
Investment as at June 30, 2015: 11,788 units - Moderate Allocation Plan	-	758	-	-	-	-	-	-	758
Investment as at June 30, 2015: 10,492 units - Conservative Allocation Plan	-	-	643	-	-	-	-	-	643
Investment as at June 30, 2015: 21,315 units - Meezan Capital Preservation Plan-I	-	-	-	1,149	-	-	-	-	1,149
Investment as at June 30, 2015: 297,324 units - Meezan Capital Preservation Plan-II	-	-	-	-	14,932	-	-	-	14,932
Meezan Islamic Fund									
Investment as at June 30, 2015: 3,987,725 units - Aggressive Allocation Plan	243,690	-	-	-	-	-	-	-	243,690
Investment as at June 30, 2015: 3,075,363 units - Moderate Allocation Plan	-	187,935	-	-	-	-	-	-	187,935
Investment as at June 30, 2015: 1,465,973 units - Conservative Allocation Plan	-	-	89,586	-	-	-	-	-	89,586
Investment as at June 30, 2015: 20,807,623 units - Meezan Capital Preservation Plan-I	-	-	-	1,271,553	-	-	-	-	1,271,553
Investment as at June 30, 2015: 25,627,412 units - Meezan Capital Preservation Plan-II	-	-	-	-	1,566,091	-	-	-	1,566,091
Meezan Sovereign Fund									
Investment as at June 30, 2015: 1,936,916 units - Aggressive Allocation Plan	104,439	-	-	-	-	-	-	-	104,439
Investment as at June 30, 2015: 3,485,449 units - Moderate Allocation Plan	-	187,935	-	-	-	-	-	-	187,935
Investment as at June 30, 2015: 4,984,360 units - Conservative Allocation Plan	-	-	268,756	-	-	-	-	-	268,756
Investment as at June 30, 2015: 4,529,964 units - Meezan Capital Preservation Plan-I	-	-	-	244,256	-	-	-	-	244,256
Investment as at June 30, 2015: 8,689,559 units - Meezan Capital Preservation Plan-II	-	-	-	-	468,541	-	-	-	468,541
Meezan Cash Fund									
Investment as at June 30, 2015: 1,591,429 units - Meezan Capital Preservation Plan-I	-	-	-	79,731	-	-	-	-	79,731
Investment as at June 30, 2015: 21,072,974 units - Meezan Capital Preservation Plan-II	-	-	-	-	1,055,756	-	-	-	1,055,756
Unitholders holding 10% or more units of the Fund	227,737	41,912	-	159,536	-	-	-	-	429,185

	For the period ended March 31, 2016 (Unaudited)								Total
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	
(Rupees in '000)									
Al Meezan Investment Management Limited - Management Company									
Remuneration for the period	27	107	98	51	20	85	113	124	625
Sindh Sales Tax and Federal Excise Duty on Management Fee	8	34	32	16	6	28	36	40	200
Allocated Expense	114	89	68	446	894	345	212	260	2,428
Units Issued: 738 units - Meezan Capital Preservation Plan-I	-	-	-	-	-	53	-	-	53
Units Issued: 476,758 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	-	24,000	-	24,000
Units Issued: 2,475,201 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	-	121,928	121,928
Meezan Bank Limited									
Profit on saving account	88	103	175	160	144	642	282	640	2,234
Shariah Advisor Fee	3	3	2	14	27	11	6	7	73
Central Depository Company of Pakistan Limited - Trustee									
Trustee fee for the period	222	184	142	927	1,816	536	168	202	4,197
Sindh Sales Tax on Trustee Fee	31	26	20	130	254	75	24	28	588
Directors and Executives of the Management Company									
Units Issued: 40,971 units - Aggressive Allocation Plan	2,941	-	-	-	-	-	-	-	2,941
Units Issued: 16,679 units - Moderate Allocation Plan	-	1,100	-	-	-	-	-	-	1,100
Units Issued: 7 units - Meezan Capital Preservation Plan-I	-	-	-	0	-	-	-	-	0
Units Issued: 267 units - Meezan Capital Preservation Plan-II	-	-	-	-	15	-	-	-	15
Units Issued: 3,924 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	202	-	-	202
Units Redeemed: 7,477 units - Aggressive Allocation Plan	532	-	-	-	-	-	-	-	532
Units Redeemed: 17,429 units - Moderate Allocation Plan	1,160	-	-	-	-	-	-	-	1,160
Units Redeemed: 30 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	1	-	-	1
Cash Dividend paid	-	-	-	-	15	-	-	-	15

For the period ended March 31, 2016 (Unaudited)									
	Aggressive	Moderate	Conservative	MCPP-I	MCPP-II	MAAP-I	MAAP-II	MAAP-III	Total
----- (Rupees in '000) -----									
Meezan Islamic Fund									
Units Purchased: 1,002,651 units - Aggressive Allocation Plan	59,856	-	-	-	-	-	-	-	59,856
Units Purchased: 735,717 units - Moderate Allocation Plan	-	43,602	-	-	-	-	-	-	43,602
Units Purchased: 420,942 units - Conservative Allocation Plan	-	-	25,211	-	-	-	-	-	25,211
Units Purchased: 8,212,642 units - Meezan Capital Preservation Plan-I	-	-	-	484,650	-	-	-	-	484,650
Units Purchased: 16,105,288 units - Meezan Capital Preservation Plan-II	-	-	-	-	961,395	-	-	-	961,395
Units Purchased: 18,808,420 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	1,136,500	-	-	1,136,500
Units Purchased: 14,352,627 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	847,598	-	847,598
Units Purchased: 25,080,840 units - Meezan Asset Allocation Plan-III	-	-	-	-	-	-	-	1,463,000	1,463,000
Units Sold: 458,866 units - Aggressive Allocation Plan	27,429	-	-	-	-	-	-	-	27,429
Units Sold: 1,154,350 units - Moderate Allocation Plan	-	70,283	-	-	-	-	-	-	70,283
Units Sold: 942,651 units - Conservative Allocation Plan	-	-	57,955	-	-	-	-	-	57,955
Units Sold: 17,606,263 units - Meezan Capital Preservation Plan-I	-	-	-	1,033,752	-	-	-	-	1,033,752
Units Sold: 30,734,909 units - Meezan Capital Preservation Plan-II	-	-	-	-	1,771,288	-	-	-	1,771,288
Units Sold: 2,656,208 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	160,000	-	-	160,000
Units Sold: 2,669,045 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	161,000	-	161,000
Meezan Sovereign Fund									
Units Purchased: 619,793 units - Aggressive Allocation Plan	31,732	-	-	-	-	-	-	-	31,732
Units Purchased: 984,350 units - Moderate Allocation Plan	-	50,583	-	-	-	-	-	-	50,583
Units Purchased: 1,628,826 units - Conservative Allocation Plan	-	-	83,138	-	-	-	-	-	83,138
Units Purchased: 39,886,909 units - Meezan Capital Preservation Plan-I	-	-	-	2,055,209	-	-	-	-	2,055,209
Units Purchased: 78,711,404 units - Meezan Capital Preservation Plan-II	-	-	-	-	4,051,209	-	-	-	4,051,209
Units Purchased: 19,545,042 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	999,576	-	-	999,576
Units Purchased: 3,132,123 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	163,054	-	163,054
Units Sold: 272,677 units - Aggressive Allocation Plan	14,003	-	-	-	-	-	-	-	14,003
Units Sold: 1,345,278 units - Moderate Allocation Plan	-	68,561	-	-	-	-	-	-	68,561
Units Sold: 3,281,603 units - Conservative Allocation Plan	-	-	166,823	-	-	-	-	-	166,823
Units Sold: 29,131,869 units - Meezan Capital Preservation Plan-I	-	-	-	1,500,967	-	-	-	-	1,500,967
Units Sold: 43,785,495 units - Meezan Capital Preservation Plan-II	-	-	-	-	2,254,016	-	-	-	2,254,016
Units Sold: 16,206,489 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	826,754	-	-	826,754
Units Sold: 813,803 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	42,364	-	42,364
Meezan Cash Fund									
Units Purchased: 30,180,049 units - Meezan Capital Preservation Plan-I	-	-	-	1,536,829	-	-	-	-	1,536,829
Units Purchased: 49,329,322 units - Meezan Capital Preservation Plan-II	-	-	-	-	2,504,395	-	-	-	2,504,395
Units Purchased: 17,878,903 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	906,714	-	-	906,714
Units Sold: 31,726,676 units - Meezan Capital Preservation Plan-I	-	-	-	1,623,991	-	-	-	-	1,623,991
Units Sold: 70,402,296 units - Meezan Capital Preservation Plan-II	-	-	-	-	3,594,445	-	-	-	3,594,445
Units Sold: 17,878,903 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	909,257	-	-	909,257
AI Meezan Mutual Fund									
Units Purchased: 6,325,869.53 units - Meezan Capital Preservation Plan-I	-	-	-	103,000	-	-	-	-	103,000
Units Purchased: 6,516,988.84 units - Meezan Capital Preservation Plan-II	-	-	-	-	105,000	-	-	-	105,000
Units Purchased: 3,121,175.03 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	51,000	-	-	51,000
Units Purchased: 17,169,530.49 units - Meezan Asset Allocation Plan-III	-	-	-	-	-	-	270,325	-	270,325
Units Sold: 6,325,869 units - Meezan Capital Preservation Plan-I	-	-	-	98,873	-	-	-	-	98,873
Units Sold: 1,818,953 units - Meezan Capital Preservation Plan-II	-	-	-	-	29,269	-	-	-	29,269
Meezan Islamic Income Fund									
Units Purchased: 13,269,036 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	691,257	-	-	691,257
Units Purchased: 17,621,434 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	927,024	-	927,024
Units Purchased: 44,033,020 units - Meezan Asset Allocation Plan-III	-	-	-	-	-	-	-	2,333,000	2,333,000
Units Sold: 13,269,035 units - Meezan Asset Allocation Plan-I	-	-	-	-	-	695,776	-	-	695,776
Units Sold: 17,621,433 units - Meezan Asset Allocation Plan-II	-	-	-	-	-	-	928,652	-	928,652
Units Sold: 29,255,521 units - Meezan Asset Allocation Plan-III	-	-	-	-	-	-	-	1,550,325	1,550,325

For the period ended March 31, 2015 (Unaudited)

Al Meezan Investment Management Limited - Management Company

Remuneration for the period	38	32	36	109	121	-	-	-	336
Sindh Sales Tax and Federal Excise Duty on Management Fee	13	11	12	37	46	-	-	-	119
Preliminary expenses and floatation costs paid	-	-	150	-	-	-	-	-	150
Units Issued: 2,651,209 units - Meezan Capital Preservation Plan I	-	-	-	133,000	-	-	-	-	133,000

Meezan Bank Limited

Profit on saving account	177	156	239	929	1,388	-	-	-	2,889
Issuance of 3,964,321 units - Meezan Capital Preservation Plan II	-	-	-	-	200,000	-	-	-	200,000

Central Depository Company of Pakistan Limited - Trustee

Trustee fee for the period	222	203	266	652	347	-	-	-	1,690
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Directors and executives of the Management Company

Units Issued: 1,883 units - Aggressive Allocation Plan	121	-	-	-	-	-	-	-	121
Units Redeemed: 1,637 units - Aggressive Allocation Plan	108	-	-	-	-	-	-	-	108
Units Issued: 4,343 units - Moderate Allocation Plan	-	250	-	-	-	-	-	-	250
Units Redeemed: 3,968 units - Moderate Allocation Plan	-	241	-	-	-	-	-	-	241
Units Issued: 852 units - Conservative Allocation Plan	-	-	50	-	-	-	-	-	50
Units Redemption: 852 units - Conservative Allocation Plan	-	-	50	-	-	-	-	-	50
Units Issued: 21,315 units - Meezan Capital Preservation Plan I	-	-	-	1,073	-	-	-	-	1,073
Units Issued: 297,324 units - Meezan Capital Preservation Plan II	-	-	-	-	15,000	-	-	-	15,000

Meezan Islamic Fund

Units Purchased: 1,539,479 units - Aggressive Allocation Plan	84,408	-	-	-	-	-	-	-	84,408
Units Purchased: 1,735,418 units - Moderate Allocation Plan	-	95,043	-	-	-	-	-	-	95,043
Units Purchased: 1,279,918 units - Conservative Allocation Plan	-	-	67,285	-	-	-	-	-	67,285
Units Purchased: 24,863,414 units - Meezan Capital Preservation Plan-I	-	-	-	1,341,638	-	-	-	-	1,341,638
Units Purchased: 24,376,433 units - Meezan Capital Preservation Plan-II	-	-	-	-	1,443,981	-	-	-	1,443,981
Units Sold: 1,408,450 units - Aggressive Allocation Plan	74,186	-	-	-	-	-	-	-	74,186
Units Sold: 978,981 units - Moderate Allocation Plan	-	53,213	-	-	-	-	-	-	53,213
Units Sold: 1,038,436 units - Conservative Allocation Plan	-	-	56,418	-	-	-	-	-	56,418
Units Sold: 10,980,433 units - Meezan Capital Preservation Plan-I	-	-	-	570,000	-	-	-	-	570,000
Units Sold: 11,867,089 units - Meezan Capital Preservation Plan-II	-	-	-	-	600,000	-	-	-	600,000
Transaction cost paid - Aggressive Allocation Plan	212	-	-	-	-	-	-	-	212
Transaction cost paid - Moderate Allocation Plan	-	238	-	-	-	-	-	-	238
Transaction cost paid - Conservative Allocation Plan	-	-	169	-	-	-	-	-	169
Transaction cost paid - Meezan Capital Preservation Plan-I	-	-	-	3,362	-	-	-	-	3,362
Transaction cost paid - Meezan Capital Preservation Plan-II	-	-	-	-	3,619	-	-	-	3,619

Meezan Sovereign Fund

Units Purchased: 744,980 units - Aggressive Allocation Plan	38,584	-	-	-	-	-	-	-	38,584
Units Purchased: 1,820,026 units - Moderate Allocation Plan	-	93,941	-	-	-	-	-	-	93,941
Units Purchased: 3,791,760 units - Conservative Allocation Plan	-	-	194,570	-	-	-	-	-	194,570
Units Sold: 679,440 units - Aggressive Allocation Plan	35,091	-	-	-	-	-	-	-	35,091
Units Sold: 1,050,450 units - Moderate Allocation Plan	-	54,553	-	-	-	-	-	-	54,553
Units Sold: 3,042,584 units - Conservative Allocation Plan	-	-	156,869	-	-	-	-	-	156,869
Units Sold: 15,129,412 units - Meezan Capital Preservation Plan II	-	-	-	-	794,800	-	-	-	794,800

Meezan Cash Fund

Units Purchased: 29,294,459 units - Meezan Capital Preservation Plan-I	-	-	-	1,492,000	-	-	-	-	1,492,000
Units Purchased: 3,865,120 units - Meezan Capital Preservation Plan-II	-	-	-	-	201,000	-	-	-	201,000
Units Sold: 26,125,709 units - Meezan Capital Preservation Plan-I	-	-	-	1,345,020	-	-	-	-	1,345,020
Units Sold: 3,849,202 units - Meezan Capital Preservation Plan-II	-	-	-	-	201,000	-	-	-	201,000

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. Provided that for the purpose of determining distribution of at least 90 percent of accounting income, the income distributed through bonus units shall not be taken into account. 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, 2016 as reduced by capital gains (whether realised or unrealised) to its unitholders.

11. FINANCIAL INSTRUMENTS - FAIR VALUES

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

Note	Carrying amount					Fair value			
	Investments	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016 (Rupees in '000)									
Financial assets - measured at fair value									
Funds of fund	10,198,042	-	-	-	10,198,042	10,198,042	-	-	10,198,042
Financial assets - not measured at fair value									
Cash and cash equivalents	11.1	-	85,408	-	85,408				
Trade and other receivables	11.1	395	-	-	395				
		<u>10,198,042</u>	<u>395</u>	<u>85,408</u>	<u>-</u>				<u>10,283,845</u>
Financial liabilities - not measured at fair value									
Trade and other payables	11.1	-	-	38,756	38,756				

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. Therefore, 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 April 20, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director





QUARTERLY REPORT
MARCH 31, 2016

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

Meezan Bank Limited

LEGAL ADVISER

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

TRANSFER AGENT

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2016

	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
(Rupees in '000)			
Assets			
Balances with bank		3,763	257
Investments	5	2,258,148	2,245,251
Prepayments and other receivables		60	108
Preliminary expenses and floatation costs		596	2,479
Total assets		2,262,567	2,248,095
Liabilities			
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		6,380	6,184
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		187	158
Payable to Securities and Exchange Commission of Pakistan (SECP)		1,260	1,628
Payable to Meezan Bank Limited (MBL)		64	-
Payable on redemption of units		-	129
Accrued expenses and other liabilities		4,488	4,444
Total liabilities		12,379	12,543
Net assets		2,250,188	2,235,552
Contingencies & Commitments	6		
Unitholders' fund (as per statement attached)		2,250,188	2,235,552
(Number of units)			
Number of units in issue		39,521,028	40,519,661
(Rupees)			
Net assets value per unit		56.94	55.17

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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2016

	Note	Nine Months period ended March 31,		Quarter ended March 31,	
		2016	2015	2016	2015
(Rupees in '000)					
Income					
Net realised (loss) / gain on sale of investments		(32,806)	41,211	12,250	44,665
Profit on saving accounts with bank		62	1,670	25	80
Dividend Income		79,447	-	-	-
Back end load		2,782	1,895	736	754
		49,485	44,776	13,011	45,499
Unrealised gain / (loss) on re-measurement of investments - 'fair value through profit or loss' (net)	5.1	26,837	20,246	23,033	(119,026)
Total income		76,322	65,022	36,044	(73,527)
Expenses					
Remuneration to AI Meezan - Management Company		19	270	9	6
Sindh Sales Tax and Federal Excise Duty on management fee		6	92	2	2
Remuneration to CDC - Trustee		1,449	1,409	475	474
Sindh Sales Tax on Trustee Fee		203	-	67	-
Annual fee to SECP		1,260	1,220	413	413
Auditors' remuneration		214	209	64	33
Fees and subscription		173	98	97	32
Legal and professional charges		133	-	-	-
Amortisation of preliminary expenses and floatation costs		1,884	1,897	624	616
Bank and settlement charges		1	5,516	-	1,256
Provision for Workers' Welfare Fund (WWF)		-	1,042	-	(1,549)
Allocated expenses	7	648	-	551	-
Total expenses		5,990	11,753	2,302	1,283
Net income / (loss) from operating activities		70,332	53,269	33,742	(74,810)
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)		(602)	(2,208)	(24)	(1,113)
Net income / (loss) for the period before taxation		69,730	51,061	33,718	(75,923)
Taxation	11	-	-	-	-
Net income / (loss) for the period after taxation		69,730	51,061	33,718	(75,923)
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		69,730	51,061	33,718	(75,923)

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM DISTRIBUTION STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine Months period ended March 31,	
	2016 (Rupees in '000)	2015
Undistributed income brought forward		
- Realised	78,880	-
- Unrealised	130,688	-
	209,568	-
Net income for the period	69,730	51,061
Undistributed income carried forward	279,298	51,061
Undistributed income carried forward		
- Realised	252,461	30,815
- Unrealised	26,837	20,246
	279,298	51,061

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 NINE MONTHS ENDED MARCH 31, 2016

	Nine Months period ended March 31,	
	2016	2015
	(Rupees in '000)	
Net assets at beginning of the period	2,235,552	-
Issue of nil units (March 31, 2015: 41,295,834 units)	-	2,064,792
Redemption of 998,633 units (March 31, 2015: 721,523 units)	(55,696)	(38,284)
	(55,696)	2,026,508
Element of loss and capital losses included in prices of units issued less those in units redeemed (net)	602	2,208
Net realised (loss) / gain on sale of investments	(32,806)	41,211
Unrealised appreciation in value of investments (net)	26,837	20,246
Other comprehensive income / (loss) for the period	75,699	(10,396)
Total comprehensive income for the period	69,730	51,061
Net assets at end of the period	2,250,188	2,079,777
	(Rupees)	
Net assets value per unit at the beginning of the period	55.17	50.00
Net assets value per unit at the end of the period	56.94	51.26

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 NINE MONTHS ENDED MARCH 31, 2016

	Nine Months period ended March 31,	
	2016	2015
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	69,730	51,061
Adjustments for:		
Unrealised gain on re-measurement of investments - 'at fair value through profit or loss' (net)	(26,837)	(20,246)
Element of loss and capital losses included in issued less those in units redeemed (net)	602	2,208
Amortisation of preliminary expenses and floatation costs	1,883	1,897
	<u>45,378</u>	<u>34,920</u>
Decrease / (increase) in assets		
Investments - net	13,940	(2,063,957)
Deposits and other receivables	48	(160)
Preliminary expense and floatation cost	-	(5,000)
	<u>13,988</u>	<u>(2,069,117)</u>
(Decrease) / increase in liabilities		
Payable to Al Meezan - Management Company	196	6,187
Payable to CDC - Trustee	29	160
Payable to SECP	(368)	1,220
Payable to Meezan Bank Limited (MBL)	64	-
Accrued expenses and other liabilities	44	1,206
	<u>(35)</u>	<u>8,773</u>
Net cash generated from / (used in) operating activities	<u>59,331</u>	<u>(2,025,424)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt against issuance of units	-	2,064,792
Payments against redemption of units	(55,825)	(38,284)
Net cash (used in) / generated from financing activities	<u>(55,825)</u>	<u>2,026,508</u>
Net increase in cash and cash equivalents during the period	<u>3,506</u>	<u>1,084</u>
Cash and cash equivalents at beginning of the period	<u>257</u>	<u>-</u>
Cash and cash equivalents at end of the period	<u><u>3,763</u></u>	<u><u>1,084</u></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

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED MARCH 31, 2016

1. LEGAL STATUS AND NATURE OF BUSINESS

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

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund 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, 2015 and period ended December 31, 2015.

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, 2015.

	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
		(Rupees in '000)	
5 INVESTMENTS			
Investments 'at fair value through profit or loss'			
- held for trading"	5.1	<u>2,258,148</u>	<u>2,245,251</u>
		<u>2,258,148</u>	<u>2,245,251</u>

5.1 Held for trading - Units of mutual funds

Name of the investee funds	As at July 01, 2015	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 2016	Percentage in relation to	
	----- (Number of units) -----				----- (Rupees in '000) -----			----- % -----		
Meezan Islamic Fund	24,168,267	13,231,246	-	21,608,072	15,791,441	952,676	973,542	20,866	43.26	43.11
Al-Meezan Mutual Fund	-	1,454,545	-	1,454,545	-	-	-	-	-	-
Meezan Islamic Income Fund	1,053,622	33,206,004	-	34,259,626	-	-	-	-	-	-
Meezan Sovereign Fund	5,647,987	28,763,693	-	10,744,754	23,666,926	1,233,568	1,240,620	7,052	55.13	54.94
Meezan Cash Fund	5,570,285	2,809,690	-	8,379,975	-	-	-	-	-	-
KSE Meezan Index Fund	1,734,306	44,749	-	1,165,932	613,123	45,067	43,986	(1,081)	1.95	1.95
Total						<u>2,231,311</u>	<u>2,258,148</u>	<u>26,837</u>	<u>100.34</u>	<u>100.00</u>
Total cost of investments							<u>2,189,186</u>			

6. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at March 31, 2016.

7. ALLOCATED EXPENSES

In the current period, a statutory notification (S.R.O. No. 1160 (I)/2015 dated November 25, 2015) was issued by Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non - Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CIS) upto a maximum of 0.1% of average annual net assets of the Scheme. Accordingly, such expenses have been charged effective from December 16, 2015.

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 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. 0.11 per unit (0.19 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 Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company and directors and executives of the Management Company, Meezan Islamic Fund, Al Meezan Mutual Fund, KSE Meezan Index Fund, Meezan Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund – III, 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 units of the Fund.

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) March 31, 2016	(Audited) June 30, 2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration payable	4	-
Sindh Sales Tax and Federal Excise Duty payable on management fee	54	50
Sindh Sales Tax and Federal Excise Duty payable on sales load	6,134	6,134
Allocated expenses payable	188	-
Investment as at March 31, 2016: 3,259,889 units (June 30, 2015: 3,259,889 units)	185,618	179,848
Meezan Bank Limited		
Balances with bank	3,763	257
Profit receivable on savings account	28	3
Shariah advisor fee payable	64	-
Unitholders holding 10 percent or more of the Fund's net assets		
Investment as at March 31, 2016: 5,308,575 units (June 30, 2015: 5,308,575 units)	302,270	292,874
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	164	158
Sindh Sales Tax on trustee fee payable	23	-
Meezan Islamic Fund		
Investment as at March 31, 2016: 15,791,441 units (June 30, 2015: 24,168,267 units)	973,542	1,476,923
Meezan Cash Fund		
Investment as at March 31, 2016: nil (June 30, 2015: 5,570,285 units)	-	279,071
KSE Meezan Index Fund		
Investment as at March 31, 2016: 613,123 units (June 30, 2015: 1,734,306 units)	43,986	127,558
Meezan Islamic Income Fund		
Investment as at March 31, 2016: nil (June 30, 2015: 1,053,622 units)	-	57,159
Meezan Sovereign Fund		
Investment as at March 31, 2016: 23,666,926 (June 30, 2015: 5,647,987 units)	1,240,620	304,540
Directors and officers of the Management Company		
Investments as at March 31, 2016: 200,284 units (June 30, 2015: 200,284 units)	11,404	11,050

	Nine months period ended March 31, 2016	For the period from June 28, 2014 to March 31, 2015
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Remuneration for the period	19	270
Sindh Sales Tax and Federal Excise Duty on management fee	6	92
Allocated expenses	648	-
Units issued: nil (March 31, 2015: 3,259,889 units)	-	162,994
Meezan Bank Limited		
Profit on saving account	62	1,670
Shariah advisor fee	75	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	1,449	1,409
Sindh Sales Tax on trustee fee	203	-
Unitholders holding 10 percent or more of the Fund's net assets		
Units issued: nil (March 31, 2015: 5,308,575 units)	-	265,429
Meezan Islamic Fund		
Units purchased: 13,231,246 units (March 31, 2015: 32,783,231 units)	795,170	1,726,772
Units sold: 21,608,072 units (March 31, 2015: 20,085,930 units)	1,268,325	1,043,480
Transaction cost paid	-	4,328
Cash dividend received	53,170	-
Al-Meezan Mutual Fund		
Units purchased: 1,454,545 units (March 31, 2015: 15,521,243 units)	24,000	217,455
Units sold: 1,454,545 units (March 31, 2015: 15,521,243 units)	22,051	229,426
Transaction cost paid	-	545
KSE Meezan Index Fund		
Units purchased: 44,749 units (March 31, 2015: 4,041,197 units)	3,208	253,937
Units sold: 1,165,932 units (March 31, 2015: 2,306,891)	85,100	155,000
Transaction cost paid	-	636
Cash dividend received	3,208	-
Meezan Islamic Income Fund		
Units purchased: 33,206,004 units (March 31, 2015: 59,545,891 units)	1,722,543	3,055,426
Units sold: 34,259,626 units (March 31, 2015: 35,198,348 units)	1,813,401	1,802,944
Cash dividend received	3,582	-
Meezan Cash Fund		
Units purchased: 2,809,690 units (March 31, 2015: nil)	141,500	-
Units sold: 8,379,975 units (March 31, 2015: nil)	423,411	-
Meezan Sovereign Fund		
Units purchased: 28,763,693 units (March 31, 2015: 99 units)	1,496,266	5
Units sold: 10,744,754 units (March 31, 2015: nil)	551,534	-
Cash dividend received	19,486	-
Directors and executive of the Management Company		
Units issued: nil (2015: 200,284 units)	-	10,014

10. FINANCIAL INSTRUMENTS - FAIR VALUES

Note	Carrying amount				Total	Fair value			
	Investments	Trade and other receivables	Cash and cash equivalents	Trade and other payables		Level 1	Level 2	Level 3	Total
March 31, 2016 (Rupees in '000)									
Financial assets - measured at fair value									
Funds of fund	2,258,148	-	-	-	2,258,148	1,017,528	1,240,620	-	2,258,148
Financial assets - not measured at fair value									
Cash and cash equivalents	10.1	-	-	3,763	-	3,763			
Trade and other receivables	10.1	-	656	-	-	656			
		<u>2,258,148</u>	<u>656</u>	<u>3,763</u>	<u>-</u>	<u>2,262,567</u>			
Financial liabilities - not measured at fair value									
Trade and other payables	10.1				10,910	10,910			

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. 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. Provided that for the purpose of determining distribution of at least 90 percent of accounting income, the income distributed through bonus units shall not be taken into account. 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, 2016, as reduced by capital gains (whether realised or unrealised) to its unitholders.

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 20, 2016 by the Board of Directors of the Management Company.

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

Chief Executive

Director



QUARTERLY REPORT
MARCH 31, 2016

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 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, 58-C, Lane-13, Bokhari Commercial Area, Phase VI, DHA, Karachi.
Phone: (9221) 3515619-94 Fax: (9221) 35156195
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT MARCH 31, 2016 (Unaudited)

	Note	March 31, 2016 (Rupees in '000)
Assets		
Balance with bank		31,232
Investment in gold	5	161,328
Profit receivable on saving account		109
Total assets		192,669
Liabilities		
Payable to Al Meezan Investment Management Limited (Al Meezan) - Management Company		915
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		30
Payable to Securities and Exchange Commission of Pakistan (SECP)		58
Payable to Meezan Bank Limited (MBL)		79
Payable on redemption and conversion of units		10
Accrued expenses and other liabilities		447
Total liabilities		1,539
Net assets		191,130
Contingencies and commitments	6	
Unitholders' fund (as per statement attached)		191,130
		(Number of units)
Number of units in issue		3,639,884
		(Rupees)
Net assets value per unit		52.51

The annexed notes 1 to 13 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 PERIOD FROM AUGUST 13, 2015 TO MARCH 31, 2016 AND QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

	Note	For the period from August 13, 2015 to March 31, 2016	Quarter ended March 31, 2016
Income			
(Rupees in '000)			
Profit on saving account with bank		644	192
Unrealised gain on re-measurement of investments (net)	5.1	9,186	14,104
Total loss		9,830	14,296
Expenses			
Remuneration to Al Meezan - Management Company		1,179	564
Sindh Sales Tax and Federal Excise Duty on Management Fee		380	182
Remuneration to CDC - Trustee		134	64
Sindh Sales Tax on trustee fee		19	9
Annual fee to SECP		58	27
Auditors' remuneration		163	45
Fees and subscription		93	82
Brokerage		18	7
Bank and settlement charges		681	333
Allocated expenses	8	43	38
Total expenses		2,768	1,351
Net Income from operating activities		7,062	12,945
Element of gain and capital gains included in prices of units issued less those in units redeemed (net)		2,074	2,760
Net income for the period before taxation		9,136	15,705
Taxation	11	-	-
Net income for the period after taxation		9,136	15,705
Other comprehensive income for the period		-	-
Total comprehensive income for the period		9,136	15,705

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director



CONDENSED INTERIM DISTRIBUTION STATEMENT
FOR THE PERIOD FROM AUGUST 13, 2015 TO MARCH 31, 2016 (UNAUDITED)

**For the period from
August 13, 2015 to
March 31, 2016**

(Rupees in '000)

Net Income for the period	<u>9,136</u>
Accumulated income carried forward	<u>9,136</u>

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE PERIOD FROM AUGUST 13, 2015 TO MARCH 31, 2016 (UNAUDITED)

	For the period from August 13, 2015 to March 31, 2016
	(Rupees in '000)
Net assets at beginning of the period	-
Issue of 5,317,172 units	266,521
Redemption of 1,677,288 units	(82,453)
	184,068
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(2,074)
Unrealised gain on re-measurement of investments (net)	9,186
Net other loss for the period	(50)
Total comprehensive income for the period	9,136
Net assets at end of the period	191,130
Net assets value per unit at beginning of the period	-
Net assets value per unit at end of the period	52.51

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Executive

Director



CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE PERIOD FROM AUGUST 13, 2015 TO MARCH 31, 2016 (UNAUDITED)

For the period from
August 13, 2015 to
March 31, 2016

(Rupees in '000)

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income for the period 9,136

Adjustments for:

Unrealised gain on re-measurement
of investments (9,186)

Element of gain and capital gains included
in prices of units issue less those in units redeemed (net) (2,074)

(2,124)

Increase in assets

Investment in gold (net) (152,142)

Profit receivable on saving account (109)

(152,251)

Increase in liabilities

Payable to Al Meezan - Management Company 915

Payable to CDC - Trustee 30

Payable to SECP 58

Payable to MBL 79

Accrued expenses and other liabilities 447

1,529

Net cash used in operating activities

(152,846)

CASH FLOWS FROM FINANCING ACTIVITIES

Receipts against issuance of units 266,521

Payments against redemption and conversion of units (82,443)

Net cash generated from financing activities 184,078

Net increase in cash and cash equivalents during the period 31,232

Cash and cash equivalents at beginning of the period -

Cash and cash equivalents at end of the period 31,232

The annexed notes 1 to 13 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 PERIOD FROM AUGUST 13, 2015 TO MARCH 31, 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). 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 Fund commenced its operations from August 13, 2015. 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 investments made by the Fund and investments made in the Fund from outside Pakistan in 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.

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 Central Depository Company of Pakistan Limited as trustee of the Fund.

2. BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the 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 condensed interim financial statements of the Fund for the period ended December 31, 2015.

The Fund's financial and unitholders' fund risk management objectives and policies are consistent with those disclosed in the condensed interim financial statements for the period ended December 31, 2015.

5. INVESTMENT IN GOLD

	Note	(Unaudited) March 31, 2016 (Rupees in '000)
Investment in gold	5.1	<u>161,328</u>

5.1 Investment in gold

Commodity	Opening Balance	Purchases during the Period	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain as at March 31, 2016	Percentage in relation to Net Assets of the Fund on the basis of market value of investments (note 5.1.1)
 (TOLA) (Rupees in '000) (%)
Tola Gold	-	3,180	-	3,180	152,142	161,328	9,186	84.41
Total					<u>152,142</u>	<u>161,328</u>	<u>9,186</u>	
Total cost of investments						<u>152,142</u>		

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

5.1.2 The Pakistan 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.

5.1.3 The fair value measurement of investment in gold of Rs. 161.33 million has been categorised as level 1 fair value based on the quoted market price in active markets.

6. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2016.

7. WORKERS' WELFARE FUND

The mutual funds have been excluded from levy of WWF vide Finance Act, 2015, hence, no provision of WWF has been made in the Fund.

8. ALLOCATED EXPENSES

In the current period, a statutory notification (S.R.O. 1160 (I)/2015 dated November 25, 2015) was issued by Securities and Exchange Commission of Pakistan (SECP), which introduced amendments in Non-Banking Finance Companies and Notified Entities Regulations, 2008. As a result of these amendments, the

Management Company may charge fees and expenses related to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CIS) upto a maximum of 0.1% of average annual net assets of the Scheme. Accordingly, such expenses have been charged effective from December 16, 2015.

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 Islamic Income Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund – III, Meezan Capital Preservation Fund – II and Meezan Tahaffuz Pension Fund being the Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, 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 Rules, 2003, NBFC Regulations, 2008, and the Trust Deed.

Details of transactions with connected persons and balances with them for the period ended March 31, 2016 are as follows:

	(Unaudited) March 31, 2016 (Rupees in '000)
AI Meezan Investment Management Limited - Management Company	
Remuneration payable	<u>235</u>
Sindh Sales Tax and Federal Excise Duty on management fee payable	<u>248</u>
Sales load payable	<u>283</u>
Sindh Sales Tax and Federal Excise Duty on sales load payable	<u>133</u>
Allocated expenses payable	<u>16</u>
Investments as at March 31, 2016: 211,313 units	<u>11,096</u>
Meezan Bank Limited	
Bank balance	<u>31,232</u>
Investments as at March 31, 2016: 1,000,000 units	<u>52,510</u>
Shariah advisor fee payable	<u>79</u>
Central Depository Company of Pakistan Limited - Trustee	
Trustee fee payable	<u>26</u>
Sindh Sales Tax on trustee fee payable	<u>4</u>
Directors and Executives of the Management Company	
Investments as at March 31, 2016: 16,212 units	<u>851</u>

For the period from
August 13, 2015 to
March 31, 2016
(Rupees in '000)

Al Meezan Investment Management Company Limited - Management Company

Remuneration for the period	1,179
Sindh Sales Tax and Federal Excise Duty on management fee for the period	380
Units issued: 801,906 units	39,000
Units redeemed: 590,593 units	28,000
Allocated expenses	43

Meezan Bank Limited

Profit on saving account	644
Units issued: 1,000,000 units	50,000
Shariah advisor fee	93

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the period	134
Sindh Sales Tax on trustee fee	19

Directors and executives of the Management Company

Units issued: 27,285 units	1,347
Units redeemed: 11,073 units	531

10. FINANCIAL INSTRUMENTS - FAIR VALUE

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

	Carrying amount					Fair value			
	Investments	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016	(Rupees in '000)								
Financial assets - measured at fair value	-	-	-	-	-				
Financial assets - not measured at fair value									
Cash and cash equivalents 10.1	-	-	31,232	-	31,232				
Trade and other receivables 10.1	-	109	-	-	109				
	-	109	31,232	-	31,341				
Financial assets - not measured at fair value									
Trade and other payables 10.1	-	-	-	999	999				

- 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. 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. Provided that, for the purpose of determining distribution of at least 90 percent of accounting income, the income distributed through bonus units shall not be taken into account. 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, 2016 as reduced by capital gains (whether realised or unrealised) to its unitholders.

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 20, 2016 by the Board of Directors of the Management Company.

13. GENERAL

- 13.1** Figures have been rounded off to the nearest thousand rupees.

- 13.2** There are no corresponding figures as the Fund commenced its operations from August 13, 2015.

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

Chief Executive

Director



QUARTERLY REPORT
MARCH 31, 2016

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 Shoaib, CFA	Chief Executive	

CFO & COMPANY SECRETARY OF THE PENSION FUND MANAGER

Syed Owais Wasti

AUDIT COMMITTEE

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

HUMAN RESOURCES & REMUNERATION COMMITTEE

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

TRUSTEE

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

AUDITORS

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh 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)
Habib Metropolitan Bank Limited - Islamic Banking
Meezan Bank Limited
Bank Alfalah - Islamic Banking Branch
Habib Bank Limited- Islamic Banking
MCB Bank Limited- Islamic Banking
UBL Arneen - Islamic Banking

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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2016

Note	(Unaudited) March 31, 2016				Audited June 30, 2015	
	Equity sub fund	Debt sub fund	Money market sub fund	Total	Total	
Assets						
(Rupees in '000)						
Bank balances	5	132,943	40,803	193,195	366,941	455,016
Investments	6	3,286,582	1,623,675	207,024	5,117,281	4,040,031
Receivable against investments (net)		-	-	-	-	20,898
Dividend receivable		31,107	-	-	31,107	4,061
Profit receivable	7	2,074	31,165	5,359	38,598	17,846
Deposits and other receivables	8	4,687	100	100	4,887	41,786
Total assets		3,457,393	1,695,743	405,678	5,558,814	4,579,638
Liabilities						
Payable to Al Meezan Investment Management Limited (Al Meezan) - pension fund manager		19,069	10,674	2,839	32,582	20,776
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		319	161	39	519	405
Payable to auditors		68	67	68	203	216
Payable to Securities and Exchange Commission of Pakistan (SECP)		771	378	90	1,239	1,163
Payable against investments (net)		33,002	-	-	33,002	33,365
Payable against withdrawal and change of plan		529	2,320	95	2,944	16,856
Accrued expenses and other liabilities	9	30,190	5,056	1,325	36,571	30,336
Total liabilities		83,948	18,656	4,456	107,060	103,117
Net assets		3,373,445	1,677,087	401,222	5,451,754	4,476,521
Contingencies and commitments						
Participants' sub-funds (as per statement attached)	10	3,373,445	1,677,087	401,222	5,451,754	4,476,521
(Number of units)						
Number of units in issue (as per statement attached)		7,600,250	8,288,277	1,993,060		
(Rupees)						
Net assets value per unit		443.86	202.34	201.31		

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

Note	For the nine months ended March 31, 2016				For the nine months ended March 31, 2015
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	(Rupees in '000)				
Income					
Profit on sukuk certificates	-	47,704	9,971	57,675	88,774
Profit on saving accounts with banks	2,779	14,536	7,317	24,632	12,721
Profit on Term Deposit Receipts	-	11,432	41	11,473	5,628
Dividend income	99,280	-	-	99,280	64,236
Unrealised appreciation on re-measurement of investments at 'fair value through profit or loss' (net)	131,306	9,911	1,024	142,241	74,783
Net realised gain / (loss) on sale of investments	20,671	(6,642)	(1,391)	12,638	12,340
Reversal of provision against sukuk certificates	-	-	-	-	16
Total income	254,036	76,941	16,962	347,939	258,498
Expenses					
Remuneration of Al Meezan - pension fund manager	34,682	17,025	4,053	55,760	37,190
Sindh Sales Tax and Federal Excise Duty on management fee	11,182	5,489	1,307	17,978	12,421
Remuneration of CDC - Trustee	2,394	1,174	280	3,848	2,854
Sindh Sales Tax on trustee fee	336	165	39	540	-
Annual fee to SECP	771	378	90	1,239	827
Auditors' remuneration	118	117	118	353	306
Legal & professional charges	33	33	33	99	-
Brokerage	3,918	63	23	4,004	2,325
Bank and settlement charges	941	38	26	1,005	240
Charity expense	1,389	-	-	1,389	966
Provision for Workers' Welfare Fund (WWF)	4,217	1,133	242	5,592	4,814
Total expenses	59,981	25,615	6,211	91,807	61,943
Net income from operating activities	194,055	51,326	10,751	256,132	196,555
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	12,580	4,189	1,102	17,871	39,278
Net income for the period before taxation	206,635	55,515	11,853	274,003	235,833
Taxation	-	-	-	-	-
Net income for the period after taxation	206,635	55,515	11,853	274,003	235,833
Other comprehensive income for the period					
Items that can be reclassified to income statement in subsequent periods					
Unrealised diminution on re-measurement of investment classified as "available for sale" (net)	-	(395)	-	(395)	(975)
Total comprehensive income for the period	206,635	55,120	11,853	273,608	234,858

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

Note	For the quarter ended March 31, 2016				For the quarter ended March 31, 2015
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	(Rupees in '000)				
Income					
Profit on sukuk certificates	-	15,911	2,093	18,004	31,622
Profit on saving accounts with banks	718	3,913	3,509	8,140	3,528
Profit on Term Deposit Receipts	-	4,343	41	4,384	2,373
Dividend income	33,890	-	-	33,890	20,910
Unrealised appreciation / (diminution) on re-measurement of investments at 'fair value through profit or loss' (net)	14,136	3,682	(151)	17,667	(113,037)
Net realised gain / (loss) on sale of investments	13,342	(1,069)	(407)	11,866	3,154
Total income	62,086	26,780	5,085	93,951	(51,450)
Expenses					
Remuneration of AI Meezan - pension fund manager	11,903	5,994	1,413	19,310	13,479
Sindh Sales Tax and Federal Excise Duty on management fee	3,838	1,933	456	6,227	4,502
Remuneration of CDC - Trustee	803	404	96	1,303	1,022
Sindh Sales Tax on trustee fee	112	57	13	182	-
Annual fee to SECP	265	133	31	429	300
Auditors' remuneration	36	35	36	107	72
Brokerage	1,423	35	12	1,470	815
Bank and settlement charges	345	12	10	367	67
Charity expense	311	-	-	311	214
Provision for WWF	959	420	78	1,457	(792)
Total expenses	19,995	9,023	2,145	31,163	19,679
Net income from operating activities	42,091	17,757	2,940	62,788	(71,129)
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	4,896	2,806	887	8,589	32,286
Net income for the period before taxation	46,987	20,563	3,827	71,377	(38,843)
Taxation	-	-	-	-	-
Net income for the period after taxation	46,987	20,563	3,827	71,377	(38,843)
Other comprehensive income for the period					
Items that can be reclassified to income statement in subsequent periods					
Unrealised appreciation on re-measurement of investment classified as "available for sale" (net)	-	-	-	-	367
Total comprehensive income for the period	46,987	20,563	3,827	71,377	(38,476)

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	For the nine months ended March 31, 2016				For the nine months ended March 31, 2015
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	(Rupees in '000)				
Net assets at beginning of the period	2,740,148	1,398,572	337,801	4,476,521	2,883,326
Amount received on issue of units (2016: Equity sub fund: 1,715,791 units; Debt sub fund: 2,004,443 units; Money market sub fund: 629,988 units) (2015: Equity sub fund: 1,923,625 units; Debt sub fund: 2,222,028 units; Money market sub fund: 558,446 units)	740,346	399,270	125,371	1,264,987	1,223,363
Amount paid on redemption of units (2016: Equity sub fund: 691,811 units; Debt sub fund: 863,108 units; Money market sub fund: 366,027 units) (2015: Equity sub fund: 894,996 units; Debt sub fund: 1,435,151 units; Money market sub fund: 542,232 units)	(301,104)	(171,686)	(72,701)	(545,491)	(697,903)
	439,242	227,584	52,670	719,496	525,460
Element of income and capital gains included in prices of units issued less those in units redeemed - net	(12,580)	(4,189)	(1,102)	(17,871)	(39,278)
Net realised gain / (loss) on sale of investments	20,671	(6,642)	(1,391)	12,638	12,340
Unrealised appreciation in the value of investments (net)	131,306	9,516	1,024	141,846	73,808
Net other comprehensive income for the period	54,658	52,246	12,220	119,124	148,710
Total comprehensive income for the period	206,635	55,120	11,853	273,608	234,858
Net assets at end of the period	3,373,445	1,677,087	401,222	5,451,754	3,604,366

The annexed notes from 1 to 16 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 NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

Note	For the nine months ended March 31, 2016				For the nine months ended March 31, 2015
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
(Rupees in '000)					
CASH FLOW FROM OPERATING ACTIVITIES					
	206,635	55,515	11,853	274,003	235,833
	Net income for the period				
Adjustments for:					
Unrealised appreciation on re-measurement of investments at 'fair value through profit or loss' (net)	(131,306)	(9,911)	(1,024)	(142,241)	(74,783)
Reversal of provision against sukuk certificates	-	-	-	-	(16)
Element of income and capital gains included in prices of units issued less those in units redeemed (net)	(12,580)	(4,189)	(1,102)	(17,871)	(39,278)
	62,749	41,415	9,727	113,891	121,756
(Increase) / decrease in assets					
Investment	(543,025)	(472,133)	79,754	(935,404)	(698,351)
Receivable against investments (net)	20,898	-	-	20,898	26,342
Dividend receivable	(27,046)	-	-	(27,046)	(15,668)
Profit receivable	270	(18,123)	(2,899)	(20,752)	(15,790)
Deposits and other receivables	(2,500)	-	-	(2,500)	(89,452)
	(551,403)	(490,256)	76,855	(964,804)	(792,919)
Increase in liabilities					
Payable against purchase of investments	(363)	-	-	(363)	18,303
Payable to AI Meezan - pension fund manager	7,375	3,593	838	11,806	8,346
Payable to CDC - Trustee	73	34	7	114	102
Payable to auditors	(4)	(5)	(4)	(13)	(39)
Payable to SECP	114	(21)	(17)	76	114
Accrued expenses and other liabilities	4,795	1,179	261	6,235	5,379
	11,990	4,780	1,085	17,855	32,205
Net cash (used in) / generated from operating activities	(476,664)	(444,061)	87,667	(833,058)	(638,958)
CASH FLOW FROM FINANCING ACTIVITIES					
Receipts of contribution	779,745	399,270	125,371	1,304,386	1,223,363
Payment on withdrawal	(303,245)	(179,748)	(76,410)	(559,403)	(617,249)
Net cash generated from financing activities	476,500	219,522	48,961	744,983	606,114
Net cash (decrease) / increase in cash and cash equivalents during the period	(164)	(224,539)	136,628	(88,075)	(32,844)
Cash and cash equivalents at beginning of the period	133,107	265,342	56,567	455,016	281,259
Cash and cash equivalents at end of the period	132,943	40,803	193,195	366,941	248,415

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For AI Meezan Investment Management Limited (Pension Fund Manager)

Chief Executive

Director

CONDENSED INTERIM CONTRIBUTION TABLE

FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

For the nine months ended March 31, 2016							For the nine months ended March 31, 2015 (Rupees in '000)
Equity sub fund		Debt sub fund		Money market sub fund		Total	
Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	(Rupees in '000)	

Contribution net of front end fee received during the period

Individuals - issue of units	<u>1,715,791</u>	<u>740,346</u>	<u>2,004,443</u>	<u>399,270</u>	<u>629,988</u>	<u>125,371</u>	<u>1,264,987</u>	<u>1,223,363</u>
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The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

Chief Executive

Director

CONDENSED INTERIM NUMBER OF UNITS IN ISSUE FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UNAUDITED)

	For the nine months ended March 31, 2016		
	Equity sub fund	Debt sub fund	Money market sub fund
	(Number of units)		
Total units in issue at beginning of the period	6,576,270	7,146,942	1,729,099
Units issued / converted / reallocated during the period	1,715,791	2,004,443	629,988
Units redeemed / converted / reallocated during the period	(691,811)	(863,108)	(366,027)
Total units in issue at end of the period	7,600,250	8,288,277	1,993,060

	For the nine months ended March 31, 2016		
	Equity sub fund	Debt sub fund	Money market sub fund
	(Number of units)		
Total units in issue at beginning of the period	4,668,921	5,695,017	1,636,351
Units issued / converted / reallocated during the period	1,923,625	2,222,028	558,446
Units redeemed / converted / reallocated during the period	(894,996)	(1,435,151)	(542,232)
Total units in issue at end of the period	5,697,550	6,481,894	1,652,565

The annexed notes from 1 to 16 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 NINE MONTHS ENDED MARCH 31, 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 (Al Meezan) as pension fund manager and Central Depository Company of Pakistan Limited (CDC) as trustee. The Trust Deed was executed and approved by the Securities and Exchange Commission of Pakistan (SECP) on May 30, 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). The registered office of the pension fund manager of the Fund, is situated at Ground Floor, Block B Finance and Trade Centre Shariah-e-Faisal, Karachi 74000, Pakistan.

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 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.

1.3 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.

1.4 Title to the assets of the Sub Funds are held in the name of CDC as a Trustee of the Fund.

1.5 JCR-VIS Credit Rating Company Limited has assigned management quality rating of 'AM2+' to the Pension Fund Manager.

2. BASIS OF MEASUREMENT

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 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 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, 2015 and for the period ended December 31, 2015.

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, 2015.

Note	March 31, 2016 (Un-Audited)				June 30, 2015 (Audited)
	Equity sub fund	Debt sub fund	Money market sub fund	Total	Total
(Rupees in '000)					
5. BANK BALANCES					
In current accounts	2,065	-	-	2,065	1,512
In savings accounts	130,878	40,803	193,195	364,876	453,504
	<u>132,943</u>	<u>40,803</u>	<u>193,195</u>	<u>366,941</u>	<u>455,016</u>

5.1 The balances in savings accounts carry expected profit which ranges from 2.48% to 6.65% (June 30, 2015: 4.00% to 9.27%) per annum.

Note	March 31, 2016 (Un-Audited)				June 30, 2015 (Audited)
	Equity sub fund	Debt sub fund	Money market sub fund	Total	Total
(Rupees in '000)					
6. INVESTMENTS					
Held for trading					
- shares of listed companies	3,286,582	-	-	3,286,582	2,592,216
- sukuk certificates	-	1,175,557	128,024	1,303,581	1,172,792
	<u>3,286,582</u>	<u>1,175,557</u>	<u>128,024</u>	<u>4,590,163</u>	<u>3,765,008</u>
Investments 'at fair value through profit or loss upon initial recognition'					
	-	53,118	-	53,118	73,385
Available for sale					
- sukuk certificates	-	-	-	-	75,638
Loans and receivables					
	-	395,000	79,000	474,000	126,000
	<u>3,286,582</u>	<u>1,623,675</u>	<u>207,024</u>	<u>5,117,281</u>	<u>4,040,031</u>

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

Name of the investee company	As at July 01, 2015	Purchases during the period	Cost of purchase	Bonus / rights issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 2016	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	78,155	14,550	16,191	-	-	92,705	113,806	87,814	(25,992)	2.60	0.12
Pak Suzuki Motor Company Limited	150,733	-	-	-	55,900	94,833	41,339	39,048	(2,291)	1.16	0.12
Honda Atlas Cars (Pakistan) Limited	318,700	50,000	12,310	-	148,400	220,300	49,003	55,613	6,610	1.65	0.15
Millat Tractors Limited	26,950	-	-	-	-	26,950	18,483	14,270	(4,213)	0.42	0.06
										5.83	0.45
Automobile Parts & Accessories											
Agriauto Industries Limited (note 6.1.1)	45,000	-	-	-	-	45,000	8,368	8,164	(204)	0.24	0.31
Thal Limited (note 6.1.1)	53,645	60,000	15,360	-	-	113,645	30,672	28,947	(1,725)	0.86	0.28
										1.10	0.59
Cable & Electrical Goods											
Pak Elektron Limited	1,440,000	2,089,000	143,899	3,000	2,478,000	1,054,000	63,749	63,735	(14)	1.89	0.26
Cement											
DG Khan Cement Company Limited	150,397	638,900	95,254	-	150,397	638,900	95,254	111,054	15,800	3.29	0.15
Lucky Cement Limited	417,006	128,000	62,922	-	92,400	452,606	231,702	243,552	11,850	7.22	0.14
Fauji Cement Company Limited	5,344,000	215,000	8,005	-	-	5,559,000	194,350	232,978	38,628	6.91	0.40
Cherat Cement Company Limited	686,000	600,000	56,798	-	-	1,286,000	116,501	138,772	22,271	4.11	0.73
Pioneer Cement Company Limited	342,000	550,000	49,195	-	125,000	767,000	67,519	75,872	8,353	2.25	0.34
Attock Cement Pakistan Limited	46,700	-	-	-	46,700	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	175,000	519,000	41,192	-	275,000	419,000	33,421	38,636	5,215	1.15	0.08
Kohat Cement Company Limited	150,000	182,600	40,241	-	-	332,600	70,219	86,489	16,270	2.56	0.22
										27.49	2.06
Chemical											
ICI Pakistan Limited	167,570	-	-	-	-	167,570	71,866	72,047	181	2.14	0.18
Sitara Chemical Industries Limited	-	74,700	26,096	-	-	74,700	26,096	27,042	946	0.80	0.35
Ghani Gases Limited	-	1,083,000	32,695	-	-	1,083,000	32,695	21,552	(11,143)	0.64	1.46
										3.58	1.99
Engineering											
K.S.B Pumps Company Limited	88,800	14,700	3,154	-	-	103,500	15,496	20,187	4,691	0.60	0.78
Amreli Steels Private Limited	-	625,000	33,786	-	-	625,000	33,786	32,606	(1,180)	0.97	0.21
Crescent Steel & Allied Products Limited	-	374,000	41,934	37,500	10,000	401,500	41,085	47,208	6,123	1.40	0.52
										2.97	1.51
Fertilizer											
Fauji Fertilizer Bin Qasim Limited	3,951	800,000	49,152	-	803,951	-	-	-	-	-	-
Fauji Fertilizer Company Limited	173,198	360,000	41,386	-	-	532,600	598	66	(2)	-	-
Fatima Fertilizer Company Limited	561,000	400,000	18,800	-	-	959,000	2,000	85	(18)	-	-
Engro Corporation Limited	775,000	246,300	70,759	-	143,000	878,300	258,393	277,279	18,886	8.22	0.17
Engro Fertilizers Limited	343,000	252,500	24,532	-	595,000	500	46	35	(11)	-	-
Dawood Hercules Corporation Limited	-	448,400	53,160	-	-	448,400	53,160	54,602	1,442	1.62	0.09
										9.84	0.26
Food & Personal Care Products											
Engro Foods Limited	675,000	110,000	18,363	-	642,000	143,000	21,968	22,771	803	0.68	0.02
Al-Shaheer Corporation Limited	-	2,084,000	179,117	480,900	500,000	2,064,900	135,630	110,369	(25,261)	3.27	1.67
										3.95	1.69
Oil & Gas Exploration Companies											
Pakistan Oilfields Limited	50,550	230,000	66,810	-	215,500	65,050	16,126	16,784	658	0.50	0.03
Pakistan Petroleum Limited	25,057	625,000	72,441	-	521,800	128,257	15,187	16,432	1,245	0.49	0.01
Mari Petroleum Company Limited	128,450	108,750	69,343	-	25,000	212,200	117,820	149,064	31,244	4.42	0.19
										5.41	0.23
Oil & Gas Marketing Companies											
Pakistan State Oil Company Limited	491,433	145,700	49,156	-	103,000	534,133	199,301	187,609	(11,692)	5.56	0.20
Attock Petroleum Limited	56,920	-	-	-	-	56,920	32,286	24,523	(7,763)	0.73	0.07
Sui Northern Gas Pipelines Limited	550,000	550,000	18,822	-	1,100,000	-	-	-	-	-	-
Hascol Petroleum Limited	55,500	100,000	11,807	31,100	45,000	141,600	13,783	19,864	6,081	0.59	0.12
										6.88	0.39
Paper & Board											
Packages Limited	291,801	160,000	90,522	-	-	451,801	263,874	235,844	(28,030)	6.99	0.51
Cherat Packaging Limited	-	141,000	47,007	-	-	141,000	47,006	38,672	(8,334)	1.15	0.48
										8.14	0.99
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	44,600	52,700	34,482	-	10,000	87,300	57,641	57,806	165	1.71	0.09
Ferozsons Laboratories Limited	211,200	39,250	36,117	-	166,600	83,850	59,564	73,350	13,786	2.17	0.28
The Searle Company Limited	133,000	123,700	53,111	63,510	77,000	243,210	71,796	106,888	35,092	3.17	0.20
Highnoon Laboratories Limited	-	142,800	45,177	-	81,600	61,200	19,362	32,275	12,913	0.96	0.30
										8.01	0.87
Power Generation & Distribution											
The Hub Power Company Limited	2,369,245	443,000	44,011	-	909,100	1,903,145	179,813	198,955	19,142	5.90	0.16
Kohinoor Energy Limited	155,000	-	-	-	-	155,000	7,828	6,231	(1,597)	0.18	0.09
Kot Addu Power Company Limited	-	250,000	20,433	-	-	250,000	20,433	19,293	(1,140)	0.57	0.28
K-Electric Limited (note 6.1.1)	6,240,000	5,450,000	37,556	-	500,000	11,190,000	89,621	79,449	(10,172)	2.36	0.12
Lalpir Power Limited	696,000	400,000	12,952	-	-	1,096,000	34,180	27,356	(6,824)	0.81	0.29
										9.82	0.94

Name of the investee company	As at July 01, 2015	Purchases during the period	Cost of purchase	Bonus / rights issue	Sales during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain / (loss) as at March 31, 2016	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)			(%)	
Refinery											
Attock Refinery Limited	50,000	125,000	27,724	-	100,000	75,000	15,499	17,278	1,779	0.51	0.09
National Refinery Limited	-	259,700	64,493	-	177,700	82,000	20,364	22,180	1,816	0.66	0.10
										1.17	0.19
Technology & Communication											
Pakistan Telecommunication Company Limited "A"	1,199,200	-	-	-	1,197,500	1,700	35	26	(9)	-	-
Textile Composite											
Nishat Mills Limited	690,000	150,000	14,749	-	690,000	150,000	14,749	14,372	(377)	0.43	0.04
Glass & Ceramics											
Tariq Glass Industries Limited	-	441,500	28,005	-	248,000	193,500	12,572	10,933	(1,639)	0.32	0.26
Miscellaneous											
Shifa International Hospitals Limited	41,800	30,000	11,226	5,560	-	77,360	21,678	20,500	(1,178)	0.61	0.15
Right Shares											
Ghani Gases Limited	-	-	-	-	-	736,440	-	125	125	-	0.99
Total			1,990,245				3,155,277	3,286,582	131,306		

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

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

6.2 'Held-for-trading' - sukuk certificates

Name of the security	Maturity date	Profit rate per annum	As at July 01, 2015	Purchases during the period	Cost of purchase	Sales during the period	Maturity during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain as at March 31, 2016	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)		(Rupees in '000)	
Debt Sub Fund												
GoP - Ijara sukuk - IX (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	5,890	-	-	5,890	-	-	-	-	-	-
GoP - Ijara sukuk - X (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	1,398	-	-	1,070	328	-	-	-	-	-
GoP - Ijara sukuk - XI (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	420	-	-	-	420	-	-	-	-	-
GoP - Ijara sukuk - XII (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	1,090	-	-	1,090	-	-	-	-	-	-
GoP - Ijara sukuk XIV (note 6.2.1)	March 28, 2016	Weighted average 6 months T-Bills	3	5,020	504,008	300	4,723	-	-	-	-	-
GoP - Ijara sukuk XVI (note 6.2.1)	December 18, 2018	Weighted average 6 months T-Bills	-	6,930	693,450	1,150	-	5,780	578,414	582,335	3,921	34.72
GoP - Ijara sukuk XVII (note 6.2.1)	February 15, 2019	Weighted average 6 months T-Bills	-	5,870	587,000	-	-	5,870	587,000	593,222	6,222	35.37
Total					1,784,458				1,165,414	1,175,557	10,143	
Money Market Sub Fund												
GoP - Ijara sukuk - IX (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	2,540	40	4,016	2,580	-	-	-	-	-	-
GoP - Ijara sukuk - X (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	150	-	-	150	-	-	-	-	-	-
GoP - Ijara sukuk - XII (note 6.2.1)	November 21, 2015	Weighted average 6 months T-Bills	145	2	200	147	-	-	-	-	-	-
GoP - Ijara sukuk - XIV (note 6.2.1)	March 28, 2016	Weighted average 6 months T-Bills	-	1,700	170,632	-	1,700	-	-	-	-	-
GoP - Ijara sukuk - XVI (note 6.2.1)	December 18, 2018	Weighted average 6 months T-Bills	-	1,890	189,000	850	-	1,040	104,000	104,780	780	26.12
GoP - Ijara sukuk - XVII (note 6.2.1)	February 15, 2019	Weighted average 6 months T-Bills	-	230	23,000	-	-	230	23,000	23,244	244	5.79
Total					386,848				127,000	128,024	1,024	

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'

6.3.1 Preference Shares - Unlisted

Equity Sub Fund Name of Security	Note	(Unaudited)	(Audited)
		March 31, 2016	June 30, 2015
		(Rupees in '000) Carrying Value	
Mari Petroleum Company Limited- at cost	6.3.1.1	-	20,035

6.3.1.1 In accordance with the notice of redemption of preference shares issued by Mari Petroleum Company Limited (MPCL) dated September 23, 2015, all preference shares were surrendered by the Pension Fund to MPCL on September 30, 2015. These preference shares were redeemed on October 06, 2015 and the Pension Fund received dividend for the period from June 19, 2015 to September 11, 2015, which were duly recognized as charity in the interim financial information.

6.3.2 Investments 'at fair value through profit or loss upon initial recognition' - Sukuk Certificates

Name of the investee company	Maturity date	Profit rate per annum	As at July 01, 2015	Purchases during the period	Cost of purchase	Sales during the period	Redemptions / matured during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised 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												
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	53,350	53,118	(232)	3.17
Total					-				53,350	53,118	(232)	
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 Available for sale' - sukuk certificates

Name of the security	Maturity	Profit rate per annum	As at July 01, 2015	Purchases during the period	Cost of purchase	Sales during the period	Maturity during the period	As at March 31, 2016	Carrying value as at March 31, 2016	Market value as at March 31, 2016	Unrealised gain as at March 31, 2016	Percentage of net assets on the basis of market value of the respective sub fund (see note 6.1.2)
			Number of certificates	(Rupees in '000)	-----	Number of certificates ----	-----	(Rupees in '000) -----	----- (%) -----			

Debt Sub Fund

GoP - Ijara sukuk - X	November 21, 2015	Weighted average 6 months T-Bills	750	-	-	750	-	-	-	-	-	-
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6.4.1 Unrealised diminution appreciation on re-measurement of investment classified as 'available for sale' (net)

	March 31, 2016	June 30, 2015
Debt Sub Fund	(Rupees in '000)	
Market value of investment	-	75,638
Less: Cost of investments	-	75,243
	-	395
Unrealised appreciation on re-measurement of investments classified as 'available for sale' (net) at beginning of the period	(395)	(1,227)
	(395)	(832)

6.5 Loans and receivables - Term Deposit Receipts

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, 2015	Placements made during the period	Matured during the period	As at March 31, 2016		
----- (Rupees in '000) -----								
Debt Sub Fund								
Dubai Islamic Bank Pakistan Limited	September 04, 2016	6.65%	-	144,000	-	144,000	A+	8.59
Meezan Bank Limited	June 22, 2016	6.70% - 8.46%	126,000	-	-	126,000	AA	7.51
Bank Islami Pakistan Limited	September 29, 2016	6.52%	-	125,000	-	125,000	A+	7.45
Total						395,000		
Money Market Sub Fund								
Habib Metropolitan Bank Limited	June 29, 2016	6.25%	-	79,000	-	79,000	AA+	19.69

7. PROFIT RECEIVABLE

	March 31, 2016 (Un-Audited)				June 30, 2015 (Audited)
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	(Rupees in '000)				
Profit receivable on					
- saving accounts with banks	2,074	4,934	3,378	10,386	8,916
- Term Deposit Receipts	-	11,760	41	11,801	986
- sukuk certificates	-	14,471	1,940	16,411	7,944
	<u>2,074</u>	<u>31,165</u>	<u>5,359</u>	<u>38,598</u>	<u>17,846</u>

8. DEPOSITS AND OTHER RECEIVABLES

Deposits with CDC - Trustee	100	100	100	300	300
Receivable against Change of plan / change of fund manager	2,087	-	-	2,087	41,486
Deposits with National Clearing Company of Pakistan Limited	2,500	-	-	2,500	-
	<u>4,687</u>	<u>100</u>	<u>100</u>	<u>4,887</u>	<u>41,786</u>

9. ACCRUED EXPENSES AND OTHER LIABILITIES

	March 31, 2016 (Un-Audited)				June 30, 2015 (Audited)
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	(Rupees in '000)				
Charity payable	2,376	-	-	2,376	1,788
Brokerage Payable	-	62	22	84	-
Zakat Payable	-	-	-	-	29
Provision for WWF	27,814	4,994	1,303	34,111	28,519
	<u>30,190</u>	<u>5,056</u>	<u>1,325</u>	<u>36,571</u>	<u>30,336</u>

10. CONTINGENCIES AND COMMITMENTS

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

In this regard, a Constitutional Petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. On September 8, 2015, the Sindh High Court has dismissed the suit on the basis that bonus shares are included in the definition of income and accordingly are chargeable to tax. An appeal against the judgment has been instituted and a stay order has been granted by the High Court of Sindh in favour of CISs.

In the current period, Hascol Petroleum Limited, Al Shaheer Corporation Limited and The Searle Company Limited issued bonus shares after withholding 5 percent shares on account of tax on bonus shares. These haven't been deposited by the Company with the Government Treasury due to pending adjudication of the aforementioned Constitutional Petition and the stay order.

There were no other contingencies and commitments outstanding as at March 31, 2016.

11. WORKERS' WELFARE FUND (WWF)

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

Subsequent to the year ended June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on December 14, 2010, the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the petition. According to the legal counsel who is handling the case there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in Court.

In 2012, the Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 declared the said amendments as unlawful and unconstitutional. In March 2013, a large bench of Sindh High Court (SHC) in various Constitutional Petitions declared that amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in WWF Ordinance, 1971 about applicability of WWF to the CISs which is still pending before the court.

The decisions of SHC (in against) and LHC (in favour) are pending before Supreme Court. However, the Pension Fund Manager / Management Company, as a matter of abundant caution, has recognised WWF charge for the period from January 1, 2013 to March 31, 2016 amounting to Rs. 27.814 million, Rs. 4.994 million and Rs. 1.303 million which includes Rs. 4.217 million, Rs. 1.133 million and Rs. 0.242 million for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively pertaining to the current year and Rs. 23.597 million, Rs. 3.861 million and Rs. 1.061 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. 3.66 (0.82%), Rs. 0.60 (0.30%) and Rs. 0.65 (0.32%) 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 AI Meezan Investment Management Limited (pension fund manager of the fund). Therefore, the Fund is not exposed to this unrecorded accumulated WWF provision. The unrecorded accumulated provision for WWF up to December 31, 2012 is Rs. 3.74 million, Rs. 1.60 million and Rs. 0.98 million in Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively.

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.

12. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include AI Meezan Investment Management Limited (AI 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, AI Meezan Mutual Fund, Meezan Islamic Income Fund, KSE Meezan Index Fund, Meezan Sovereign Fund, Meezan Cash Fund, Meezan Financial Planning Fund of Funds, Meezan Balanced Fund, Meezan Capital Preservation Fund – III, 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.

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 with them for the period ended March 31, 2016 and as of that date along with comparatives are as follows:

	March 31, 2016 (Unaudited)				June 30, 2015 (Audited)
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
(Rupees in '000)					
Al Meezan - pension fund manager					
Remuneration payable	4,168	2,097	502	6,767	5,287
Sindh Sales Tax and Federal Excise Duty on management fee	14,901	8,577	2,337	25,815	15,489
Investments as at March 31, 2016: 260,077 units (June 30, 2015: 260,077 units)	115,438	-	-	115,438	108,366
Meezan Bank Limited					
Bank Balance	2,392	174	317	2,883	6,035
Profit receivable on saving account	-	1	5	6	-
Term Deposit Receipts	-	126,000	-	126,000	126,000
Profit receivable on Term Deposit Receipts	-	6,215	-	6,215	986
Central Depository Company of Pakistan Limited - Trustee					
Trustee fee payable	280	141	34	455	405
Sindh Sales Tax on trustee fee	39	20	5	64	-
Deposit	100	100	100	300	300
Directors and Executives of the Pension Fund Manager					
Investments as at March 31, 2016: (Equity sub fund: 720,337 units; Debt Sub Fund: 417,472 units; Money Market Sub Fund: 18,792 units) as at June 30, 2015: (Equity sub fund: 661,334 units; Debt sub fund: 359,344 units; Money Market sub fund: 13,471 units)	319,729	84,471	3,783	407,983	348,510

	For the nine months ended March 31, 2016 (Unaudited)				For the nine months ended March 31, 2016 (Unaudited)
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
(Rupees in '000)					
Al Meezan - pension fund manager					
Remuneration for the period	34,682	17,025	4,053	55,760	37,190
Sindh Sales Tax and Federal Excise Duty on management fee	11,182	5,489	1,307	17,978	12,421
Meezan Bank Limited					
Profit on savings account	356	229	79	664	1,131
Profit on Term Deposit Receipts	-	5,887	-	5,887	1,067
Central Depository Company of Pakistan Limited - Trustee					
Remuneration for the period	2,394	1,174	280	3,848	2,854
Sindh Sales Tax on trustee fee	336	165	39	540	-
CDS Charges for the period	162	5	5	172	146
Directors and Executives of the Pension Fund Manager					
Units issued (Equity Sub Fund: 70,538 units; Debt Sub Fund: 61,861 units; Money Market Sub Fund: 5,712 units)	30,690	12,298	1,130	44,118	172,632
Units redeemed / reallocated (Equity Sub Fund: 11,535 units; Debt Sub Fund: 3,733 units; Money Marker Sub Fund: 391 units)	4,994	750	78	5,822	130,976

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.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A(i) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

14. 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 sukuks under level 2 and other unlisted sukuks under level 3 of the fair value hierarchy mentioned above.

During the six-month period ended March 31, 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.

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

Note	Carrying amount				Fair value				
	Investments	Trade and other receivables	Cash and cash equivalents	Trade and other payables	Total	Level 1	Level 2	Level 3	Total
March 31, 2016 (Rupees in '000)									
Financial assets measured at fair value									
	3,286,582	-	-	-	3,286,582	3,286,582	-	-	3,286,582
Equity securities									
GoP Ijarah securities	1,303,581	-	-	-	1,303,581	-	1,303,581	-	1,303,581
Corporate securities	53,118	-	-	-	53,118	-	53,118	-	53,118
Financial assets not measured at fair value									
Cash and cash equivalents	14.2	-	-	366,941	-	366,941			
Trade and other receivables	14.2	-	548,592	-	-	548,592			
		<u>4,643,281</u>	<u>548,592</u>	<u>366,941</u>	<u>-</u>	<u>5,558,814</u>			
Financial liabilities - not measured at fair value									
Trade and other payables	14.2	-	-	-	45,831	45,831			

14.2 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.

15. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 20, 2016 by the Board of Directors of the Management Company.

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

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

Chief Executive








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