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FUND INFORMATION

PENSION FUND MANAGER

Al Meezan Investment Management Limited
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Shahrah-e-Faisal, Karachi 74400, Pakistan.
Phone: (9221) 5630722-6, 111-MEEZAN
Fax: (9221) 5676143, 5630808
Web site: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE PENSION FUND MANAGER

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive
Mr. Tasnimul Haq Farooqui	Director
Mr. Aliuddin Ansari	Director
Mr. Rizwan Ata	Director
Mr. Mazhar Sharif	Director
Syed Owais Wasti	Director

CFO & COMPANY SECRETARY OF THE PENSION FUND MANAGER

Syed Owais Wasti

AUDIT COMMITTEE OF THE PENSION FUND MANAGER

Mr. Ariful Islam	Chairman
Mr. Tasnimul Haq Farooqui	Member
Mr. Mazhar Sharif	Member

TRUSTEE

Central Depository Company of Pakistan Limited
Suite # M 13-16, Meezzanine Floor, Progressive Plaza,
Beaumont Road, Karachi.

AUDITORS

A.F. Fergusons & Co.
Chartered Accountants
State Life Building No. 1-C,
I.I. Chundrigar Road, P.O. Box 4716,
Karachi-74000, Pakistan.

BANKERS TO THE FUND

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

LEGAL ADVISER

Bawaney & Partners
404, 4th Floor, Beaumont Plaza, 6-CL-10
Beaumont Road, Civil Lines
Karachi - 75530
Phone: (9221) 565 7658-59
Fax: (9221) 565 7673
E-mail: bawaney@cyber.net.pk

TRANSFER AGENT

Meezan Bank Limited
3rd Floor P.N.S.C. Building
M.T. Khan Road
Phone: (9221) 561 0582, 561 0417
Fax: (9221) 561 1427
Web site: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

REPORT OF THE DIRECTORS OF THE PENSION FUND MANAGER FOR THE HALF YEAR ENDED DECEMBER 31, 2008

The Board of Directors of Al Meezan Investment Management Limited, the Pension Fund Manager of Meezan Tahaffuz Pension Fund is pleased to present the un-audited financial statements of the fund for the half year ended December 31, 2008.

Economic Review

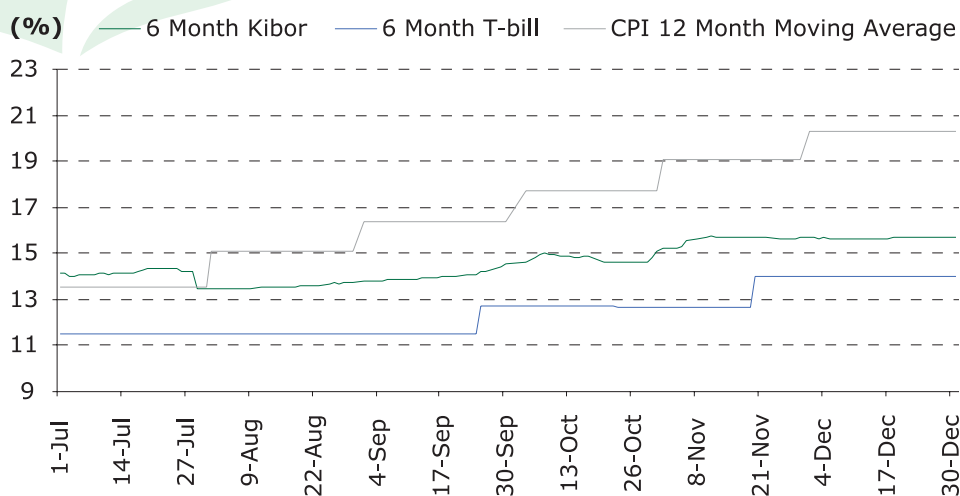
The macroeconomic outlook remained bearish during the initial months of FY09 as inflationary pressures mounted and current account deficit continued to widen unabated. The main reason for widening of the current account deficit was worsening of trade balance. Due to the extraordinary increase in international crude prices, which peaked at US\$ 147 per barrel in mid July, and later hike in food prices, Pakistan's trade deficit continued to rise and reached US\$ 5.84 billion in first four months of FY09. As a result, foreign exchange reserves declined to US \$6.6 billion on November 21, 2008 from the level of US\$ 11.4 billion at the beginning of period. This also created pressure on rupee against US dollar.

Subsequently, government administered much needed macro stabilization measures like subsidy removal, fiscal deficit management, monetary tightening, additional tariff imposition towards luxury items and tightening of forex market regulations. The impact of these decisions along with reversal in global commodity prices helped in bringing down current account deficit and inflationary pressure. Subsequently, a Stand-By Arrangement with IMF for providing \$ 7.6 b over 23 months period along with strong remittance inflows helped in reserve replenishment which crossed US\$ 10 billion again and also helped in stabilization in the rupee-dollar parity. On the domestic front, Government of Pakistan remained ahead of its tax collection target during six months and collected Rs. 548 billion which also helped in providing some relief to the burgeoning government borrowing.

Money Market Review - Monetary Tightening

In order to arrest the unabated inflation which hovered around 25% in the initial months and to adhere to IMF conditions, the State Bank of Pakistan (SBP) continued its policy of monetary tightening and raised the discount rate by 1% in July and subsequently 2% in November to 15%. This was the 5th increase in the past one and a half year since the start of monetary tightening. The tight monetary stance resulted in six month T-bill rates to increase from 11.47% in June 2008 to 13.99% in December 2008, an increase of 253 basis points, where as six month KIBOR rate during the same period increased by 151 basis points to close at a record high of 15.7%. The high interest rate environment during the period under review kept the money market highly tight with overnight rates making new highs of over 40% in October when SBP took some steps to ease of the liquidity. These steps included reduction of Cash Reserve Requirement (CRR) from 9% to 5% on deposits of over one year, relaxation of SLR for deposits of over one year and reducing the minimum Capital Adequacy Requirement to 9% from 10%.

To reduce government borrowing from SBP and to promote Islamic mode of financing, SBP conducted two auctions of Ijara sukuks in which it sold Rs. 12.5 billion worth of sukuks against the target of Rs. 20 billion. The coupon rate for the second auction increased by 163 basis points as compared to the first one and stood at 14.76%. The following graph shows the trend in interest rate during the period under review:



Equity Market Review

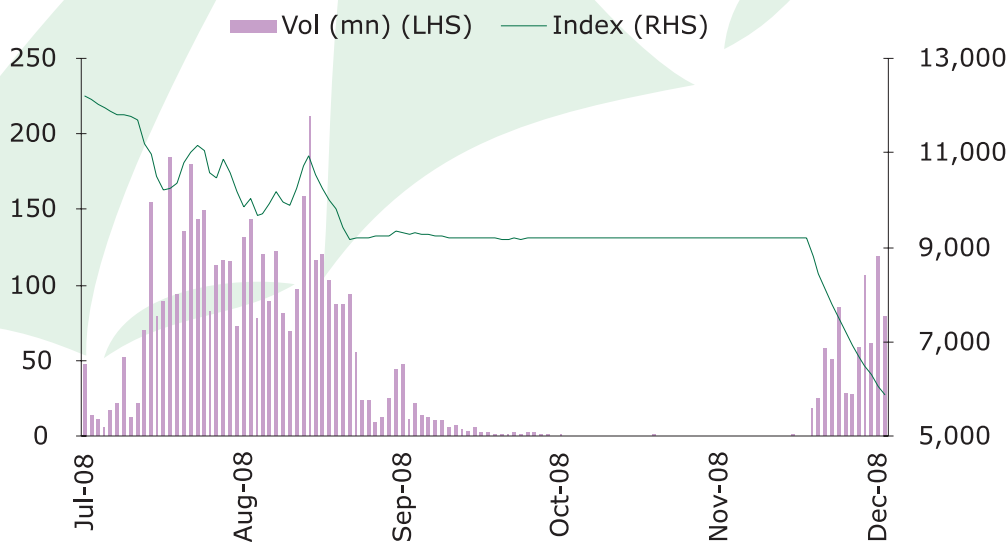
The first half of FY09 witnessed a bearish trend in the stock market with KSE-100 index falling from its high of 12,221 to close the year at 5865, a decline of 52%. There was a substantial decline in daily average volume to 41 million shares as compared to 261 million shares during the corresponding period last year, a decline of 84%.

The downward trend at KSE that began towards the end of FY08 continued into the first half of FY09. To arrest the sharp decline, Securities and Exchange Commission of Pakistan (SECP) had changed the circuit breakers to a floor of 1% and a cap of 10% at the end of FY08. This measure, however, did not improve the situation and created a problem for margin traders who wanted an exit. Due to the drying up of volumes after the introduction of these circuit breakers, the SECP decided to revert them back to the original 5% level in early July 2008.

Nonetheless, the unabated economic pressures and downgrade of Pakistan's credit rating by Moody from B2 to B3 continued to create further downward pressure. To stem further downside in the market, KSE Board of Directors on August 27, 2008 decided to place a floor on the index at a level of 9,144 based on the closing prices of August 27. As a result, investors decided to stay away from the regular market where the volumes went down to less than a million shares in a day. However, limited trading took place in off the market counter at 20%-50% discount from the floor prices.

Subsequently, after 110 days on December 15, 2008 the floor was finally removed with the KSE-100 Index undergoing heavy correction falling by 36% in last 15 days and closed the half year at the level of 5,865. With the removal of the price floors, the brokers, who got margin calls from the financiers and were on the verge of default, were ultimately bailed out by financiers and government institutions. Initially trading in the ready market was nominal as prices corrected by 5% daily limit for several days. However, towards the end of the month, volumes picked up in scrips of fertilizer, power and gas distribution sectors.

The US subprime mortgage crises, which led to the collapse of many financial giants including Lehman Brothers, resulted in major financial downturn in the world markets. Even after governments' continuous liquidity injections, the bearish trend continued so much so that IMF termed this crisis as the worst after Great Depression. In line with increasing outflows from the emerging markets and with the removal of Pakistan from MSCI Emerging Market Index, foreigners remained net sellers at KSE with total outflow of US\$ 178million in the first half of FY09.



Investment Policy

The objective of Meezan Tahaffuz Pension Fund is to provide participants with a Shariah-compliant saving mechanism whereby they can save from their current income in order to gain benefits after retirement or disability or when the other income avenues are exhausted. MTPF aims to provide participants a regular Halal income stream after retirement/disability when they can no longer earn regular income to support their living.

Performance Review

Meezan Tahaffuz Pension Fund (MTPF) comprises of three sub funds namely Equity sub fund, Debt sub fund and Money Market sub fund. Performance review for each sub fund is given as under:

Equity Sub Fund

For the half yearly ended December 31, 2008 the equity sub fund incurred gross loss of Rs. 36.62 million (2007: gross income Rs. 5.52 million). The unrealized loss on equity securities was of Rs. 38.27 million (2007: unrealized gain Rs. 0.95 million) and dividend income was of Rs. 1.72 million (2007: Rs. 1.18 million). After accounting for expenses of Rs. 0.54 million (2007: Rs. 0.83 million), the sub fund incurred a net loss of Rs. 37.15 million as compared to net gain of Rs. 4.70 million in the corresponding period last year. The net assets of the sub fund as at December 31, 2008 were Rs. 30.29 million.

Debt Sub Fund

The earnings per unit of debt sub fund was Rs. 5.84 for the period ended December 31, 2008. During the period, the sub fund earned gross income of Rs. 3.93 million (2007: Rs. 2.92 million), main contributor of which were profit on sukuk certificates of Rs. 2.12 million (2007: Rs. 0.31 million) and profit on saving accounts with banks was Rs. 1.38 million (2007: 2.01 million). After accounting for expenses of Rs. 0.64 million (2007: Rs. 0.69 million), the sub fund recorded a net profit of Rs. 3.30 million (2007: Rs. 2.23 million). The net assets of the sub fund as at December 31, 2008 were Rs. 64.51 million.

Money Market Sub Fund

The earnings per unit of money market sub fund was Rs. 5.03 for the period ended December 31, 2008. During the period, the sub fund's gross income was Rs. 3.17 million (2007: Rs. 2.72 million) which includes profit on bank deposits and placements amounting to Rs. 2.16 million (2007: Rs. 2.16 million). The sub fund recorded net profit of Rs. 2.59 million (2007: Rs. 2.06 million), after accounting for expenses of Rs. 0.58 million (2007: Rs. 0.67 million). The net assets of the sub fund as at December 31, 2008 were Rs. 58.10 million.

Future Outlook

With greater fiscal discipline, tight monetary policy, stabilization of the Rupee and sustained weakness in international commodity prices, the government has now firmed up its grip on underlying economic fundamentals through the help of various multilateral donor agencies, particularly IMF which is spearheading Pakistan's economic revival. We expect that these corrective measures will bring back the country into more stable economic territory. Moreover, as Pakistan has succeeded in meeting all of the IMF targets for December 31, 2008, we expect SBP will not further tighten the monetary policy. Going forward, it is expected that equity market will stabilize since it is currently trading at attractive multiples.

Acknowledgement

We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan and Pension Fund Manager, the Trustee - Central Depository Company of Pakistan Limited and the management of the Karachi Stock Exchange. We also wish to place on record our appreciation for the personnel of the Management Company.

Karachi
February 23, 2009

For and on behalf of the Board
Mohammad Shoaib, CFA
Chief Executive

AUDITORS' REPORT TO THE PARTICIPANTS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Meezan Tahaffuz Pension Fund (the Fund) as at December 31, 2008 and the related condensed interim income statement, condensed interim statement of movement in participants' sub-funds, condensed interim cash flow statement, condensed interim contribution table and condensed interim number of units in issue together with the notes forming part thereof for the six months period then ended (here-in-after referred to as the 'condensed interim financial information'). Pension Fund Manager is responsible for the preparation and presentation of this condensed interim financial information in accordance with the requirements of the Companies Ordinance 1984, (the Ordinance), Trust Deed, Voluntary Pension System Rules, 2005 (VPS Rules), the directives issued by the Securities and Exchange Commission of Pakistan (the directives) and approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim financial information for the quarters ended December 31, 2008 and 2007 and the notes forming part thereof have not been reviewed as we are required to review only the cumulative figures for the six months period ended December 31, 2008.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of this condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information for the six months period ended December 31, 2008 is not prepared, in all material respects, in accordance with the requirements of the Ordinance, Trust Deed, VPS Rules, the directives and approved accounting standards as applicable in Pakistan.

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Date: February 27, 2009

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2008 (UNAUDITED - NOTE 3)

	Note	December 31, 2008					June 30, 2008
		Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
Assets							
Balances with banks	5	3,060	19,698	22,102	234	45,094	58,985
Placements	6	-	2,000	13,000	15,000	-	26,250
Receivable against sale of investments	-	-	-	-	-	-	751
Investments at fair value through profit or loss	7	26,944	39,516	20,010	-	86,470	93,903
Financial instruments sold on deferred settlement basis	8	-	-	-	-	-	251
Dividend receivable		254	-	-	-	254	480
Profit receivable		89	3,313	2,997	-	6,399	3,110
Formation costs		121	121	121	-	363	489
Deposit with Central Depository Company of Pakistan Limited		100	100	100	-	300	300
Other receivables		2	2	-	-	4	1,612
Total assets		30,570	64,750	58,330	234	153,884	186,131
Liabilities							
Payable against purchase of investments		-	-	-	-	-	2,631
Payable to Al Meezan Investment Management Limited - Pension Fund Manager		133	160	153	202	648	599
Payable to Central Depository Company of Pakistan Limited - trustee of the Fund		6	10	9	-	25	25
Payable to auditors		33	33	33	-	99	180
Payable to Securities and Exchange Commission of Pakistan		9	10	9	-	28	59
Accrued expenses and other liabilities	9	95	25	23	32	175	1,679
Total liabilities		276	238	227	234	975	5,173
Net assets		30,294	64,512	58,103	-	152,909	180,958
Deferred sale commitments	8	-	-	-	-	-	-
Participants' sub-funds (as per statement attached)		30,294	64,512	58,103	-	152,909	180,958
Number of units in issue		653,115	564,787	514,782			
Net assets value per unit (Rupees)		46.38	114.22	112.87			

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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

Chief Executive

Director

CONDENSED INTERIM INCOME STATEMENT

FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2008 (UNAUDITED - NOTE 3)

	For the six months period ended December 31, 2008					For the period June 16, 2007 to December 31, 2007
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
Income	Note ----- (Rupees in '000) -----					
Profit on sukuk certificates	-	2,123	765	-	2,888	398
Profit on savings accounts with banks	110	1,384	1,248	-	2,742	4,092
Profit on placements	-	236	915	-	1,151	959
Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss	(38,268)	2	23	-	(38,243)	537
Gain on re-measurement of financial instruments sold on deferred settlement basis	-	-	-	-	-	472
Net realised (loss) / gain on sale of investments	(47)	90	165	-	208	2,875
Dividend income	1,716	-	-	-	1,716	1,702
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed	(127)	98	52	-	23	125
Total (loss) / income	(36,616)	3,933	3,168	-	(29,515)	11,160
Expenses						
Remuneration of Al Meezan Investment Management Limited - Pension Fund Manager	386	474	429	-	1,289	1,332
Remuneration of Central Depository Company of Pakistan Limited - trustee of the Fund	45	55	50	-	150	163
Annual fee of Securities and Exchange Commission of Pakistan	9	11	9	-	29	30
Auditors' remuneration	37	37	37	-	111	201
Amortisation of formation cost	42	42	42	-	126	135
Securities' transaction cost	7	8	2	-	17	300
Custody and settlement charges	3	3	3	-	9	11
Legal advisory fee	7	7	7	-	21	-
Bank charges	-	-	1	-	1	3
Total expenses	536	637	580	-	1,753	2,175
Net (loss) / income	(37,152)	3,296	2,588	-	(31,268)	8,985
(Loss) / earnings per unit outstanding						
- basic (Rupees)	10 (56.88)	5.84	5.03			

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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

Chief Executive

Director

CONDENSED INTERIM INCOME STATEMENT

FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2008 (UNAUDITED - NOTE 3)

	For the quarter ended December 31, 2008					For the quarter ended December 31, 2007
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
Income	Note ----- (Rupees in '000) -----					
Profit on sukuk certificates	-	1,617	657	-	2,274	356
Profit on savings accounts with banks	56	478	597	-	1,131	1,381
Profit on placements	-	76	396	-	472	657
Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss	(20,182)	45	166	-	(19,971)	(1,622)
Gain on re-measurement of financial instruments sold on deferred settlement basis	-	-	-	-	-	432
Net realised (loss) / gain on sale of investments	-	(84)	(166)	-	(250)	2,385
Dividend income	1,016	-	-	-	1,016	1,210
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed	(5)	(1)	1	-	(5)	108
Total (loss) / income	(19,115)	2,131	1,651	-	(15,333)	4,907
Expenses						
Remuneration of Al Meezan Investment Management Limited - Pension Fund Manager	178	240	217	-	635	638
Remuneration of Central Depository Company of Pakistan Limited - trustee of the Fund	21	28	26	-	75	75
Annual fee of Securities and Exchange Commission of Pakistan	4	6	4	-	14	13
Auditors' remuneration	19	19	19	-	57	51
Amortisation of formation cost	21	21	21	-	63	63
Securities' transaction cost	-	-	-	-	-	93
Custody and settlement charges	1	1	1	-	3	6
Legal advisory fee	-	-	-	-	-	-
Bank charges	-	-	1	-	1	1
Total expenses	244	315	289	-	848	940
Net (loss) / income	(19,359)	1,816	1,362	-	(16,181)	3,967
(Loss) / earnings per unit outstanding - basic (Rupees)	10	(29.64)	3.22	2.65		

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2008 (UNAUDITED - NOTE 3)

	For the six months period ended December 31, 2008					For the period June 16, 2007 to December 31, 2007
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
Note ----- (Rupees in '000) -----						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net (loss) / income	(37,152)	3,296	2,588	-	(31,268)	8,985
Adjustments for :						
Dividend income	(1,716)	-	-	-	(1,716)	(1,702)
Profit on sukuk certificates	-	(2,123)	(765)	-	(2,888)	(398)
Profit on savings accounts with banks	(110)	(1,384)	(1,248)	-	(2,742)	(4,092)
Profit on placements	-	(236)	(915)	-	(1,151)	(959)
Unrealised loss / (gain) on re-measurement of investments at fair value through profit or loss	38,268	(2)	(23)	-	38,243	(537)
Gain on re-measurement of financial instruments sold on deferred settlement basis	-	-	-	-	-	(472)
Amortisation of formation cost	42	42	42	-	126	135
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	127	(98)	(52)	-	(23)	(125)
	(541)	(505)	(373)	-	(1,419)	835
(Increase) / decrease in assets						
Placements	-	3,750	7,500	-	11,250	(28,750)
Receivable against sale of investments	-	751	-	-	751	(14,644)
Investments at fair value through profit or loss	(2,473)	(17,855)	(10,482)	-	(30,810)	(75,137)
Financial instruments sold on deferred settlement basis	-	85	166	-	251	-
Formation costs	-	-	-	-	-	(750)
Deposit with Central Depository Company of Pakistan Limited	-	-	-	-	-	(300)
Other receivables	500	669	439	-	1,608	-
	(1,973)	(12,600)	(2,377)	-	(16,950)	(119,581)
(Decrease) / increase in liabilities						
Payable against purchase of investments	(2,631)	-	-	-	(2,631)	37
Payable to Al Meezan Investment Management Limited - Pension Fund Manager	(28)	8	7	62	49	967
Payable to Central Depository Company of Pakistan Limited - trustee of the Fund	(3)	2	1	-	-	26
Payable to Securities and Exchange Commission of Pakistan	(13)	(9)	(9)	-	(31)	29
Payable to auditors	(27)	(27)	(27)	-	(81)	186
Accrued expenses and other liabilities	(797)	20	18	(745)	(1,504)	43
	(3,499)	(6)	(10)	(683)	(4,198)	1,288
Dividend received	1,942	-	-	-	1,942	1,372
Profit received on savings accounts with banks	110	376	723	-	1,209	-
Profit received on sukuk certificates	-	1,180	155	-	1,335	-
Profit received on placements	-	314	634	-	948	2,914
Net cash outflow from operating activities	(3,961)	(11,241)	(1,248)	(683)	(17,133)	(113,172)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts of contribution	1,828	1,406	706	-	3,940	159,471
Payment against withdrawal	(492)	(187)	(19)	-	(698)	(9)
Net cash inflow from financing activities	1,336	1,219	687	-	3,242	159,462
Net cash (outflow) / inflow during the period	(2,625)	(10,022)	(561)	(683)	(13,891)	46,290
Cash and cash equivalents at the beginning of the period	5,685	29,720	22,663	917	58,985	-
Cash and cash equivalents at the end of the period	3,060	19,698	22,102	234	45,094	46,290

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2008 (UNAUDITED - NOTE 3)

	For the quarter ended December 31, 2008					For the quarter ended December 31, 2007
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
Note ----- (Rupees in '000) -----						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net (loss) / income	(19,359)	1,816	1,362	-	(16,181)	3,967
Adjustments for :						
Dividend income	(1,016)	-	-	-	(1,016)	(1,210)
Profit on sukuk certificates	-	(1,617)	(657)	-	(2,274)	(356)
Profit on savings accounts with banks	(56)	(478)	(597)	-	(1,131)	(1,381)
Profit on placements	-	(76)	(396)	-	(472)	(657)
Unrealised loss / (gain) on re-measurement of investments at fair value through profit or loss	20,182	(45)	(166)	-	19,971	1,622
Gain on re-measurement of financial instruments sold on deferred settlement basis	-	-	-	-	-	(432)
Amortisation of formation cost	21	21	21	-	63	63
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	5	1	(1)	-	5	(108)
	(223)	(378)	(434)	-	(1,035)	1,508
Decrease / (increase) in assets						
Placements	-	3,750	7,500	-	11,250	(3,750)
Receivable against sale of investments	-	-	-	-	-	(7,079)
Investments at fair value through profit or loss	-	(9,915)	166	-	(9,749)	496
Financial instruments sold on deferred settlement basis	-	-	-	-	-	-
Formation costs	-	-	-	-	-	-
Deposit with Central Depository Company of Pakistan Limited	-	-	-	-	-	-
Other receivables	17	11	3	-	31	-
	17	(6,154)	7,669	-	1,532	(10,333)
(Decrease) / increase in liabilities						
Payable against purchase of investments	-	-	-	-	-	37
Payable to Al Meezan Investment Management Limited - Pension Fund Manager	(7)	3	3	1	-	19
Payable to Central Depository Company of Pakistan Limited - trustee of the Fund	(1)	1	1	-	1	-
Payable to Securities and Exchange Commission of Pakistan	4	5	5	-	14	14
Payable to auditors	(45)	(45)	(45)	-	(135)	51
Accrued expenses and other liabilities	28	20	18	(31)	35	14
	(21)	(16)	(18)	(30)	(85)	135
Dividend received	1,265	-	-	-	1,265	1,360
Profit received on savings accounts with banks	15	30	186	-	231	2,104
Profit received on sukuk certificates	-	404	-	-	404	-
Profit received on placements	-	318	315	-	633	-
Net cash (outflow) / inflow from operating activities	1,053	(5,796)	7,718	(30)	2,945	(5,226)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts of contribution	8	4	2	-	14	1,341
Payment against withdrawal	-	-	-	-	-	(9)
Net cash inflow from financing activities	8	4	2	-	14	1,332
Net cash inflow / (outflow) during the period	1,061	(5,792)	7,720	(30)	2,959	(3,894)
Cash and cash equivalents at the beginning of the period	1,999	25,490	14,382	264	42,135	50,184
Cash and cash equivalents at the end of the period	5 3,060	19,698	22,102	234	45,094	46,290

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS

FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2008 (UNAUDITED - NOTE 3)

	For the six months period ended December 31, 2008					For the period June 16, 2007 to December 31, 2007
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
	----- (Rupees in '000) -----					
Net assets at the beginning of the period	65,983	60,095	54,880	-	180,958	-
Amount received on issue of units (2008: Equity sub fund: 19,562 units; Debt sub fund: 12,917 units; Money market sub fund: 6,530 units) (2007: Equity sub fund: 570,026 units; Debt sub fund: 521,892 units; Money market sub fund: 501,537 units)	1,828	1,406	706	-	3,940	159,471
Amount paid on redemption of units (2008: Equity sub fund: 4,936 units; Debt sub fund: 1,710 units; Money market sub fund: 178 units) (2007: Equity sub fund: 36 units; Debt sub fund: 45 units; Money market sub fund: 9 units)	(492)	(187)	(19)	-	(698)	(9)
	1,336	1,219	687	-	3,242	159,462
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	127	(98)	(52)	-	(23)	(125)
Net (loss) / income for the period	(37,152)	3,296	2,588	-	(31,268)	8,985
Net assets at the end of the period	30,294	64,512	58,103	-	152,909	168,322

FOR THE QUARTER ENDED	December 31, 2008					December 31, 2007
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total
	----- (Rupees in '000) -----					
Net assets at the beginning of the quarter	49,640	62,691	56,740	-	169,071	163,131
Amount received on issue of units (2008: Equity sub fund: 123 units; Debt sub fund: 42 units; Money market sub fund: 16 units) (2007: Equity sub fund: 7,787 units; Debt sub fund: 3,899 units; Money market sub fund: 643 units)	8	4	2	-	14	1,341
Amount paid on redemption of units (2008: Equity sub fund: nil units; Debt sub fund: nil units; Money market sub fund: nil units) (2007: Equity sub fund: 36 units; Debt sub fund: 45 units; Money market sub fund: 9 units)	-	-	-	-	-	(9)
	8	4	2	-	14	1,332
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	5	1	(1)	-	5	(108)
Net (loss) / income for the quarter	(19,359)	1,816	1,362	-	(16,181)	3,967
Net assets at the end of the quarter	30,294	64,512	58,103	-	152,909	168,322

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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

Chief Executive

Director

CONDENSED INTERIM CONTRIBUTION TABLE FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2008 (UNAUDITED - NOTE 3)

Contributions net of front end fee received during the period	For the six months period ended December 31, 2008							For the period June 16, 2007 to December 31, 2007
	Equity sub fund		Debt sub fund		Money Market Sub Fund		Total (Rupees in '000)	Total (Rupees in '000)
	Units	Rs in '000	Units	Rs in '000	Units	Rs in '000		
Individuals - issue of units	19,562	1,828	12,917	1,406	6,530	706	3,940	9,471
Issue of core units to Pension Fund Manager	-	-	-	-	-	-	-	150,000
Total	19,562	1,828	12,917	1,406	6,530	706	3,940	159,471

FOR THE QUARTER ENDED Contributions net of front end fee received during the period	December 31, 2008							December 31, 2008
	Equity sub fund		Debt sub fund		Money Market Sub Fund		Total (Rupees in '000)	Total (Rupees in '000)
	Units	Rs in '000	Units	Rs in '000	Units	Rs in '000		
Individuals - issue of units	123	8	42	4	16	2	14	1,341

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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

Chief Executive

Director

**CONDENSED INTERIM NUMBER OF UNITS IN ISSUE
FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2008 (UNAUDITED - NOTE 3)**

	For the six months period ended December 31, 2008		
	Equity sub fund	Debt sub fund	Money market sub fund
	-----Number of units-----		
Total units outstanding at the beginning of the period	638,489	553,580	508,430
Add: Units issued during the period	19,562	12,917	6,530
Less: Units redeemed during the period	(4,936)	(1,710)	(178)
Total units in issue at the end of the period	653,115	564,787	514,782

	For the quarter ended December 31, 2008		
	Equity sub fund	Debt sub fund	Money market sub fund
	-----Number of units-----		
Total units outstanding at the beginning of the period	652,992	564,745	514,766
Add: Units issued during the period	123	42	16
Total units in issue at the end of the period	653,115	564,787	514,782

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

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

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2008 (UNAUDITED - NOTE 3)

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 (AMIML) 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. The registered office of the Pension Fund Manager of the Fund, is situated in Finance and Trade Centre Shariah-e-Faisal, Karachi, Pakistan.
- 1.2** The Fund offers a saving mechanism where an individual saves from his/her income during work life in order to retain financial security and comfort in terms of regular income stream after retirement. The Fund initially comprises of three sub funds namely equity sub-fund, debt sub-fund and money market sub-fund. Participants are offered various investment allocation schemes depending on their investment horizon, return requirements, risk tolerance and any unique circumstances. Allocation scheme can be selected initially at the time of opening of account and subsequently at anniversary of the account. The contributions from participants are invested in various instruments belonging to different asset classes to get full benefits of risk minimisation through diversification.
- 1.3** The Fund has been formed to enable the participants to contribute in a diversified portfolio of securities, which are shariah compliant. Under the trust deed, all the conducts and acts of the Fund are based on shariah. The Pension Fund Manager has appointed Meezan Bank Limited (MBL) as its shariah adviser to ensure that the activities of the Fund are in compliance with the principles of shariah. The Pension Fund Manager of the Fund is registered with SECP as a Non-Banking Finance Company under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.4** The Fund is an open-ended un listed fund. 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 unit holders.

2. BASIS OF MEASUREMENT

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 aforementioned guidelines. This practice is being followed to comply with the requirements of approved accounting standards as applicable in Pakistan.

3. STATEMENT OF COMPLIANCE

- 3.1** These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan, the Companies Ordinance 1984, (the Ordinance), the trust deed, Voluntary Pension System Rules, 2005 (VPS Rules) and the directives issued by the SECP. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) as are notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Ordinance, the trust deed, the VPS Rules and the said directives differ with the requirements of these standards, the requirements of the Ordinance, the trust deed, VPS Rules and the said directives take precedence. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the IAS 34: 'Interim Financial Reporting'.
- 3.2** These condensed interim financial statements comprise of the condensed interim statement of assets and liabilities as at December 31, 2008 and the condensed interim income statement, condensed interim statement of movement in participants' sub funds, condensed interim cash flow statement, condensed interim contribution table, condensed interim number of units in issue and notes thereto for the six months period ended December 31, 2008, which have been subject to a review but not audited. These condensed interim financial statements also include condensed interim income statement, condensed interim statement of movement in participants' sub fund, condensed interim cash flow statement, condensed interim contribution table, condensed interim number of units in issue and notes thereto for the quarter ended December 31, 2008 which is not subjected to review.

3.3 The comparative statement of assets and liabilities presented in these condensed interim financial statements as at June 30, 2008 has been extracted from the audited financial statements of the Fund for the period June 16, 2007 to June 30, 2008 whereas the comparative condensed interim income statement, condensed interim statement of movement in participants' sub fund, condensed interim cashflow statement, condensed interim contribution table and condensed interim number of units in issue have been extracted from the financial statements for the period June 16, 2007 to December 31, 2007 which were subject to review but not audited.

3.4 Standards, amendments and interpretations effective from July 1, 2008:

During the period, IFRS 7 'Financial instruments: Disclosures' became effective. Adoption of such standard would require certain additional disclosures to the complete set of financial statements. However, in accordance with paragraph 18 of IAS 34 such disclosures have not been made in these condensed interim financial statements.

Certain interpretations to the approved accounting standards are mandatory for accounting periods beginning on or before July 1, 2008 but are considered not to be relevant or have any significant effect to the Fund's operations and are therefore not disclosed in these condensed interim financial statements.

3.5 Standards, interpretations and amendments to published approved accounting standards that are not yet effective:

Certain standards, amendments and interpretations of approved accounting standards are effective for accounting periods beginning on or after July 1, 2008 but are considered not to be relevant or have any significant effect to the Fund's operations and are therefore not detailed in these condensed interim financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements and the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the period June 16, 2007 to June 30, 2008.

5. BALANCES WITH BANKS

	December 31, 2008				June 30, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total
	(Rupees in '000)				
Current accounts	58	11	11	-	80
Savings accounts	3,002	19,687	22,091	234	45,014
	<u>3,060</u>	<u>19,698</u>	<u>22,102</u>	<u>234</u>	<u>45,094</u>
					<u>58,985</u>

6. PLACEMENTS

Placements carry expected profit at rates ranging from 10.15% per annum to 10.35 % per annum (June 2008: 9.85% per annum to 10.35 %) and are due to mature on February 8, 2009.

7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	December 31, 2008			June 30, 2008
		Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
		(Rupees in '000)			
Held for trading - shares of listed companies	7.1	26,944	-	-	26,944
- sukuk certificates	7.2	-	15,000	17,500	32,500
		<u>26,944</u>	<u>15,000</u>	<u>17,500</u>	<u>59,444</u>
Investments at fair value through profit or loss upon initial recognition	7.3	-	24,516	2,510	27,026
		<u>26,944</u>	<u>39,516</u>	<u>20,010</u>	<u>86,470</u>
					<u>93,903</u>

7.1 Held for trading - shares of listed companies

Name of the investee company	Opening Balance as at July 01, 2008	Purchases during the period	Cost of purchase	Bonus / rights issue	Sales during the period	As at December 31, 2008	Carrying value as at December 31, 2008	Market value as at December 31, 2008 (see note 7.1.4 below)	Percentage of net assets on the basis of market value (See note 7.1.2 below)	Percentage of paid up capital of investee company
EQUITY SUB FUND										
Automobile assembler										
Indus Motor Company Limited	2,346	-	-	-	-	2,346	469	288	0.95	-
Pak Suzuki Motor Company Limited	6,000	-	-	-	-	6,000	719	478	1.58	-
Paper and board										
Packages Limited	11,500	-	-	-	-	11,500	2,897	934	3.08	-
Power generation and distribution										
Kot Addu Power Company Limited	-	-	-	-	-	-	-	-	-	-
Hub Power Company Limited	190,000	-	-	-	-	190,000	5,434	2,677	8.84	-
Oil and gas exploration companies										
Pakistan Oilfields Limited	13,000	-	-	2,600	-	15,600	4,743	1,599	5.28	-
Oil and Gas Development Company Limited	51,000	-	-	-	-	51,000	6,342	2,549	8.41	-
Pakistan Petroleum Limited	19,800	-	-	1,980	-	21,780	4,871	2,191	7.23	-
Oil and gas marketing companies										
Pakistan State Oil Company Limited	13,000	-	-	-	-	13,000	5,424	1,879	6.20	-
Sui Northern Gas Pipeline Limited	47,600	-	-	-	-	47,600	2,074	1,022	3.37	-
Chemicals										
ICI Pakistan Limited	30,200	-	-	-	-	30,200	4,873	2,075	6.85	-
Technology and communication										
Pakistan Telecommunication Company Limited	135,500	34,000	1,173	-	10,000	159,500	6,031	2,694	8.89	-
Fertilizer										
Engro Chemical Pakistan Limited	18,700	3,000	671	-	-	21,700	5,915	2,093	6.91	-
Fauji Fertilizer Bin Qasim Limited	130,000	20,000	512	-	-	150,000	5,176	1,935	6.39	-
Fauji Fertilizer Company Limited	45,000	-	-	-	-	45,000	5,954	2,643	8.72	-
Cement										
DG Khan Cement Company Limited	12,000	8,500	514	-	-	20,500	1,321	436	1.44	-
Attock Cement	38,500	-	-	-	-	38,500	2,969	1,451	4.79	-
Total							<u>65,212</u>	<u>26,944</u>		
DEBT SUB FUND										
Securities sold under deferred sale arrangements										
Textile composite										
Nishat Mills Limited	-	25,000	1,775	-	25,000	-	-	-	-	-
Oil and gas exploration company										
Pakistan Oilfields Limited	2,000	-	-	-	2,000	-	-	-	-	-
Fertilizer										
Engro Chemical Pakistan Limited	11,000	11,000	2,403	-	22,000	-	-	-	-	-
Cement										
DG Khan Cement Company Limited	11,500	-	-	-	11,500	-	-	-	-	-
Total							<u>-</u>	<u>-</u>		
MONEY MARKET SUB FUND										
Securities sold under deferred sale arrangements										
Oil and gas exploration company										
Pakistan Oilfields Limited	10,000	-	-	-	10,000	-	-	-	-	-
Fertilizer										
Engro Chemical Pakistan Limited	12,000	12,000	2,610	-	24,000	-	-	-	-	-
Total							<u>-</u>	<u>-</u>		

7.1.1 All shares have a nominal value of Rs 10 each.

7.1.2 Net assets are as defined in rule 2(1) (m) of Voluntary Pension System Rules, 2005.

7.1.3 The SECP through its letter No. 24(3) SEC/SCD/PW-AMIML/2007 dated June 27, 2007 has relaxed the investment limits prescribed in Circular 8 of 2005 dated July 15, 2005.

7.1.4 The Karachi Stock Exchange (Guarantee) Limited (KSE) had placed a "Floor Mechanism" on the market value of securities based on the closing prices of securities prevailing as on August 27, 2008. Under the "Floor Mechanism", the individual security price of equity security could vary within the normal circuit breaker limit, but not below the floor price level. The mechanism was effective from August 28, 2008. Consequent to the introduction of the above measures by the KSE the market volume declined significantly. The "Floor Mechanism" was subsequently removed by KSE on December 15, 2008. Subsequent to the removal of the "Floor Mechanism" the KSE 100 index declined from 9,187.10 points at December 15, 2008 to 5,865.01 points at December 31, 2008 and the market remained generally inactive during this period due to low trading volumes.

SECP through its circular No. Enf/D-III/Misc/1/2008 dated January 29, 2009 has clarified that the market prices quoted on stock exchange on December 31, 2008 may be used as the fair value of securities as of that date for the purpose of preparation of financial statements for the period ended December 31, 2008. Accordingly, equity securities have been valued at the market prices as quoted on the stock exchange on December 31, 2008.

7.2 Held for trading - sukuk certificates

Name of the investee company	Maturity date	Profit rate	Purchases during the period	Sales during the period	Redemptions during the period	As at December 31, 2008	Cost as at December 31, 2008	Market value as at December 31, 2008 (see note 7.3.4 below)	Percentage of net assets on the basis of market value (see note 7.1.2 above)
			-----Number of certificate-----			-----Rupees in '000-----			
Debt Sub Fund									
GoP - Ijara sukuk (note 7.2.1)	September 25, 2011	13.1376	150,000	-	-	150,000	15,000	15,000*	23.25
Money Market Sub Fund									
GoP - Ijara sukuk (note 7.2.1)	September 25, 2011	13.1376	175,000	-	-	175,000	17,500	17,500*	30.12

*This represents cost as the rate was not quoted as of December 31, 2008.

7.2.1 The nominal value of the sukuk certificates of GoP Ijara Sukuk is Rs 100 each.

7.3 Investments at fair value through profit or loss upon initial recognition - sukuk certificates

Name of the investee company	Maturity date	Profit rate	Opening balance as at July 1, 2008	Purchases during the period	Cost of purchase	Sales during the period	Redemptions during the period	As at December 31, 2008	Carrying value as at December 31, 2008	Market value as at December 31, 2008 (see note 7.3.4 below)	Percentage of net assets on the basis of market value (see note 7.1.2 above)
			Number of certificates	(Rs in '000)	----- Number of certificates -----		----- (Rs in '000) -----				
Debt Sub Fund											
Dawood Hercules Chemicals Limited (note 7.3.1)	September 18, 2012	6 months Kibor plus base rate of 1.2%	50	-	-	-	-	50	2,500	2,506	3.88
Eden Housing Limited (note 7.3.2)	April 2, 2013	6 months Kibor plus base rate of 2.5%	500	-	-	-	-	500	2,500	2,521	3.91
Engro Chemical Pakistan Limited (note 7.3.2)	September 1, 2015	6 months Kibor plus base rate of 1.5%	500	-	-	500	-	-	-	-	-
Karachi Shipyard & Engineering Works Limited (note 7.3.2)	November 2, 2015	6 months Kibor plus base rate of 0.4%	-	4,000	20,192	2,000	-	2,000	10,000	9,960	15.44
Maple Leaf Cement Factory Limited (note 7.3.2)	December 1, 2013	6 months Kibor plus base rate of 1.7%	1,000	-	-	-	-	1,000	5,029	5,021	7.78
Security Leasing Corporation Limited II (note 7.3.2)	September 19, 2012	6 months Kibor plus base rate of 1.95%	500	-	-	-	-	500	2,487	2,510	3.89
Shahmurad Sugar Mills Limited (note 7.3.3)	September 30, 2012	6 months Kibor plus base rate of 2.25%	2	-	-	-	-	2	1,998	1,998	3.10
			2,552	4,000	20,192	2,500	-	4,052	24,514	24,516	
Money Market Sub Fund											
Security Leasing Corporation Limited II (note 7.3.2)	September 1, 2012	6 months Kibor plus base rate of 1.95%	500	-	-	-	-	500	2,487	2,510	4.32
Total			500	-	-	-	-	500	2,487	2,510	4.32

7.3.1 The nominal value of the sukuk certificates of Dawood Hercules Chemicals Limited is Rs. 50,000 each.

7.3.2 The nominal value of the sukuk certificates of Eden Housing Limited, Engro Chemical Pakistan Limited, Karachi Shipyard & Engineering Works Limited, Maple Leaf Cement Factory Limited and Security Leasing Corporation Limited is Rs. 5,000 each.

7.3.3 The nominal value of the sukuk certificates of Shahmurad Sugar Mills Limited is Rs. 1,000,000 each.

7.3.4 In accordance with VPS Rules debt security not listed or quoted on stock exchange shall be valued at fair value determined to the satisfaction of the trustee. The trustee through its letter CDC/T&C/A2/0462/2009 dated February 10, 2009 has confirmed the valuation of debt securities on the basis of rates quoted by the Mutual Fund Association of Pakistan (MUFAP) and where no rates are quoted the debt securities should be carried at cost.

8. FINANCIAL INSTRUMENTS SOLD ON DEFERRED SETTLEMENT BASIS

Financial Instruments sold on deferred settlement basis outstanding as at December 31, 2008 amounted to Rs nil (June 30, 2008: Rs 0.251 million).

9. ACCRUED EXPENSES AND OTHER LIABILITIES

	December 31, 2008				June 30, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total
	----- (Rupees in '000) -----				
Withholding tax payable	21	25	23	28	97
Charity payable	74	-	-	-	74
Payable to Equity sub-fund	-	-	-	2	2
Payable to Debt sub-fund	-	-	-	2	2
Payable to Money Market sub-fund	-	-	-	-	439
	<u>95</u>	<u>25</u>	<u>23</u>	<u>32</u>	<u>175</u>
					<u>1,679</u>

10. (LOSS) / EARNINGS PER UNIT OUTSTANDING - BASIC

	Six months period ended December 31, 2008			Six months period ended December 31, 2007		
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund
	----- (Rupees in '000) -----					
Net (loss) / income for the period	(37,152)	3,296	2,588	(19,359)	1,816	1,362
	----- (Number of units) -----					
Units outstanding as at December 31, 2008	<u>653,115</u>	<u>564,787</u>	<u>514,782</u>	<u>653,115</u>	<u>564,787</u>	<u>514,782</u>
	----- (Rupees) -----					
(Loss) / earnings per unit outstanding - basic	<u>(56.88)</u>	<u>5.84</u>	<u>5.03</u>	<u>(29.64)</u>	<u>3.22</u>	<u>2.65</u>

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected persons include AMIML being the Pension Fund Manager, CDC being the trustee, MBL being the holding company of the Pension Fund Manager, funds under management of the Pension Fund Manager and directors of the Pension Fund Manager.

Remuneration payable to the Pension Fund Manager and the trustee is determined in accordance with the provisions of VPS Rules and the trust deed respectively. Transactions with connected persons are 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 at period end are as follows:

	December 31, 2008				June 30, 2008
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total
	----- (Rupees in '000) -----				
Investment by:					
Al Meezan Investment Management Limited					
(Equity sub fund: 500,000 units; debt sub fund: 500,000 units; money market sub fund: 500,000 units)	<u>23,190</u>	<u>57,110</u>	<u>56,435</u>	<u>-</u>	<u>136,735</u>
Directors and executives of the Pension Fund Manager					
As at December 31, 2008					
(Equity sub fund: 28,153 units; debt sub fund: 9,365 units, money market sub fund: 2,319 units)	<u>1,306</u>	<u>1,070</u>	<u>262</u>	<u>-</u>	<u>2,638</u>
(June 30, 2008: Equity sub fund: 23,341 units; debt fund: 5,875 units)					<u>3,049</u>
Units issued during the period					
(Equity sub fund: 824 units; debt sub fund: 2,489 units, money market sub fund: 2,319 units)	<u>80</u>	<u>270</u>	<u>250</u>	<u>-</u>	<u>600</u>

December 31, 2008					June 30, 2008
Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Total

Transactions and balances with connected persons:

(Rupees in '000)

**Al Meezan Investment Management Limited
- Pension Fund Manager**

Remuneration payable at the beginning of the period	82	72	67	140	361	-
Formation cost payable at the beginning of the period	79	79	79	-	237	237
Remuneration for the period	386	474	429	-	1,289	2,666
Front-end fee for the period	-	-	-	62	62	140
	547	625	575	202	1,949	3,043
Amount paid during the period	(414)	(465)	(422)	-	(1,301)	(2,444)
Balance at the end of the period	133	160	153	202	648	599

Meezan Bank Limited

Bank balance	693	441	864	234	2,232	12,974
Profit on savings accounts	21	256	67	-	344	1,813

**Central Depository Company of
Pakistan Limited - trustee of the Fund**

Balance at the beginning of the period	9	8	8	-	25	-
Remuneration for the period	45	55	50	-	150	313
CDS charges for the period	3	3	3	-	9	23
	57	66	61	-	184	336
Amount paid during the period	(51)	(56)	(52)	-	(159)	(311)
Balance at the end of the period	6	10	9	-	25	25

12. DATE OF AUTHORISATION

These condensed interim financial statements were authorised on February 23, 2009 by the board of directors of the Pension Fund Manager.

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

Chief Executive

Director