

Al Meezan Investment Management Limited

MKT/FMR/12/12

July 05, 2012

Dear Investor,

Al Meezan completes another successful year marked by superior performance that was only possible owing to the continued trust reposed in us by our valued investors. This year has been truly phenomenal, with assets under management clocking in at Rs. 40.38 billion, conversion of Al Meezan Mutual Fund (AMMF) from a close end to an open end fund, launch of two new funds; Meezan Capital Protected Fund- II (MCPF-II) and Karachi Meezan Index Fund (KMIF), the first Sharia'h compliant Index Tracker fund.

Recognition as 'Best Islamic Asset Management House in Pakistan'

Owing to its superior performance Al Meezan has been awarded Islamic Asset Management House, Pakistan for 2012 by Asset Triple-A Awards, Hong Kong. The Asset Triple-A Awards is a key component of The Asset Publishing and Research Limited which is an integrated multi-media company serving the community of leading corporate and financial decision makers in Asia for excellence in the industry.

Funds' Performance

Fiscal year 2012 (FY2012) proved to be a remarkable year for the stock market with the CGT Ordinance being incorporated in the finance bill enabling the index to showcase superior performance and registering high volumes. The benchmark KMI 30 Index turned out to be the best performing index for FY2012 and continued with its superb performance and outperforming the KSE-100 Index for a fourth consecutive year. This boded well for our equity funds and was reflected in the form of phenomenal returns as indicated in the table below:

| | CYTD12 Return (%) | FY12 Return (%) |
|-------------------------------------|-------------------|-----------------|
| KSE 100 Index | 21.62 | 10.45 |
| KMI 30 Index | 18.07 | 13.57 |
| Equity Funds | | |
| Meezan Islamic Fund (MIF) | 24.48 | 19.46 |
| Al Meezan Mutual Fund (AMMF) | 24.09 | 19.03 |
| Meezan Tahaffuz Pension Fund (MTPF) | | |
| Equity Sub Fund | 22.36 | 16.79 |

Alongside the equity funds, our fixed income funds also depicted superior performance as shown in the table below:

| Fund | CYTD12 Return (%) | FY12 Return (%) |
|-------------------------------------|-------------------|-----------------|
| Meezan Sovereign Fund(MSF) | 10.17 | 11.15 |
| Meezan Cash Fund (MCF) | 5.41 | 10.68 |
| Meezan Islamic Income Fund (MIIF) | 9.18 | 7.76 |
| Meezan Tahaffuz Pension Fund (MTPF) | | |
| Debt Sub Fund | 10.37 | 9.46 |
| Money Market Sub fund | 10.28 | 10.93 |

As the new fiscal year sets in, we promise that the upcoming year will be better than the current year and we ensure that we'll continue with our superior performance and elate your experience.

Yours truly,



Shahid Gul Motiwala

SVP- Head of Marketing and Sales



Customer Services



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Internet Banking



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Email Services



SMS Alerts

Al Meezan Investment Management Limited

12/12/FMR/MKT

05 جولائی 2012ء

معزز انویسٹر،

آپ کے اعتماد اور بھروسے کی بدولت المیز ان نے کارکردگی کا ایک اور سال کامیابی سے مکمل کر لیا ہے۔ 40.35 ارب روپے کے اثاثہ جات کی منظمیت، المیز ان میویچل فنڈ (AMMF) کی کلوزڈ اینڈ فنڈ سے اوپن اینڈ فنڈ میں تبدیلی اور دو نئے فنڈز یعنی MCPF-11 اور KMIF کے آغاز کے ساتھ سال 2012 نہایت شاندار رہا۔

پاکستان کا بہترین اسلامک ایسٹ مینجمنٹ ہاؤس کا اعزاز

اعلیٰ کارکردگی کی بناء پر المیز ان کو 2012 میں ایسٹ AAA کی جانب سے پاکستان کا "Best Islamic Assest Mangement House" (اسلامک فنانس ایوارڈز) ہونے کا اعزاز بھی حاصل ہوا۔

فنڈز کی کارکردگی

مالی سال 2012 میں CGT آرڈیننس کی فنانس بل میں شمولیت سے انڈکس کی مجموعی کارکردگی اور حجم پر نہایت مثبت نتائج مرتب ہوئے بیچ مارک KMI30 Index مالی سال 2012 میں اعلیٰ کارکردگی سے سرفہرست رہا اور لگاتار چوتھے مالی سال میں KSE100 Index سے نمایاں رہا۔ اس کا اثر ہمارے ایکویٹی فنڈز میں بھی واضح رہا جنہوں نے انویسٹرز کو مندرجہ ذیل تفصیلات کے مطابق منافع دیا:

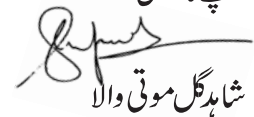
| منافع %FY12 | منافع %CYTD12 | |
|-------------|---------------|----------------------------|
| 10.45 | 21.62 | KSE100 انڈکس |
| 13.57 | 18.07 | KMI30 انڈکس |
| | | ایکیویٹی فنڈز |
| 19.46 | 24.48 | میزان اسلامک فنڈ (MIF) |
| 19.03 | 24.09 | المیز ان میویچل فنڈ (AMMF) |
| | | میزان تحفظ پنشن فنڈ (MTPF) |
| 16.79 | 22.36 | Equity Sub Fund |

ایکیویٹی فنڈز کے ساتھ ساتھ انکم فنڈز نے بھی نمایاں کارکردگی کا مظاہرہ کیا:

| منافع %FY12 | منافع %CYTD12 | فنڈ |
|-------------|---------------|------------------------------|
| 11.15 | 10.17 | میزان سوورن فنڈ (MSF) |
| 10.68 | 5.41 | میزان کیش فنڈ (MCF) |
| 7.76 | 9.18 | میزان اسلامک انکم فنڈ (MIIF) |
| | | میزان تحفظ پنشن فنڈ (MTPF) |
| 9.46 | 10.37 | Debt Sub Fund |
| 10.93 | 10.28 | Money Market Sub Fund |

نئے مالی سال کے آغاز کے ساتھ ہم یہ وعدہ کرتے ہیں کہ آپ کو بہترین سروسز دینا جاری رکھیں گے تاکہ سرمایہ کاری کے تجربے کو بہترین بنا سکیں۔

آپ کا مخلص



شاہد گل موتی والا

ایس وی پی۔ ہیڈ آف مارکیٹنگ اینڈ سیلز



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E-mail: info@almeezangroup.com Website: www.almeezangroup.com

AL Meezan Investment Management Limited

Al Meezan Investments, the company in operation since 1995, has one of the longest track record of managing mutual funds in the private sector in Pakistan. Al Meezan Investments manages nine mutual funds; namely Al Meezan Mutual Fund, Meezan Balanced Fund, Meezan Islamic Fund, Meezan Islamic Income Fund, Meezan Tahaffuz Pension Fund, Meezan Cash Fund, Meezan Sovereign Fund, Meezan Capital Protected Fund (MCPF-II) and KSE Meezan Index Fund .

The total funds under management of Al Meezan, the only full fledged Shariah compliant asset management company in Pakistan, have reached Rs. 40.2 billion as on June 30, 2012. With AM2 rating which denotes high management quality, the company clearly stays well ahead of all its competitors in the Islamic asset management market in Pakistan.

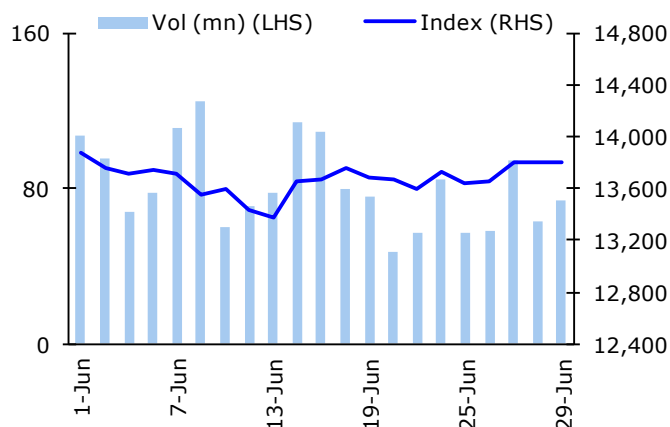
Stock Market Review

During the last month of fiscal year 12, KSE- 100 witnessed a modest growth of 0.11% to close at a level of 13,787. The gains however were not supported by the volumes which continued to show a downward trajectory. The average turnover for the month stood at 81mn shares as compared to 193mn shares in the previous month, a decline of 58% MoM.

The month started with the budget announcement for the new fiscal year, although it largely proved to be a non event for the market. The major highlight of the month, though political in nature, was the Supreme Court's decision regarding the disqualification of the prime minister from his office. The news created uncertainty among the investors along with other factors including the high inflation and current account figures, Pakistan's decision on the reopening of NATO supply routes and the foreign selling. The net outflow figure for the month by the foreign investors clocked in at USD104mn. For the fiscal year 2012, the foreign investors remained net seller of USD174mn.

Going forward, we expect the market to gradually march towards the level of 14,000 with the start of new fiscal year. We are of the view that the expected resolution of US-Pakistan ties along with some harmony on the local politics front will give a much needed impetus to the market.

KSE-100 Index Performance



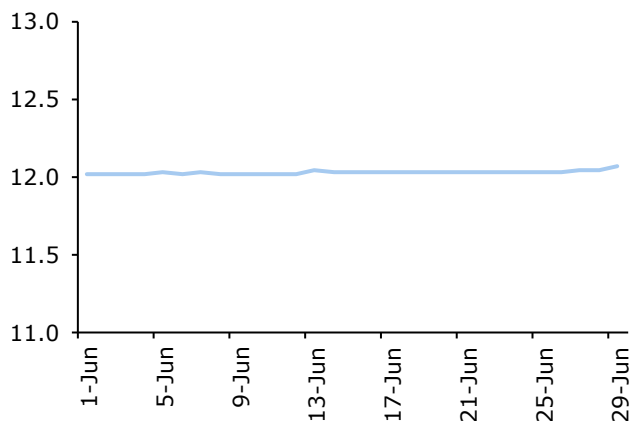
Money Market Review

For the month of June, money market depicted a mixed trend. To deal with the liquidity situation, State Bank of Pakistan (SBP) conducted OMO operations and injected approximately Rs 527 billion at weighted average yield of 11.63%. Banks borrowed approximately Rs 174 billion through the discounting window and deposited approximately Rs 81 billion with the SBP at floor rate.

During the month, SBP also conducted two T-Bill auctions, one PIB auction and one Ijarah Sukuk (XII) auction. In the T-Bill auctions, SBP accepted Rs 157 billion against total bids of Rs 197 billion. Cut off yield of six-month paper remained unchanged and closed at 11.94%. In the PIB auction, SBP accepted Rs 36 billion against the target of Rs 20 billion. Cut off yield of 10 year paper increased by 6 bps to close at 13.38%. In the Ijarah Sukuk (XII) auction, SBP accepted Rs 49 billion at par against the total participation of approximately Rs 58 billion. The target of the auction was Rs25 billion. KIBOR rates remained stable during the month with six month KIBOR increasing by 5 bps to close at 12.06%.

On the forex front, rupee touched its lowest ever level in both interbank (Rs94.65/USD) and open market (Rs96.60/USD). However at the end of the month rupee slightly recovered in the open market. Rupee depreciated by Rs 0.65/USD in the interbank market and Rs 1.20/USD in the open market to close at Rs 94.65 and Rs. 95.90 respectively.

6 Month KIBOR



Disclaimer

This publication is for informational purpose only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risk. The NAV based prices of units and any dividends/returns thereon are dependent on force and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.

Fund Review:

Net assets of Meezan Islamic Fund stood at Rs. 5.3 billion as on June 30, 2012. The fund's NAV decreased by 1% during the month of June as compared to 1% decrease in benchmark index (KMI-30) while KSE-100 Index during the same period increased by 0.1%. We expect the market to perform as valuations are attractive. As on June 30, the fund was 97% invested in equities.

Investment Objective:

To maximize total investor returns by investing in Shariah Compliant equities focusing on both capital gains and dividend income.

Fund Details:

| | |
|-------------------------------|---------------------|
| Fund Type: | Open End |
| Risk Level | High |
| Launch Date | 8th Aug 2003 |
| Trustee | CDC |
| Auditors | A.F. Ferguson & Co. |
| Registrar | Meezan Bank Ltd. |
| Unit Types | A, B and C |
| Management Fee | 2% |
| Front End Load | 2% |
| Fund Category | Equity |
| Back End Load | Nil |
| Benchmark | KMI-30 |
| Leverage | Nil |
| Listing | KSE |
| AMC Rating | AM2 |
| Rating Agency | JCRVIS |
| Pricing Mechanism | Forward |
| Valuation Days | Mon-Fri |
| Subscription/ Redemption Days | Mon-Fri 9am – 3pm |
| Fund Manager | Muhammad Asad |

| | |
|---------------------------------|---|
| Members of Investment Committee | M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed, CFA |
|---------------------------------|---|

Fund Asset:

| | May' 12 | Jun' 12 | MoM % |
|--------------------|---------|---------|-------|
| Net Assets (Rs mn) | 5,357 | 5,343 | -0.3% |
| NAV Per Unit (Rs) | 50.02 | 49.66 | -0.7% |

Asset Allocation:

| | May' 12 | Jun' 12 |
|-----------------------|---------|---------|
| Equity (%) | 95.20 | 96.65 |
| Cash (%) | 4.78 | 3.47 |
| Other receivables (%) | 0.02 | -0.12 |
| Expense Ratio* | 2.33% | 2.31% |
| P/E | 6.2 | 6.1 |

*Management fee is included in the expense ratio

Risk Measures-June'12:

| | MIF | KSE-100 index | KMI-30 Index |
|------------------------|-------|---------------|--------------|
| Standard Deviation (%) | 0.86 | 0.80 | 0.87 |
| Sharpe Ratio | -0.07 | -0.03 | -0.08 |

Performance - Cumulative Returns:

| | 1M | 3M | 6M | FYTD | 1Yr | 3Yr | 5Yr | PSD** |
|------------|-----|----|-----|------|-----|------|-----|-------|
| MIF | -1% | 2% | 24% | 19% | 19% | 117% | 53% | 344% |
| Benchmark# | -1% | 1% | 18% | 14% | 14% | 119% | 42% | 212% |

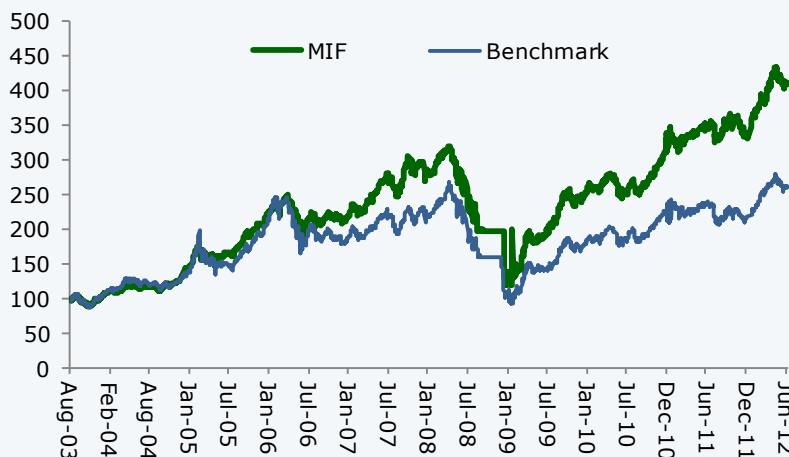
** Performance start date of August 08, 2003,

KMI-30 replaced DJIIMP as the Fund's benchmark from July 01, 2009, while KSE-100 index remained as the benchmark till June 30, 2006

Annual Returns:

| | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 | FY05 |
|-----------|------|------|------|------|------|------|------|------|
| MIF | 19% | 39% | 31% | -30% | 0% | 29% | 30% | 40% |
| Benchmark | 14% | 44% | 37% | -35% | 1% | 17% | 25% | 22% |

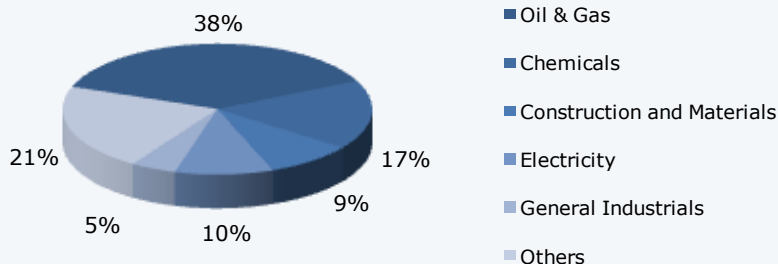
Fund's Performance:



Top Ten Equity holdings:(% of NAV):

| | | | |
|--------------------------------|-----|-----------------------------|----|
| Oil & Gas Development Co. Ltd. | 10% | Pakistan State Oil Co. Ltd. | 7% |
| The Hub Power Co. Ltd. | 10% | Meezan Bank Ltd. | 7% |
| Fauji Fertilizer Co. Ltd. | 10% | Lucky Cement | 6% |
| Pakistan Oilfields Ltd. | 9% | ICI Pakistan Ltd. | 5% |
| Pakistan Petroleum Ltd. | 9% | DG Khan Cement Co. Ltd. | 3% |

Sector Allocation:



WWF Disclosure : The Fund/Scheme has not made provisions amount to Rs.64.79mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.60/1.21%. For details investor are advised to read Financial Statements of the Scheme for FY2012, to be published.

Fund Review:

The net assets of Al Meezan Mutual Fund (AMMF) as at June 30, 2012 stood at Rs. 1.68 billion. The fund's NAV decreased by 1% during the month of June as compared the 1% decrease in benchmark index (KMI-30) while KSE-100 Index during the same period increased by 0.1%. We expect the market to perform as market valuations are attractive. As on June 30, the fund was 92.6% invested in equities.

Investment Objective:

The objective of Al Meezan Mutual Fund is to optimize the total investment returns, both capital gains and dividend income, through prudent investment management.

Fund Details:

| | |
|-------------------------------|---------------------|
| Fund Type: | Open End |
| Risk Level | High |
| Launch Date | 13th Jul 1995 |
| Trustee | CDC |
| Auditors | A.F. Ferguson & Co. |
| Registrar | Meezan Bank Ltd. |
| Unit Types | A, B,C and D |
| Management Fee | 2% |
| Front End Load | 2% |
| Fund Category | Equity |
| Back End Load | Contingent Load |
| Benchmark | KMI-30 |
| Leverage | Nil |
| Listing | ISE |
| AMC Rating | AM2 |
| Rating Agency | JCRVIS |
| Pricing Mechanism | Forward |
| Valuation Days | Mon-Fri |
| Subscription/ Redemption Days | Mon-Fri 9am - 3pm |
| Fund Manager | Bushra Tariq |

| | |
|---------------------------------|---|
| Members of Investment Committee | M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed, CFA |
|---------------------------------|---|

Performance - Cumulative Returns:

| | 1M | 3M | 6M | FYTD | 1Yr | 3Yr | 5Yr | PSD** |
|------------|-----|----|-----|------|-----|------|-----|--------|
| AMMF | -1% | 2% | 24% | 19% | 19% | 115% | 47% | 1,061% |
| Benchmark# | -1% | 1% | 18% | 14% | 14% | 119% | 42% | 711% |

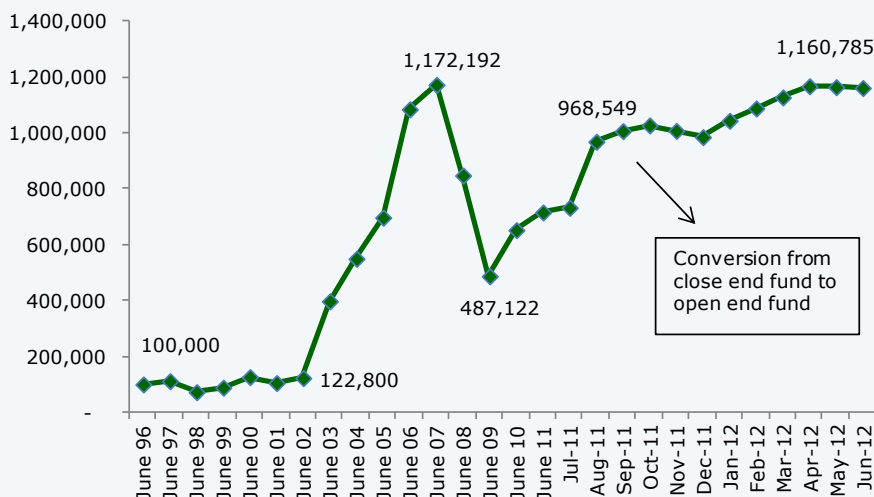
** Performance start date of July 13, 1995,

KMI-30 replaced DJIIMPK as the Fund's benchmark from July 01, 2009, while KSE-100 index remained as the benchmark till June 30, 2006.

Annual Returns:

| | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 | FY05 |
|-----------|------|------|------|------|------|------|------|------|
| AMMF | 19% | 38% | 31% | -32% | 0% | 27% | 28% | 45% |
| Benchmark | 14% | 44% | 37% | -35% | 1% | 17% | 25% | 22% |

Investment Growth from FY 1996 - 2012 To Date



Fund Asset:

| | May' 12 | Jun' 12 | MoM % |
|--------------------|---------|---------|-------|
| Net Assets (Rs mn) | 1,701 | 1,680 | -1.2% |
| NAV Per Unit (Rs) | 12.82 | 12.69 | -1.1% |

Asset Allocation:

| | May' 12 | Jun' 12 |
|-----------------------|---------|---------|
| Equity (%) | 92.60 | 89.93 |
| Cash (%) | 7.43 | 9.69 |
| Other receivables (%) | -0.03 | 0.42 |
| Expense Ratio* | 2.48% | 2.46% |

*Management fee is included in the expense ratio

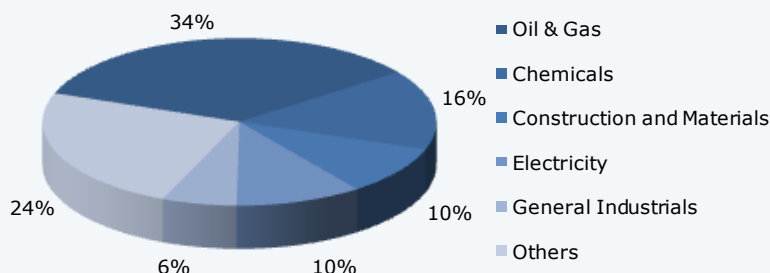
Risk Measures - June'12:

| | AMMF | KSE-100 index | KMI-30 Index |
|------------------------|-------|---------------|--------------|
| Standard Deviation (%) | 0.85 | 0.80 | 0.87 |
| Sharpe Ratio | -0.10 | -0.03 | -0.08 |

Top Ten Equity holdings:(% of NAV):

| | | | |
|--------------------------------|-----|-----------------------------|----|
| The Hub Power Co. Ltd. | 10% | Pakistan State Oil Co. Ltd. | 6% |
| Pakistan Oilfields Ltd. | 9% | Lucky Cement | 5% |
| Pakistan Petroleum Ltd. | 9% | ICI Pakistan Ltd. | 4% |
| Fauji Fertilizer Co. Ltd. | 9% | Meezan Bank Ltd. | 4% |
| Oil & Gas Development Co. Ltd. | 8% | DG Khan Cement Co. Ltd. | 4% |

Sector Allocation:



WWF Disclosure : The Fund/Scheme has not made provisions amount to Rs.20.17mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.15/1.20%. For details investors are advised to read Financial Statements of the Scheme for FY2012, to be published.

Fund Review

Net assets of Meezan Islamic Income Fund (MIIF) stood at Rs. 1.2 billion as on June 30, 2012. MIIF has provided an annualized return of 11.3% for the month of June as compared to its benchmark which has provided an annualized return of 6.3% during the same period.

Investment Objective:

To provide investors with a high and stable rate of current income consistent with long term preservation of capital in a Shariah compliant way. A secondary objective is to take advantage of opportunities to realize capital appreciation.

Fund Details:

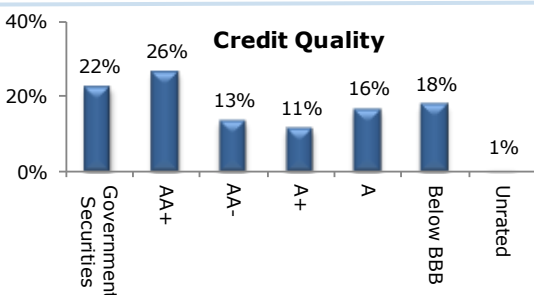
| | |
|-----------------------------------|---|
| Fund Type: | Open End |
| Risk Level | Minimal |
| Launch Date | 15-Jan-07 |
| Trustee | CDC |
| Auditors | A.F. Ferguson & Co. |
| Registrar | Meezan Bank Ltd. |
| Unit Types | A, B and C |
| Management Fee | 1.5% |
| Front End Load | 0.5% |
| Fund Category | Income |
| Leverage | Nil |
| Listing | KSE |
| AMC Rating | AM2 |
| Rating Agency | JCRVIS |
| Fund Stability Rating | A(f) |
| Pricing Mechanism | Forward |
| Weighted average time to maturity | 1.51 Years |
| Back End Load | Contingent load for Type C investors |
| Benchmark | Average bank deposit rate of three Islamic banks |
| Valuation Days | Mon-Fri |
| Subscription/ Redemption Days | Mon-Fri 9am - 3pm |
| Fund Manager | M. Ali, CFA, FRM |
| Members of Investment Committee | M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed, CFA |

Fund Assets:

| | May' 12 | Jun' 12 | MoM % |
|--------------------|---------|---------|--------|
| Net Assets (Rs mn) | 1,242 | 1,209 | -2.68% |
| NAV Per Unit (Rs) | 51.44 | 51.90 | 0.89% |

Credit Quality of portfolio:

| | |
|-----------------------|-----|
| Government Securities | 22% |
| AA+ | 19% |
| AA- | 13% |
| A+ | 11% |
| A | 17% |
| Below BBB | 18% |
| Unrated | 1% |



Performance - Annualized Returns:

| | 1M | 3M | 6M | FYTD | 1Yr | 3Yr | 5Yr | PSD** |
|-----------|-------|------|-------|------|------|------|------|-------|
| MIIF | 11.3% | 9.0% | 13.1% | 7.8% | 7.8% | 8.9% | 9.3% | 9.3% |
| Benchmark | 6.3% | 6.0% | 6.0% | 6.0% | 6.0% | 5.9% | 5.9% | 5.9% |

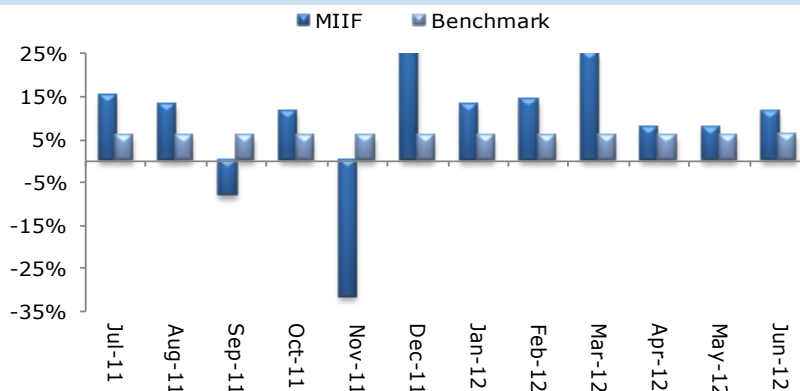
** Performance start date of Jan 15, 2007

Annual Returns:

| | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 | FY05 |
|-----------|------|-------|------|------|------|---------|------|------|
| MIIF | 7.8% | 11.8% | 7% | 10% | 9% | 10.07%* | - | - |
| Benchmark | 6.0% | 5.9% | 6% | 7% | 6% | 5% | - | - |

* 163 days of operations

Monthly Performance:



Top Ten Portfolio holdings:(% of NAV):

| | | | |
|----------------------------|-----|-----------------------------|----|
| GoP Ijarah Sukuk IX | 14% | HUBCO (Commercial Paper) | 8% |
| Engro Fertilizer Ltd. | 13% | GoP Ijarah Sukuk XII | 8% |
| Eden Housing Ltd. | 9% | Sitara Chemicals Ltd. - III | 3% |
| Century Paper & Board Ltd. | 8% | Eden Builders Limited | 2% |
| Maple Leaf Sukuk -I | 8% | Security Leasing Ltd. - II | 1% |

Sector Allocation:

| | May'12 | Jun'12 |
|---|--------|--------|
| Sukuks | 43% | 44% |
| Government backed / Guaranteed Securities | 14% | 22% |
| Cash | 24% | 26% |
| Commercial Paper | 16% | 8% |
| Others Including receivables | 3% | 0% |

Details of Non Performing Investments:

| Name of Non -compliant investments | Type of Investments | Value of Investments before provision | Provision held if any / Diminishing Market Value | Value of investments after provision | % of Net Assets | % of Gross Assets |
|--|---------------------|---------------------------------------|--|--------------------------------------|-----------------|-------------------|
| Arzoo Textile Mills Ltd. | Sukuk | 70,000,000 | 70,000,000 | 0.00 | 0.00% | 0.00% |
| Eden Housing Limited | Sukuk | 158,709,375 | 48,462,975 | 110,246,400 | 9.12% | 8.85% |
| Maple Leaf Cement - I | Sukuk | 319,320,000 | 217,137,600 | 102,182,400 | 8.45% | 8.20% |
| Maple Leaf Cement - II | Sukuk | 12,000,000 | 12,000,000 | — | 0.00% | 0.00% |
| Security Leasing Corporation Ltd. - II | Sukuk | 19,466,145 | 9,848,078 | 9,618,067 | 0.80% | 0.77% |

WWF Disclosure: The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.23.23mn, if the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.1.0/1.92%. For details investors are advised to read Financial Statements of the Scheme for FY2012, to be published.

Fund Review

Net assets of Meezan Cash Fund (MCF) stood at Rs. 7.4 billion as at June 30, 2012. MCF has provided an annualized return of 5.5% for the month of June as compared to its benchmark which has provided an annualized return of 8.0% during the same period.

Investment Objective:

To seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in liquid Shariah compliant money market and debt securities.

Fund Details:

| | |
|-----------------------------------|---|
| Fund Type: | Open End |
| Risk Level | Minimal |
| Launch Date | 15-Jun-09 |
| Trustee | CDC |
| Auditors | A.F. Ferguson & Co. |
| Registrar | Meezan Bank Ltd. |
| Unit Types | A, B and C |
| Management Fee | 1% |
| Front End Load | Nil |
| Back End Load* | 0.1% if redemption within 3 days |
| Fund Category | Money Market |
| Leverage | Nil |
| Listing | ISE |
| AMC Rating | AM2 |
| Rating Agency | JCRVIS |
| Fund Stability Rating | AA (f) |
| Pricing Mechanism | Forward |
| Weighted average time to maturity | 17.48 Days |
| Benchmark | Average return on 6-month Islamic bank deposits |
| Valuation Days | Mon-Fri |
| Subscription/ Redemption Days | Mon-Fri 9am – 3pm |
| Fund Manager | M. Ali, CFA, FRM |

| | |
|---------------------------------|--|
| Members of Investment Committee | M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed, CFA |
|---------------------------------|--|

Fund Assets:

| | May' 12 | Jun' 12 | MoM % |
|---------------------|---------|---------|---------|
| Net Assets (Rs mn) | 8,535 | 7,418 | -13.09% |
| NAV Per Unit (Rs) * | 50.17 | 50.08 | 0.44% |

*Ex-Dividend NAV

Rating Exposure:

| | |
|-----------------------|--------|
| Government Guaranteed | 8% |
| AA+ | 54% |
| AA | 34% |
| AA- | 0.9%## |

##Account with Meezan Bank is being maintained only for collection /redemption purposes as Meezan Bank is the distributor for Al Meezan Funds.

Portfolio Composition:

| | May'12 | Jun'12 |
|--------------------------------|--------|--------|
| Placements with Banks and DFIs | 18% | 22% |
| Commercial Paper | 7% | 5% |
| Cash | 73% | 62% |
| Government Guaranteed | 0% | 8% |
| Other Including receivables | 2% | 3% |

Performance – Annualized Returns:

| | 1M | 3M | 6M | FYTD | 1Yr | 3Yr | 5Yr | PSD** |
|-----------|------|------|------|-------|-------|-------|-----|-------|
| MCF | 5.5% | 9.0% | 9.9% | 10.7% | 10.7% | 10.4% | - | 10.6% |
| Benchmark | 8.0% | 8.0% | 8.0% | 8.1% | 8.1% | 8.0% | - | 8.0% |

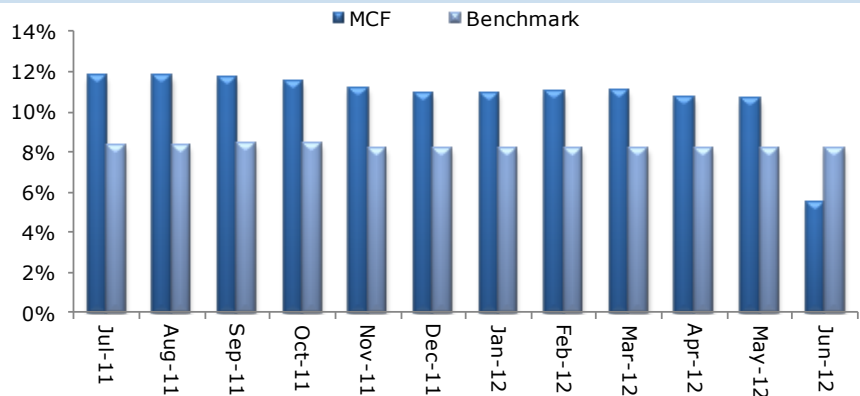
** Performance start date of June 15, 2009

Annual Returns:

| | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 | FY05 |
|-----------|-------|-------|------|--------|------|------|------|------|
| MCF | 10.7% | 11.0% | 10% | 8.08%# | - | - | - | - |
| Benchmark | 8.1% | 8.2% | 7% | 8% | - | - | - | - |

#15 days of operations

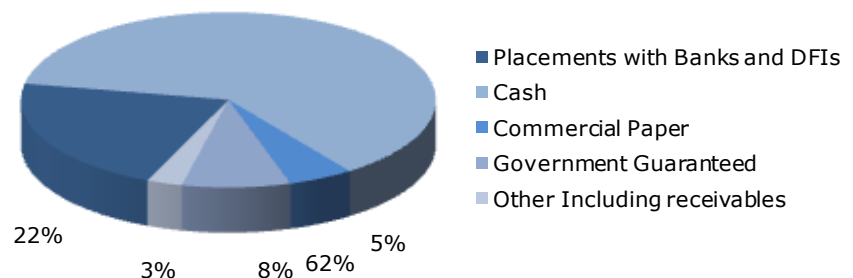
Monthly Performance:



Portfolio: Salient Features

| | |
|--------------------------------|---|
| Key Benefits | <ul style="list-style-type: none"> Maximum Preservation of Principal Investment High Liquidity (Redemption within Two working days) *No Sales Load (No Entry or Exit charges) Tax Credit as per tax laws |
| Investment Policy and Strategy | <ul style="list-style-type: none"> Investments in High Grade & Liquid avenues: Instrument/Issuer Rating : Minimum 'AA' Maximum Maturity of Instruments : Six Months Average Time to Maturity of Portfolio : Three Months |
| Benchmark | Average return on 6-month Islamic bank deposits |

Asset Allocation:



WWF Disclosure: The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.34.63mn, if the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.23/0.47%. For details investors are advised to read Financial Statements of the Scheme for FY2012, to be published.

Fund Review

Net assets of Meezan Sovereign Fund (MSF) stood at Rs. 19.71 billion as on June 30, 2012. For the month of June, the fund has provided an annualized return of 7.1% as compared to its benchmark which has provided an annualized return of 8.0% during the same period.

Investment Objective:

To seek maximum possible preservation of capital and a reasonable rate of return

Fund Details:

| | |
|-----------------------------------|---|
| Fund Type: | Open End |
| Risk Level | Minimal |
| Launch Date | 10-Feb-10 |
| Trustee | CDC |
| Auditors | A.F. Ferguson & Co. |
| Registrar | Meezan Bank Ltd. |
| Unit Types | A, B, C and D |
| Management Fee | 1% |
| Front End Load | 0.5% |
| Back End Load | Nil |
| Fund Category | Income |
| Leverage | Nil |
| Listing | ISE |
| AMC Rating | AM2 |
| Rating Agency | JCRVIS |
| Fund Stability Rating | AA |
| Pricing Mechanism | Forward |
| Weighted average time to maturity | 1.48 Years |
| Benchmark | Average return on 6-month Islamic bank deposits |
| Valuation Days | Mon-Fri |
| Subscription/ Redemption Days | Mon-Fri 9am – 3pm |
| Fund Manager | M. Ali, CFA, FRM |

| | |
|---------------------------------|---|
| Members of Investment Committee | M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed, CFA |
|---------------------------------|---|

Fund Assets:

| | May '12 | Jun '12 | MoM % |
|--------------------|---------|---------|-------|
| Net Assets (Rs mn) | 19,486 | 19,709 | 1.14% |
| NAV Per Unit (Rs) | 51.20 | 50.03 | 0.57% |

Asset Rating:

| | |
|-----------------------|-----|
| Government Guaranteed | 73% |
| AA+ | 20% |
| AA | 6% |

Asset Allocation:

| | May '12 | Jun '12 |
|-----------------------------|---------|---------|
| Government Guaranteed | 73% | 73% |
| Cash | 25% | 26% |
| Other Including receivables | 2% | 1% |

WWF Disclosure: The Scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.55.2mn, if the same were not made the NAV per Unit/return of the Scheme would be higher by Rs.0.14/0.28%. For details investors are advised to read Financial Statements of the Scheme for the FY2012, to be published.

Performance - Annualized Returns:

| | 1M | 3M | 6M | FYTD | 1Yr | 3Yr | 5Yr | PSD** |
|-----------|------|------|-------|-------|-------|-----|-----|-------|
| MSF | 7.1% | 9.5% | 10.2% | 11.2% | 11.2% | - | - | 11.1% |
| Benchmark | 8.0% | 8.0% | 8.0% | 8.1% | 8.1% | - | - | 8.1% |

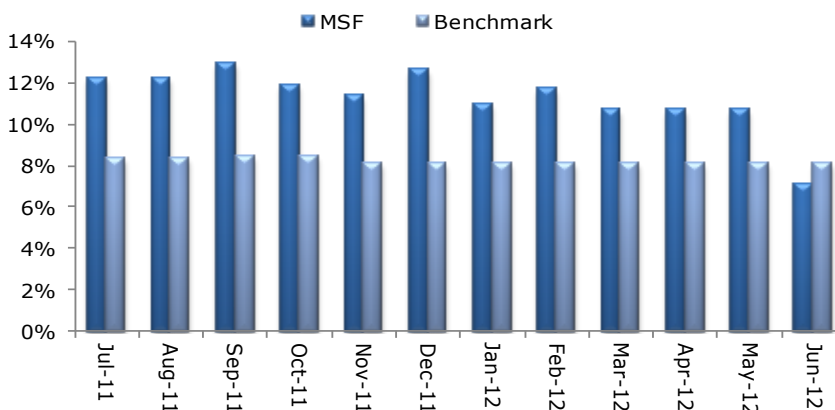
** Performance start date of Feb 10, 2010,

Annual Returns:

| | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 | FY05 |
|-----------|-------|-------|--------|------|------|------|------|------|
| MSF | 11.2% | 11.5% | 9.76%* | - | - | - | - | - |
| Benchmark | 8.1% | 8.2% | 7.48% | - | - | - | - | - |

* 140 days of operations

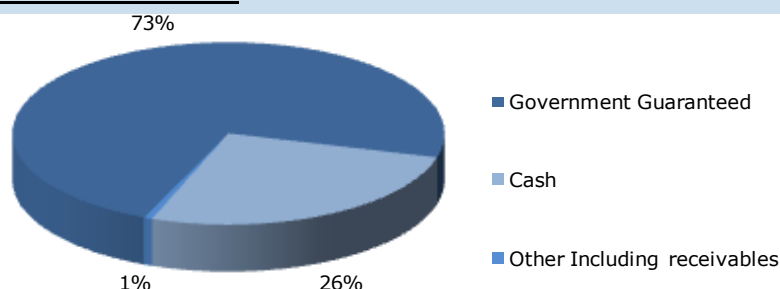
Monthly Performance:



Portfolio: Salient Features

| | |
|--------------------------------|--|
| Key Benefits | <ul style="list-style-type: none"> Maximum Preservation of Principal Investment Primary Investments in securities issued by Government of Pakistan Very Low Risk Liquidity (Redemption on average in 2-3 working days) Tax Credit as per tax laws |
| Investment Policy and Strategy | <ul style="list-style-type: none"> Investments in High Grade & Liquid avenues: Minimum 70% Investment in Government backed / issued securities (rated 'AAA') Placements in top rated banks and financial institutions Weighted Average Time to Maturity of Portfolio : Not more than 4 years |
| Benchmark | Average return on 6-month Islamic bank deposits |

Asset Allocation:



Fund Review:

The fund has completed its first year of operations on June 30, 2012 and has provided a return of 13.5% during this period. The net assets of Meezan Capital Protected Fund (MCPF-II) have grown to Rs. 443 million during the same period.

Investment Objective:

The objective of this fund is to provide investors 100% protection of their capital while offering competitive returns by participating in the equity market.

Fund Details:

| | |
|---------------------------------|--|
| Fund Type: | Open End |
| Risk Level | Minimal |
| Launch Date | 5-Jul-11 |
| Trustee | CDC |
| Auditors | A.F. Ferguson & Co. |
| Registrar | Meezan Bank Ltd. |
| Unit Types | A, B,C and D |
| Management Fee | 1.5% |
| Front End Load | 3% |
| Fund Category | Capital Protected |
| Back End Load | Contingent Load |
| Leverage | Nil |
| Listing | ISE |
| AMC Rating | AM2 |
| Rating Agency | JCRVIS |
| Pricing Mechanism | Forward |
| Valuation Days | Mon-Fri |
| Subscription/ Redemption Days | Mon-Fri 9am – 3pm |
| Fund Manager | M. Farhan Lakhani |
| Members of Investment Committee | M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed, CFA |

Fund Assets:

| | May' 12 | Jun' 12 | MoM % |
|--------------------|---------|---------|-------|
| Net Assets (Rs mn) | 441 | 443 | 0.40% |
| NAV Per Unit (Rs) | 56.46 | 56.76 | 0.52% |

Asset Allocation:

| | |
|---------------------------------|------|
| GoP Guaranteed Securities (%) | 75.3 |
| Equity (%) | 19.1 |
| Cash (%) | 4.8 |
| Other Including receivables (%) | 0.8 |

WWF Disclosure: The Fund/Scheme has not made provisions amount to Rs.1.03mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.13/0.23%. For details investor are advised to read Financial Statements of the Scheme for the FY2012, to be published.

Performance - Cumulative Returns:

| | 1M | 3M | 6M | FYTD | 1Yr | 3Yr | 5Yr | PSD** |
|---------|------|------|------|-------|-----|-----|-----|-------|
| MCPF-II | 0.5% | 2.7% | 9.9% | 13.5% | - | - | - | 13.5% |

** Performance start date of Jul 5, 2011,

Annual Returns:

| | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 | FY05 |
|---------|-------|------|------|------|------|------|------|------|
| MCPF-II | 13.5% | - | - | - | - | - | - | - |

Portfolio: Salient Features

Key Benefits

100% Capital Protection.

Optimal Halal returns while remaining in Capital Protection structure.

Tax exempt returns (under applicable Tax Laws)

Tax Credit (as per Tax Law)

Professional Fund Management by the largest asset management company in private sector in Pakistan

Investment Policy and Strategy

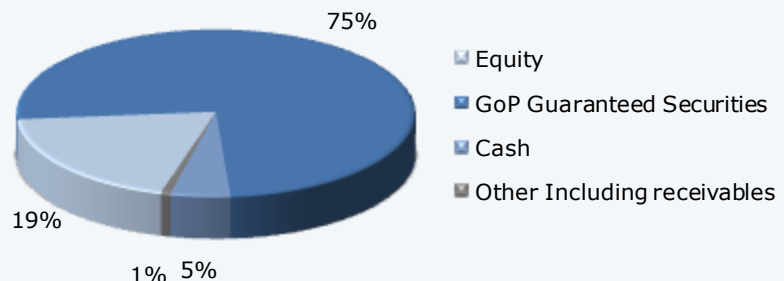
Capital Protection Segment

Approximately 75.5% of the Fund would be allocated to Capital Protection Segment which will grow to initial investment, at maturity of life of the Fund. The investment will be made in 'AAA' rated Government of Pakistan Ijarah Sukuk.

Investment Segment

24.5% of the Fund would be allocated to Investment Segment that is expected to provide the upside over and above principal at the time of maturity. This amount will be invested in Shariah compliant equity securities listed on Pakistani Stock Exchanges.

Asset Allocation:



Fund Review:

As at June 30, 2012, total size of Meezan Tahaffuz Pension Fund (MTPF) stood at Rs. 868 million. For the month of June, the NAV of equity sub fund decreased by 2.3% while the NAV of debt and money sub funds provided an annualized return of 10.8% and 10.9% respectively.

Investment Objective:

To provide participants a regular Halal income stream after retirement/disability when they can no longer earn regular income to support their living so that they are not dependent on other members of the society.

Fund Details:

| | |
|---------------------------------|---|
| Fund Type: | Open End |
| Risk Level | Minimal |
| Launch Date | 28-Jun-07 |
| Trustee | CDC |
| Auditors | Ford Rhodes Siddat Hyder & Co. |
| Registrar | Meezan Bank Ltd. |
| Fund Category | Pension |
| Leverage | Nil |
| AMC Rating | AM2 |
| Rating Agency | JCRVIS |
| Pricing Mechanism | Forward |
| Valuation Days | Mon-Fri |
| Subscription/ Redemption Days | Mon-Fri 9am – 3pm |
| Fund Manager | Muhammad Asad |
| Members of Investment Committee | M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed, CFA |

FUND ASSETS:

| Rs (Mn) | May '12 | Jun '12 | MoM % |
|-------------------|------------|------------|--------------|
| MTPF- Equity | 278 | 324 | 14.0% |
| MTPF- Debt | 260 | 333 | 42.2% |
| MTPF- MMkt | 169 | 211 | 37.9% |
| Total Fund | 707 | 868 | 29.3% |

NAV per unit:

| Rs | May '12 | Jun '12 | MoM % |
|--------------|---------|---------|-------|
| MTPF- Equity | 164.2 | 160.4 | -2.3% |
| MTPF- Debt | 156.3 | 157.6 | 0.8% |
| MTPF- MMkt | 157.3 | 158.7 | 0.9% |

Sukuk Holdings – MTPF(Debt fund):

| | |
|-----------------------|--------|
| GoP Ijarah Sukuk XI | 18.03% |
| GoP Ijarah Sukuk V | 17.43% |
| GoP Ijarah Sukuk IX | 16.22% |
| GoP Ijarah Sukuk X | 16.22% |
| GoP Ijarah Sukuk XII | 15.02% |
| GoP Ijarah Sukuk VIII | 3.91% |
| GoP Ijarah Sukuk VII | 1.50% |
| GoP Ijarah Sukuk IV | 0.90% |
| GoP Ijarah Sukuk VI | 0.90% |
| Eden Housing Limited | 0.28% |

MTPF - Allocation Schemes

| | 1M | 3M | 6M | YTD | 1Yr | 3Yr | 5Yr | PSD** |
|-------------------|------|-----|-----|-----|-----|-----|-----|-------|
| High Volatility | 0.3% | 4% | 20% | 15% | 15% | 89% | 50% | 50% |
| Medium Volatility | 4% | 6% | 16% | 13% | 13% | 59% | 35% | 35% |
| Low Volatility | 8% | 8% | 13% | 12% | 12% | 35% | 22% | 22% |
| Lower Volatility | 11% | 10% | 10% | 10% | 10% | 10% | 10% | 10% |

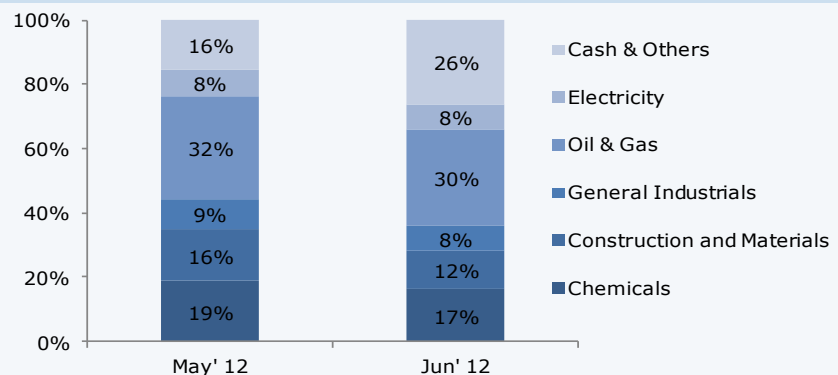
** Performance start date of June 28, 2007, * annualized return

| Allocation Scheme | Equity | Debt | Money Market |
|-------------------|--------|------|--------------|
| High Volatility | 80% | 20% | 0% |
| Medium Volatility | 50% | 40% | 10% |
| Low Volatility | 25% | 60% | 15% |
| Lower Volatility | 0% | 60% | 40% |

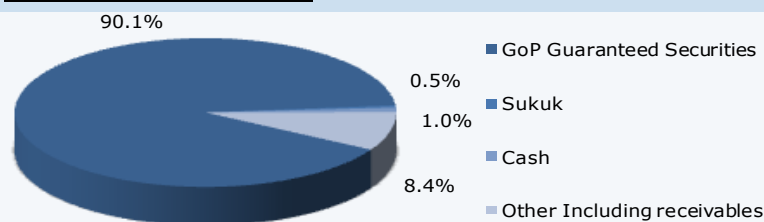
Annual Returns:

| | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 | FY05 |
|--------------|-------|-------|-------|--------|------|------|------|------|
| MTPF- Equity | 16.8% | 36.0% | 31.5% | -25.8% | 3.1% | - | - | - |
| MTPF- Debt | 9.5% | 10.9% | 8.5% | 10.2% | 8.3% | - | - | - |
| MTPF- MMkt | 10.9% | 10.7% | 8.5% | 11.1% | 7.7% | - | - | - |

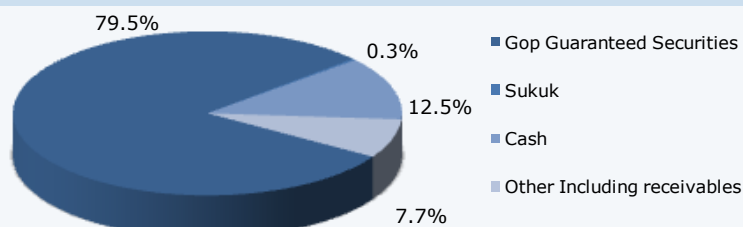
Sector Weightage as % of Net Assets (MTPF – Equity):



MTPF Debt Sub Fund:



MTPF Money Market Sub Fund:



WWF Disclosure: The Fund/Scheme has not made provisions amount to Rs.2.21mn (Equity), Rs. 1.32mn (Debt) and Rs. 0.87mn (MMKT) against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.1.1/0.68% (Eq.), 0.63/0.40%(Dt.) and 0.66/0.41%(MM). For details investor are advised to read Financial Statements of the Scheme for FY2012, to be published.

Fund Review:

The fund was launched on May 23, 2012. As at June 30, the net assets of KSE-Meezan Index Fund (KMIF) stood at Rs. 289 million. For the month of June 2012, KMIF provided a return of -1.1%.

Investment Objective:

KSE Meezan Index Fund (KMIF) 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.

Fund Details:

| | |
|---------------------------------|---|
| Fund Type: | Open End |
| Risk Level | Minimal |
| Launch Date | 23-May-12 |
| Trustee | CDC |
| Auditors | A.F. Ferguson & Co. |
| Registrar | Meezan Bank Ltd. |
| Unit Types | A and B |
| Management Fee | 1% |
| Front End Load | 2% |
| Fund Category | Index Tracker Scheme |
| Back End Load | Nil |
| Leverage | Nil |
| Listing | ISE |
| AMC Rating | AM2 |
| Rating Agency | JCRVIS |
| Pricing Mechanism | Forward |
| Benchmark | KMI-30 Index |
| Valuation Days | Mon-Fri |
| Subscription/ Redemption Days | Mon-Fri 9am – 1pm |
| Fund Manager | M. Farhan Lakhani |
| Members of Investment Committee | M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed, CFA |

Fund Assets:

| | May' 12 | Jun' 12 | MoM % |
|--------------------|---------|---------|--------|
| Net Assets (Rs mn) | 244 | 289 | 18.60% |
| NAV Per Unit (Rs) | 49.35 | 48.83 | -1.06% |

WWF Disclosure: The Fund/Scheme has not made provisions against Workers' Welfare Fund liability. For details investor are advised to read Financial Statements

Performance - Cumulative Returns:

| | 1M | 3M | 6M | FYTD | 1Yr | 3Yr | 5Yr | PSD** |
|-----------|-------|----|----|------|-----|-----|-----|-------|
| KMIF | -1.1% | - | - | - | - | - | - | -2.4% |
| Benchmark | -0.8% | | | | | | | -1.9% |

** Performance start date of May 23, 2012,

Annual Returns:

| | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 | FY05 |
|------|-------|------|------|------|------|------|------|------|
| KMIF | -2.4% | - | - | - | - | - | - | - |

Portfolio: Salient Features

Key Benefits

- Pakistan's only tracker Fund - KMIF, which tracks Pakistan's only Shariah Compliant Index, the KMI 30
- The KMI 30 Index has outperformed KSE 100 every year since its launch in 2009
- A one-stop solution for putting your money into every single company of the KMI 30 Index
- Passive investment philosophy, hence low operating expenses compared to actively managed funds, and little potential for underperformance (relative to benchmark)
- No Lock-in Period - Invest Today, En-cash whenever you like

Investment Policy

The Fund shall strive to remain fully invested in accordance with the stated index; however, under no circumstances shall it be invested less than 85% of its net assets in securities covered in the index during the year based on monthly average investment calculated on daily basis. The un-invested amount shall be kept in Cash and/ or near cash instruments where near cash instruments include cash in Islamic bank accounts or Islamic Banking windows (excluding TDRs)

The Fund will invest in the KMI-30 equity stock in order to achieve the investment objective. The fund manager would monitor the performance of the Fund and the benchmark index on a continuous basis. Upon Rebalancing of the Index the Management Company may also rebalance the portfolio within 30 Days with the objective to minimize, before expenses, the tracking error of the Fund

Meezan Balanced Fund (MBF)

June, 2012

AMC RATING AM2 (STABLE OUTLOOK)

PAKISTAN'S ONLY SHARIAH-COMPLIANT CLOSED-END FUND

Fund Review:

Net assets of Meezan Balanced Fund (MBF) as at June 30, 2012 stood at Rs. 1.54 billion. The fund's NAV decreased by 0.1% during the month.

Investment Objective:

The objective of Meezan Balanced 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 TFCs, COIs, Certificates of Musharika, Islamic Sukuk, Ready-future hedges, and other Shariah compliant instruments.

Fund Details:

| | |
|------------------------------------|---|
| Fund Type: | Closed End |
| Risk Level | Minimal |
| Launch Date | 20-Dec-2004 |
| Trustee | CDC |
| Auditors | A.F. Ferguson & Co. |
| Registrar | THK Associates |
| Management Fee | 2% |
| Fund Category | Balanced |
| Leverage | Nil |
| Listing | KSE |
| AMC Rating | AM2 |
| Rating Agency | JCRVIS |
| Benchmark | 50% KMI-30 Index 50% Average bank Deposit rate of three Islamic banks |
| Fund Manager | M. Farhan Lakhani |
| Members of Investment Committee | M. Shoaib, CFA Muhammad Asad Sanam Zaib M. Ali, CFA, FRM M. Farhan Lakhani Bushra Tariq Shakil Ahmed, CFA |

Funds Asset:

| | May' 12 | Jun' 12 | MoM % |
|--------------------|---------|---------|--------|
| Net Assets (Rs mn) | 1,539 | 1,535 | -0.10% |
| NAV Per Unit (Rs) | 12.82 | 12.79 | -0.10% |

Performance - Cumulative Returns:

| | 1M | 3M | 6M | FYTD | 1Yr | 3Yr | 5Yr | PSD** |
|-----------|-------|----|-----|------|-----|-----|-----|-------|
| MBF | -0.1% | 3% | 16% | 17% | 17% | 80% | 70% | 181% |
| Benchmark | -0.2% | 1% | 10% | 8% | 8% | 60% | 21% | 74% |

** Performance start date of Dec 20, 2004

Annual Returns:

| | FY12 | FY11 | FY10 | FY09 | FY08 | FY07 | FY06 | FY05 |
|-----------|------|------|------|------|------|------|------|------|
| MBF | 17% | 25% | 23% | -11% | 1% | 26% | 23% | 2%* |
| Benchmark | 8% | 25% | 21% | -14% | 3% | 11% | 15% | 13% |

* Performance start date of Dec 20, 2004

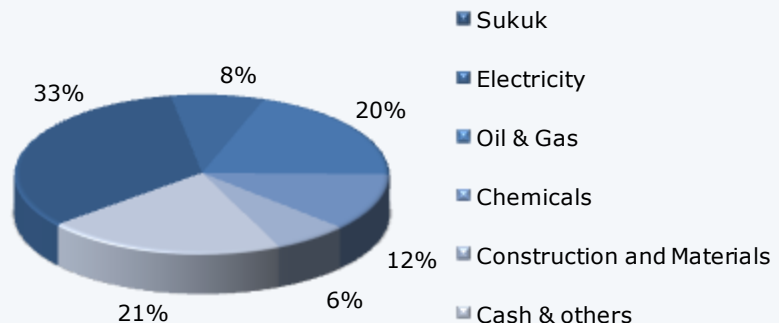
Top Ten Portfolio holdings:(% of NAV):

| | Equity | Sukuk |
|--------------------------------|--------|------------------------------|
| Hub Power Co. Ltd. | 8% | KAPCO (Commercial Paper) 11% |
| Fauji Fertilizer Co. Ltd. | 7% | HUBCO (Commercial Paper) 7% |
| Pakistan Oilfields Ltd. | 6% | GoP Ijarah Sukuk -IX 6% |
| Oil & Gas Development Co. Ltd. | 5% | GoP Ijarah Sukuk -XI 4% |
| Pakistan Petroleum Ltd. | 5% | Engro Fertilizer Ltd. 3% |

Sector Allocation:

| | May'12 | Jun'12 |
|---------------------------|--------|--------|
| Equity | 56% | 56% |
| GoP Guaranteed Securities | 16% | 10% |
| Sukuk | 5% | 5% |
| Commercial Paper | 18% | 18% |
| Cash | 5% | 11% |

Sector Performance:



WWF Disclosure: The Fund/Scheme has not made provisions amount to Rs.14.25mn against Workers' Welfare Fund liability, if the same were made the NAV per unit/returns of the Scheme would be lower by Rs.0.12/0.93%. For details investor are advised to read Financial Statements, to be published.