



Al Meezan
Investment Management Ltd

MKT/FMR/042/09

March 05, 2009

Dear Investor,

We are pleased to inform you that the Board of Directors of Al Meezan Investments announced a distribution of dividend for Meezan Islamic Income Fund (MIIF) of **Rs.0.75 per unit** i.e., 1.5% on par value of Rs. 50/-. The payout was in the form of Bonus Units to the Growth Unit holders and Cash Dividend to the Income Unit holders.

A Growth Unit holder having 100 units of MIIF as at February 21, 2009 got 1.4872 additional units at the ex-div NAV of Rs. 50.43, while an Income Unit holder got Cash Dividend of Rs. 0.75 per unit.

MIIF is the first and largest Shariah compliant open end income fund in Pakistan. It aims at providing a consistent and Halal income stream with main focus on long term capital preservation. MIIF has a track record of paying consistent dividend to investors. Since its inception, it has paid annualized return of 11.39%. The current fund size of MIIF is over Rs. 4.76 billion. The returns of Meezan Islamic Income Fund (MIIF) for the month of February 09 was 14.71% as compared to 15.55% for the month of January 09 (both returns adjusted for revaluation of Sukuks) showing consistent performance and offering the highest return in the category of Islamic Income Funds for the month

We would like to apprise all our valued investors that inspite of prevailing volatility in the stock market, current levels of the market are very attractive for long term investments. We invite our existing and potential investors to invest through Meezan Islamic Fund, which is the largest open end equity fund in the private sector.

We are thankful to all our valued investors for their support and continued patronage. We at Al Meezan Investments are committed to provide the best Shariah compliant investment management services to our investors.

Regards,

Anas Rehan
AVP Marketing



AL Meezan Investment Management Limited

February, 2009

Al Meezan Investments (AMIM), the company in operation since 1995, has one of the longest track records of managing mutual funds in the private sector in Pakistan. Al Meezan Investments manages six mutual funds; namely Al Meezan Mutual Fund, Meezan Balanced Fund, Meezan Islamic Fund, Meezan Islamic Income Fund, Meezan Tahaffuz Pension Fund and Meezan Capital Protected Fund - I.

The total funds under management of Al Meezan Investments, the only full fledged Shariah compliant asset management company in Pakistan, have reached Rs. 11.57 bn as on February 28, 2009. With AM2 - Management Quality rating, the company clearly stays well ahead of all its competitors in the Islamic asset management market in Pakistan.

STOCK MARKET REVIEW

During the month of February, activity in stock market remained mixed. The KSE-100 Index gained 350 pts (6.51% up) to close at 5,727 pts, with average volumes improving to 161 million shares as compared to 142 million shares in January.

Initially, the activity remained range bound due to uncertainty regarding the implementation of IAS-39. On Feb 13, SECP announced relaxation in accounting treatment for equity investments classified as 'Available for sale' under IAS 39 till December 2009 which provided a breather to banks and other companies. In addition to this, good corporate results, declining interest rates and IMF approval to release the second tranche of US \$840mn helped the index reach 6,000 barrier. The net outflow of portfolio investment declined to US\$ 36 million during February as compared to US\$ 149.5mn in January.

However, towards the end of February, rally in the market was arrested by political uncertainty caused by the Supreme Court's decision to uphold the disqualification of Sharif brothers and concerns on widening rift between political parties.

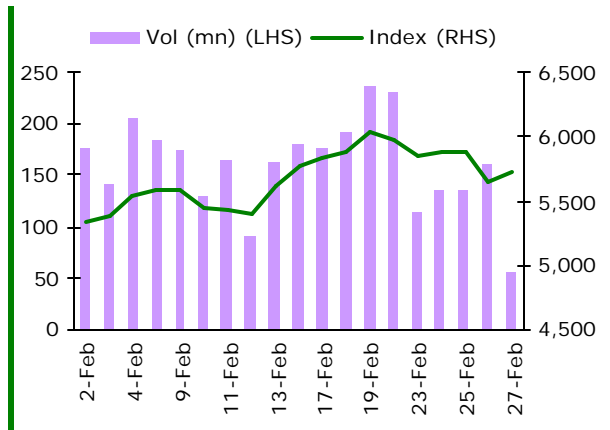
MONEY MARKET REVIEW

After the announcement of an unchanged discount rate in the latest monetary policy, liquidity position eased up as interest rates reversed their increasing trend. Call rates experienced sharp decline, with overnight offer rates hovering between 10-11% at month-end.

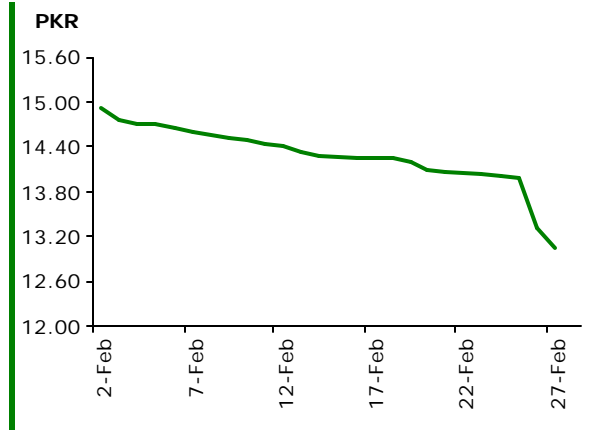
To mop up excess liquidity, SBP conducted two T-bill auctions, accepting total of Rs. 306bn. Out of the total accepted amount, SBP sold Rs. 160bn worth of 1-year paper as participants, foreseeing declining rates, showed interest in longer tenor paper. During February, the cut-off yield for three month paper declined by 115 bps and closed the month at 12.61%, whereas the cut-off rates for 6 month and 12 month papers stood at 12.98% (103bps down) and 13.00% (120bps down) respectively. In addition to this, SBP conducted a PIB auction and accepted Rs. 20bn worth of bids. The cut-off rate for 10-year tenor stood at 14.94%.

In addition to this, the benchmark KIBOR (6-month rate) also eased up, closing the month at 13.01%, a decline of 2% from its close at the end of previous month. In the interbank market, rupee remained stable and managed to close the month at Rs. 80.02 to a dollar.

KSE-100 Index Performance



6 Month KIBOR



Disclaimer

This report has been prepared by Al Meezan Investment Management Limited for information purposes only. Reasonable care has been taken in the preparation of the report. However, Al Meezan Investment Management Limited nor any of its employees or affiliated entities takes any responsibility for any loss that may be incurred by any user of this report.

MEEZAN ISLAMIC FUND (MIF)



Pakistan's First Shariah-compliant Open-End Equity Fund

Fund Statistics:

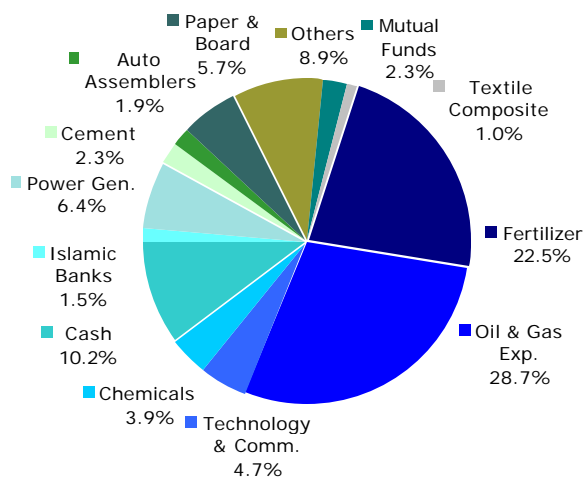
Fund Type:	Equity
Launch Date	8th August 2003
Trustee	Central Depository Company
Auditors	A.F. Ferguson
Management Fee	2%
Front End Load	2%
Benchmark	DJIMPK
Listing	KSE
Fund Rating	5 Star (Long term – JCR-VIS)

Performance

Month on Month	Jan '09	Feb '09
Return on MIF	10.99%	5.69%
Return on KSE-100 index	-8.31%	6.51%
Return on DJIMPK	4.79%	6.31%
Year – to – date (FY)		
Return on MIF	-50.57%	-47.75%
Return on KSE-100 index	-56.24%	-53.39%
Return on DJIMPK	-52.82%	-49.84%
Cumulative return since inception		
Return on MIF	43%	52%
Return on KSE-100 index *	28%	36%

*since DJIMPK was launched in July 2004, MIF is compared to KSE-100 index

Sector Weightage as a % of Net Assets



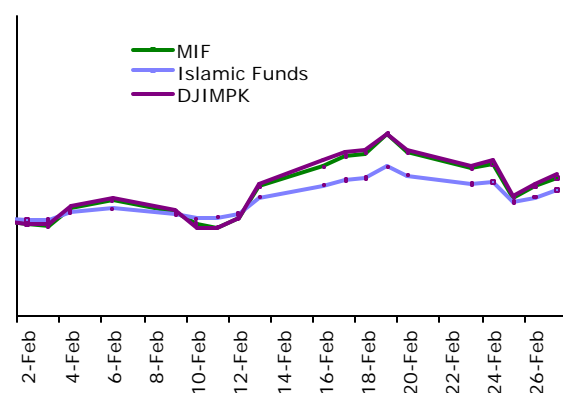
Top Ten Holdings

Engro Chemical	Pakistan Oilfields
Fauji Fertilizer Bin Qasim	Pakistan Petroleum Ltd.
Fauji Fertilizer Co.	Pakistan State Oil
Oil & Gas Development Co.	Pakistan Telecom
Packages	The Hub Power Co. Ltd.

Fund Assets:

	Jan '09	Feb '09	MoM %
Net Assets (mn)	2,843	2,957	4.00%
NAV Per Unit	24.74	26.15	5.69%
KSE-100 Index	5,377	5,727	6.51%
DJIMPK	8,539	9,078	6.31%

RELATIVE PERFORMANCE – FEBRUARY '09



FUND REVIEW

The net assets of Meezan Islamic Fund as at February 28, 2009 stood at Rs. 2.96bn and the fund was 89.83% invested.

The fund has provided a return of 5.69% during February. As the interest rates decline and foreign selling pressure eases, we expect market to bottom out at these levels. However, due to the uncertain politics, we foresee a range bound movement in the short term.

MEEZAN ISLAMIC INCOME FUND (MIIF)

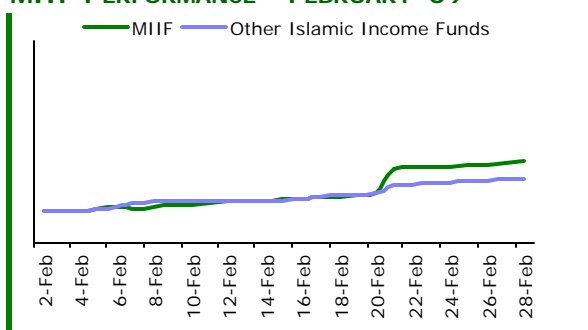


Pakistan's First Shariah-compliant Open-End Income Fund

Fund Statistics:

Fund Type	Open End
Risk Level	Minimal
Launch Date	15-Jan-07
Trustee	Central Depository Company
Unit Types	A, B & C
Auditors	A.F. Ferguson & Co.
Portfolio Duration	30 Days
Fund Stability Rating	Rating watch

MIIF PERFORMANCE – FEBRUARY '09



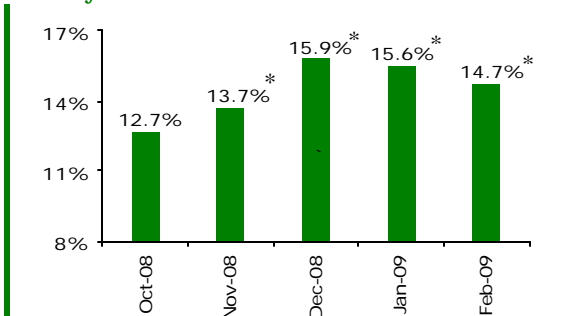
Fund Assets:

	Jan '09	Feb '09	MoM %
Net assets (Rs mn)	4,539	4,757	4.79%
NAV per unit (Rs)	50.57	50.56	0.95%

Performance

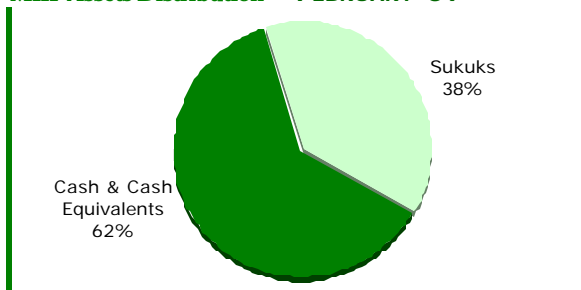
Month on Month	Jan '09	Feb '09
Return on MIIF	4.78%	0.95%
Return on MIIF (annualized)	15.55%*	14.71%*
Year – to – date (FY)	Jan '09	Feb '09
Return on MIIF	8.79%	9.07%
Return on MIIF (annualized)	15.38%*	14.23%*
Cumulative return since inception (annualized)	Jan '09	Feb '09
Return on MIIF	11.18%*	11.39%*

Monthly Annualized Returns

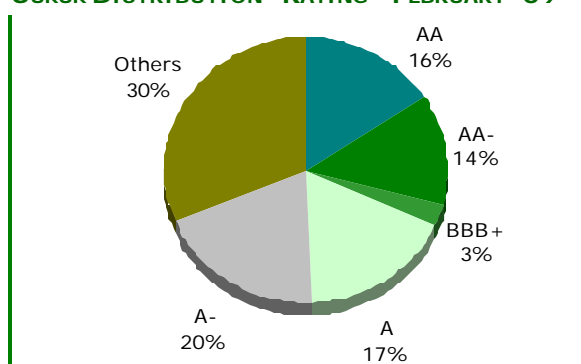


* Returns is gross of the valuation impact of repricing Sukuk portfolio

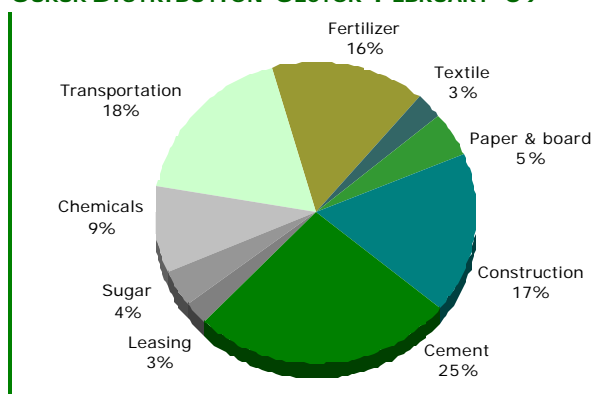
MIIF Assets Distribution – FEBRUARY '09



SUKUK DISTRIBUTION- RATING– FEBRUARY '09



SUKUK DISTRIBUTION- SECTOR FEBRUARY '09



FUND REVIEW

MIIF is aimed at providing our valued customers with a consistent stream of income that not only complies with Shariah, but also focuses on long term preservation of capital. Major portion of the fund is invested in liquid Islamic income avenues.

The annualized return of Meezan Islamic Income Fund (MIIF) was 14.71%* for the month of Feb 09, with net assets of the fund at Rs. 4.8bn.

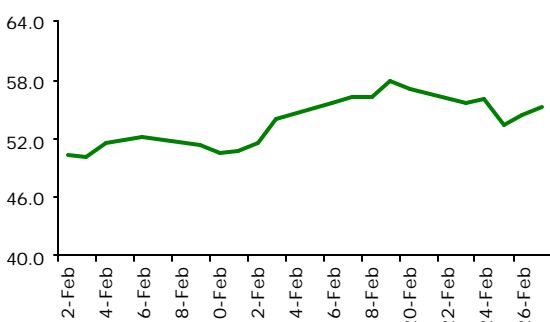
MEEZAN TAHAFFUZ PENSION FUND (MTPF)

Pakistan's First Shariah-compliant Open-End Pension Fund

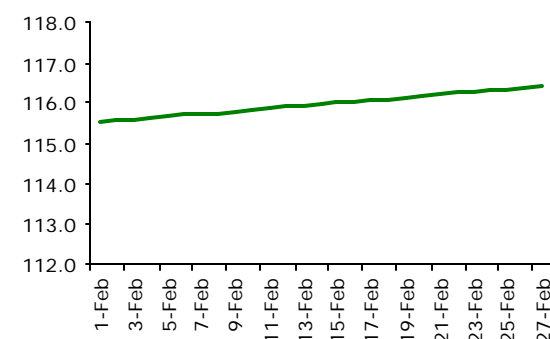
Fund Statistics:

Fund Type	Open End
Risk Level	Minimal
Launch Date	28-Jun-07
Trustee	Central Depository Company
Unit Types	A
Auditors	A.F. Ferguson
AMC Rating	AM2 -

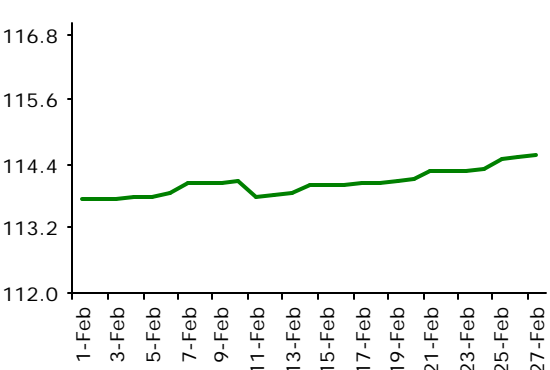
MTPF Equity Sub Fund February 2009



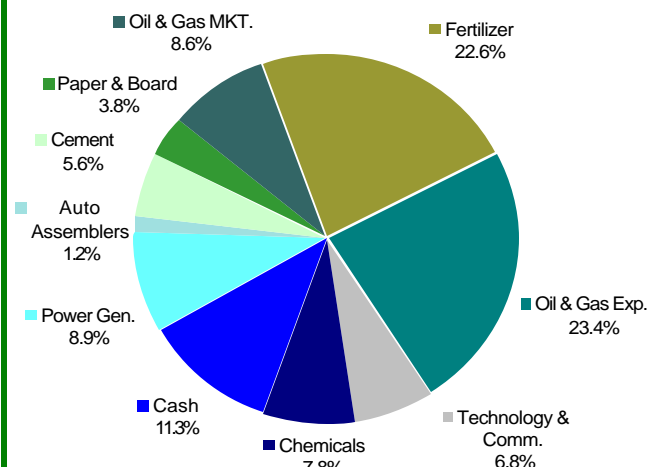
MTPF Debt Sub Fund February 2009**



MTPF Money Market Sub Fund February 2009



Sector Weightage as a % of Net Assets (MTPF - Equity)



Performance

	MoM	YTD	Since Inception
MTPF - Equity	8.77%	-46.58%	-44.92%
MTPF - Debt*	12.30%**	8.09%	8.19%
MTPF - Money Market *	10.24%	9.41%	8.34%

* at annualized rates

** Return adjusted for Sukuk revaluation

Fund Assets:

PKRmn	Jan'08	Feb'09	MoM %
MTPF - Equity	34.19	37.30	9.09%
MTPF - Debt	65.37	64.83	-0.83%
MTPF - Money Market	58.54	58.98	0.75%

FUND REVIEW

As at February 28 2008, total size of Meezan Tahaffuz Pension Fund (MTPF) stood at Rs. 161 mn.

The annualized MoM returns on Debt and Money Market sub funds were 12.30% (adjusted for sukuk revaluation) and 10.24% respectively. Equity sub-fund has shown an appreciation of 8.77% MoM.

MUHAMMAD ASAD
CHIEF INVESTMENT OFFICER