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## Our Vision

*To set standards of best practices and performance for the industry through efficient asset allocation & security selection.*

## Our Mission

*To be the leading mutual fund in the industry, outperforming the bench mark on a consistent basis, and providing shareholders with the best combination of current income and future growth on a risk adjusted basis.*

## FUND INFORMATION

### BOARD OF DIRECTORS

Mr. Irfan Siddiqui  
Mr. Mohammad Shoaib, CFA  
Mr. Ariful Islam  
Mr. Nabil Daudur Rahman  
Mr. Imran Iqbal Panjwani  
Mr. Muhammad Asad  
Syed Owais Wasti

Chairman  
Chief Executive  
Director  
Director  
Director  
Director  
Director

### AUDIT COMMITTEE

Mr. Ariful Islam  
Mr. Imran Iqbal Panjwani  
Mr. Muhammad Asad

Chairman

### CFO & COMPANY SECRETARY

Syed Owais Wasti

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited

### AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
Statelife Building No.1-C., I.I.Chundrigar Road,  
P.O.Box 4716, Karachi:74000, Pakistan.

### SHARIAH ADVISOR

Meezan Bank Limited.

### CUSTODIAN

Central Depository Company of Pakistan Limited  
Suit#M-13-16, Mezzanine Floor, Progressive plaza,  
Beaumont Road, Karachi, Pakistan.

### BANKERS

AlBaraka Islamic Bank  
Bank AL Habib Limited  
Bank Alfalah Limited  
BankIslami Pakistan Limited  
Dawood Islamic Bank Limited  
Habib Metropolitan Bank Limited  
Meezan Bank Limited  
MCB Bank Limited  
National Bank of Pakistan

### REGISTERED OFFICE

Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan  
Phone: (9221) 563 0722-26, 111 MEEZAN  
Fax: (9221) 567 6143, 563 0808  
Web site: www.almeezangroup.com  
E-mail: marketing@almeezangroup.com

### SHARE REGISTRAR

THK Associates (Pvt.) Limited  
Ground Floor, State Life Building-3,  
Dr. Ziauddin Ahmed Road, Karachi 75530  
P.O. Box No. 8533  
Phone: (9221) 111-000-322  
Fax: (9221) 565 5595

## REPORT OF THE DIRECTORS OF THE COMPANY FOR THE NINE MONTHS ENDED MARCH 31, 2009

The Board of Directors of Al Meezan Mutual Fund is pleased to present the un-audited financial statements of the fund for the nine months ended March 31, 2009.

### **Brief overview**

The first nine months of fiscal year 2009 were most volatile for the global economy with challenges involving sub-prime default, financial market crisis, stock market crashes and souring commodity prices including food inflation. The national macroeconomic fundamentals were initially also negatively impacted by global economic downturn in addition to various economic concerns including growing fiscal deficit and widening trade deficit, essentially due to external shocks. This has resulted into decline of KSE-100 Index by 52% in its bearish spell till December 31, 2008. The fund's benchmark DJIMPK fell by 55%.

Consequently, tight monetary stance adopted by SBP and lower commodity prices helped in easing pressure and economic recovery steadily progressed. Lower commodity prices have continued to ease pressure on external accounts, which alongwith 23-month Stand-By Arrangement by IMF and other inflows, have lent some degree of stability to Pak-Rupee. Moreover, rescinding inflation paved the way for decline in interest rates which helped in bringing overall stability. This also helped in recovery of stock market which increased by 43% from the lowest level of 4,815 to close the nine months at 6,860.

For the nine months ended March 31, 2009, DJIMPK has declined by 40% closing at 10,913.

### **Economic Review**

The macroeconomic outlook mostly remained bearish during the last nine months 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 deficit which rose to US\$ 5.84billion in initial period of fiscal year 09. This was mainly 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. As a result, foreign exchange reserves declined from US\$ 11.1billion in June 2008 to their lowest level of US\$ 6.75billion as on November 1, 2008.

Subsequently, government took much needed macro stabilization measures like subsidy removal, fiscal deficit management, monetary tightening 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, approval of US\$ 7.6billion 23-month Stand-By Arrangement by IMF along with strong remittance inflows helped in reserve replenishment which crossed US\$ 10billion again and also helped in stabilization in the rupee-dollar parity. The rupee, however, remained under pressure and closed at Rs. 80.52 versus US\$, depreciating by 15% for the period under review.

On the domestic front, although FBR has so far met its tax collection target during nine months collecting Rs. 810 billion, the tax collection target of Rs 1.3 trillion for fiscal year 09 seems difficult to achieve. Although improvements have been witnessed on many economic fronts, Government revised downward the GDP growth target for fiscal year 09 to 2.5%.

### Equity Market Review

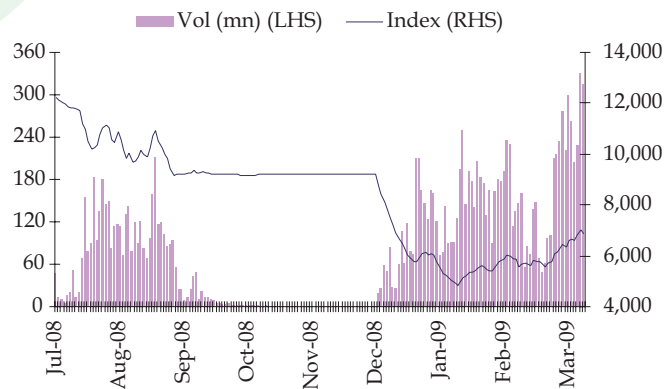
The downward trend at KSE that began towards the end of fiscal year 08 continued its extension into fiscal year 09. To arrest the sharp decline, Securities and Exchange Commission of Pakistan (SECP) had changed the circuit breakers to a floor of 1% and a cap of 10% at the end of fiscal year 08. This 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 continued to create further downward pressure. To stem further downslide 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 and trading mainly took place in off the market counter at 20%-50% discount from the floor prices.

After 110 days the floor was finally removed on December 15, 2008 with the KSE-100 Index undergoing heavy correction falling to the lowest level of 4,815 by the end of January 2009. 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 downward limit for several days.

Subsequently, Government administered macro stabilization measures began to lead to some recovery. Consequently, stock market started improving in beginning of calendar year 2009. The major booster for the market came in March with the restoration of the judges and anticipation of political stability. This provided a further impetus to the market with index breaching psychological barrier of 7,000 points and appreciated 19% in the last 15 days of March 2009 with staggered rise in market volumes touching a high of 330 million shares. Other factors contributing to the bull run were inclusion of KSE in MSCI Frontier Index, incentive driven petroleum policy, and encouraging prospects of funding from the Friends of Democratic Pakistan meeting in April.

Since normalization of market activity, KSE-100 index appreciated 17% and closed at 6,860 level with the average trading volume of 161 million shares as compared to just 12.6 million shares during the period when market was on floor.



### **Performance Review**

The fund, due to the dismal market performance, incurred a total loss of Rs. 637 million during nine months period ended March 31, 2009. The loss for the period comprises of mainly unrealized loss on re-measurement of investments at fair value through profit & loss of Rs. 466 million and realized loss on sale of investments of Rs. 263.34 million. The dividend income for the period was Rs. 60 million and profit on bank deposits was Rs. 3.6 million. After accounting for expenses of Rs. 24 million, the net loss for the period was Rs. 662 million, which translates into a loss per share of Rs. 4.81 as on March 31, 2009. The net assets of the fund at the period end were Rs. 1,098 million as compared to Rs. 1,906 million as at June 30, 2008.

The net asset value of the fund as at March 31, 2009 was Rs. 7.98 per share as compared to Rs. 13.86 per share as on June 30, 2008, translating in to an NAV based loss of 42%. However, the performance of the fund during the last three months (after the removal of floor) was extraordinary. The NAV appreciated by 47% during the period, outperforming the benchmark by 13%.

### **Future Outlook**

With greater financial 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. With expectation of decline in inflation rate during the next quarter, we anticipate that central bank will ease monetary policy. This will lead to further decline in interest rates and financial costs for listed companies and also lead to continued recovery in stock market.

### **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, the Custodian - 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.

For and on behalf of the Board

**April 16, 2009**  
**Karachi.**

**Mohammad Shoib, CFA**  
Chief Executive

**CONDENSED INTERIM  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT MARCH 31, 2009**

	(Unaudited) March 31, 2009	(Audited) June 30, 2008
Note	(Rupees in '000)	
<b>Assets</b>		
Balances with banks	5    78,096	63,366
Investments - available for sale	6    43,172	52,764
Investments at fair value through profit or loss	7    905,670	1,770,335
Receivable against sale of investments	30,476	-
Dividend receivable	14,610	18,398
Derivative financial instruments	8    27,905	-
Advances, deposits, prepayments and other receivables	8,643	10,832
<b>Total assets</b>	<b>1,108,572</b>	<b>1,915,695</b>
<b>Liabilities</b>		
Payable to Al Meezan Investment Management Limited - Management Company of the Fund	1,869	3,221
Payable to the Central Depository Company of Pakistan Limited - Custodian of the Fund	39	86
Payable to the Securities and Exchange Commission of Pakistan	966	2,067
Payable to Meezan Bank Limited - shariah adviser of the Fund	433	250
Payable against purchase of investments	2,035	-
Accrued expenses and other liabilities	1,855	1,747
Unclaimed dividend	3,749	1,908
<b>Total liabilities</b>	<b>10,946</b>	<b>9,279</b>
<b>Net assets</b>	<b>1,097,626</b>	<b>1,906,416</b>
<b>Shareholders' equity</b>		
Authorised share capital 150,000,000 (June 30, 2008: 150,000,000) ordinary shares of Rs 10 each	1,500,000	1,500,000
Issued, subscribed and paid-up share capital 137,539,986 (June 30, 2008: 137,539,986) ordinary shares of Rs. 10 each	1375400	1,375,400
(Loss) / unappropriated profit	(311,273)	487,925
Surplus on revaluation of investments	33,499	43,091
	<b>1,097,626</b>	<b>1,906,416</b>
Net assets value per share (Rupees)	<b>7.98</b>	<b>13.86</b>

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

**Chief Executive Officer**

**Director**



**CONDENSED INTERIM INCOME STATEMENT**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)**

Note	Nine months period ended March 31,		Quarter ended March 31,	
	2009	2008	2009	2008
----- (Rupees in '000) -----				
<b>Income</b>				
Net realised (loss)/ gain on sale of investments	(263,345)	94,294	(243,703)	20,028
Dividend income	60,486	63,186	20,185	18,761
Profit on savings accounts with banks	3,690	20,861	1,196	5,786
	<u>(199,169)</u>	<u>178,341</u>	<u>(222,322)</u>	<u>44,575</u>
Unrealised (loss)/ gain on re-measurement of investments at fair value through profit or loss (net)	(466,115)	161,889	530,097	122,830
Gain/ (loss) on re-measurement of derivative financial instruments (net)	27,905	(10,798)	27,875	6,620
	<u>(438,210)</u>	<u>151,091</u>	<u>557,972</u>	<u>129,450</u>
<b>Total (loss)/ income</b>	<b>(637,379)</b>	<b>329,432</b>	<b>335,650</b>	<b>174,025</b>
<b>Expenses</b>				
Remuneration to Al Meezan Investment Management Limited - Management Company of the Fund	19,523	31,150	5,275	10,059
Remuneration to Central Depository Company of Pakistan Limited - custodian of the Fund	467	818	122	260
Annual fee to Securities and Exchange Commission of Pakistan	966	1,560	255	503
Shariah advisory fee to Meezan Bank Limited - shariah adviser of the Fund	184	188	58	62
Auditors' remuneration	409	378	90	100
Fees and subscription	95	496	31	57
Brokerage	853	3,004	611	856
Legal and professional charges	219	137	88	25
Bank and settlement charges	75	278	51	90
Printing expenses	130	-	122	-
Stamp duty	649	-	446	-
Advance tax written off	709	-	-	-
<b>Total expenses</b>	<b>24,279</b>	<b>38,009</b>	<b>7,149</b>	<b>12,012</b>
<b>Net (loss)/ income</b>	<b>(661,658)</b>	<b>291,423</b>	<b>328,501</b>	<b>162,013</b>
(Loss)/ earnings per share - basic (Rupees)	9	(4.81)	2.12	2.39
			1.18	

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

**Chief Executive Officer**

**Director**

**CONDENSED INTERIM DISTRIBUTION STATEMENT**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)**

	Nine months period ended March 31,		Quarter ended March 31,	
	2009	2008	2009	2008
	----- (Rupees in '000) -----			
(Loss) / unappropriated income brought forward	487,925	977,863	(639,774)	628,873
Less: Final distribution in the form of cash dividend for the year ended June 30, 2008 @ 10 % (June 30, 2007: 25 %)	(137,540)	(299,000)	-	
Less: Issue of bonus shares for the year ended June 30, 2008 @ nil % (June 30, 2007: 15 %)	-	(179,400)	-	-
Net (loss) / income for the period	(661,658)	291,423	328,501	162,013
(Loss) / unappropriated income carried forward	<u>(311,273)</u>	<u>790,886</u>	<u>(311,273)</u>	<u>790,886</u>

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

**Chief Executive Officer**

**Director**

**CONDENSED INTERIM STATEMENT OF MOVEMENT  
IN EQUITY AND RESERVES PER SHARE  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)**

	Nine months period ended March 31,		Quarter ended March 31,	
	2009	2008	2009	2008
	----- (Rupees) -----			
Net assets value per share at the beginning of the period	13.86	16.13	5.45	14.85
Net realised (loss)/ gain on sale of investments	(1.91)	0.69	(1.77)	0.15
Dividend income	0.44	0.46	0.15	0.14
Profit on savings accounts with banks	0.03	0.15	0.01	0.04
Unrealised (loss)/ gain on re-measurement of investments at fair value through profit or loss (net)	(3.39)	1.18	3.85	0.89
Loss on re-measurement of derivative financial instruments (net)	0.20	(0.08)	0.20	0.05
Operating expenses	(0.18)	(0.28)	(0.05)	(0.09)
Net loss for the period (based on weighted average number of shares outstanding)	(4.81)	2.12	2.39	1.18
Dividend declared and paid	(1.00)	(2.17)	-	-
Net changes in surplus on revaluation of available for sale investments	(0.07)	0.01	0.14	0.06
Net assets value per share at the end of the period	<u>7.98</u>	<u>16.09</u>	<u>7.98</u>	<u>16.09</u>

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

**Chief Executive Officer**

**Director**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)**

	Share capital	(Loss) / Unappropriated profit	Surplus / (deficit) on revaluation of available-for- sale financial assets	Total
	----- (Rupees in '000) -----			
Balance as at July 1, 2007	1,196,000	977,863	44,729	2,218,592
Final dividend for year the ended June 30, 2007 @ 25 %	-	(299,000)	-	(299,000)
Issue of bonus shares for the year ended June 30, 2007 @ 15 %	179,400	(179,400)	-	-
Net income for the six months period ended December 31, 2007	-	129,410	-	129,410
Surplus on revaluation of available for sale investments	-	-	1,837	1,837
Surplus realised on available for sale investments transferred to income statement on disposal	-	-	(8,853)	(8,853)
Balance as at December 31, 2007	<u>1,375,400</u>	<u>628,873</u>	<u>37,713</u>	<u>2,041,986</u>
Net loss for the six months period ended June 30, 2008	-	(140,948)	-	(140,948)
Surplus on revaluation of available for sale investments	-	-	5,378	5,378
Balance as at June 30, 2008	<u>1,375,400</u>	<u>487,925</u>	<u>43,091</u>	<u>1,906,416</u>
Final dividend for year the ended June 30, 2008 @ 10 %	-	(137,540)	-	(137,540)
Net loss for the six months period ended March 31, 2009	-	(661,658)	-	(661,658)
Deficit on revaluation of available for sale investments	-	-	(9,592)	(9,592)
Balance as at March 31, 2009	<u>1,375,400</u>	<u>(311,273)</u>	<u>33,499</u>	<u>1,097,626</u>

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

**Chief Executive Officer**

**Director**

**CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)**

Note	Nine months period ended March 31,		Quarter ended March 31,	
	2009	2008	2009	2008
----- (Rupees in '000) -----				
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net (loss) / income	(661,658)	291,423	328,501	162,013
<b>Adjustments for non-cash items</b>				
Dividend income	(60,486)	(63,186)	(20,185)	(18,761)
Advance tax written off	709	-	-	-
Profit on savings accounts with banks	(3,690)	(20,861)	(1,196)	(5,786)
Unrealised (gain) / loss on re-measurement of investments at fair value through profit or loss (net)	466,115	(161,889)	(530,097)	(122,830)
Loss on re-measurement of derivative financial instruments (net)	(27,905)	10,798	(27,875)	-
Surplus realised on sale of available for sale investments	-	(8,853)	-	(6,620)
	<b>(286,915)</b>	<b>47,432</b>	<b>(250,852)</b>	<b>8,016</b>
<b>(Increase) / decrease in assets</b>				
Investments - available for sale	-	9,630	-	-
Investments at fair value through profit or loss	398,550	(199,495)	351,492	(17,903)
Receivable against sale of investments	(30,476)	42,586	(30,476)	(392)
Deposits and prepayments	(508)	(3,701)	502	(1,088)
Advance income tax	-	(135)	-	-
	<b>367,566</b>	<b>(151,115)</b>	<b>321,518</b>	<b>(19,383)</b>
<b>Increase / (decrease) in liabilities</b>				
Payable to Al Meezan Investment Management Limited - Management Company of the Fund	(1,352)	(34,857)	(233)	24
Payable to Central Depository Company of Pakistan Limited Limited - custodian of the Fund	(47)	(23)	(8)	-
Payable to Securities and Exchange Commission of Pakistan	(1,101)	(181)	255	502
Payable to Meezan Bank Limited - shariah adviser of the Fund	183	(62)	57	62
Payable against purchase of investments	2,035	13,403	2,035	27,780
Accrued expenses and other liabilities	108	1,473	449	397
	<b>(174)</b>	<b>(20,247)</b>	<b>2,555</b>	<b>28,765</b>
Cash generated from / (used in) operations	80,477	(123,930)	73,221	17,398
Dividend received	64,274	61,148	12,895	19,163
Profit received on savings accounts with banks	5,678	24,343	944	5,786
Profit on Term Finance Certificates	-	-	-	-
Net cash inflow / (outflow) from operating activities	<b>150,429</b>	<b>(38,439)</b>	<b>87,060</b>	<b>42,347</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Dividend paid	(135,699)	(298,204)	(20,689)	(54)
Net cash (outflow) from financing activities	(135,699)	(298,204)	(20,689)	(54)
Net (decrease) in cash and cash equivalents during the period	14,730	(336,643)	66,371	42,293
Cash and cash equivalents at the beginning of the period	63,366	590,523	11,725	211,587
Cash and cash equivalents at the end of the period	<b>78,096</b>	<b>253,880</b>	<b>78,096</b>	<b>253,880</b>

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

**Chief Executive Officer**

**Director**

## CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009 (UNAUDITED)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al Meezan Mutual Fund Limited (the Fund) was incorporated in Pakistan on July 13, 1995 as a public limited company under the Companies Ordinance, 1984 having its registered office at Shahrah-e-Faisal, Karachi. The Fund is listed on the Karachi Stock Exchange.
- 1.2 The Fund is registered as an 'investment company' under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) vide License no. NBFC -II/11 AMMFL-IC-04/05 issued by the Securities and Exchange Commission of Pakistan (SECP). On November 21, 2007 the Non-Banking Finance Companies and Notified Entities Regulations, 2007 (NBFC Regulations, 2007) were notified which are now superseded by the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations, 2008) issued through S.R.O. 1203(I)/2008 on November 21, 2008.
- 1.3 The Fund has an agreement with Al Meezan Investment Management Limited (AMIML), an associated undertaking, to provide asset management services.
- 1.4 The objective of the Fund is to carry on the business of a closed-end mutual fund and to invest its assets in securities, which are listed or proposed to be listed on the stock exchanges.

### 2. BASIS OF MEASUREMENT

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

### 3. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan, the Companies Ordinance, 1984, the NBFC Rules, NBFC Regulations 2007, NBFC Regulations 2008 and the directives issued by the SECP. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984, NBFC Rules, NBFC Regulations, 2007 and NBFC Regulations, 2008 and the said directives differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, the NBFC Rules, NBFC Regulations, 2007, NBFC Regulations, 2008 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'.

### 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 year ended June 30, 2008.

		<b>March 31, 2009</b>	<b>June 30, 2008</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>5. BALANCES WITH BANKS</b>			
On current accounts		<b>1,510</b>	2,273
On savings accounts		<b>76,586</b>	61,093
		<b><u>78,096</u></b>	<u>63,366</u>

**6. INVESTMENTS - AVAILABLE FOR SALE**

Shares of listed companies	6.1	<b><u>43,172</u></b>	<u>52,764</u>
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**6.1 Shares of listed companies - available for sale**

Name of the investee company	As at July 01, 2008	Purchases during the period	Bonus/ rights issue	Sales during the period	As at March 31, 2009	Carrying value as at March 31, 2009	Market value as at March 31, 2009	Unrealised (loss) / gain as at March 31, 2009	Percentage in relation to		
									net assets of the Fund on the basis of market value of investments (see note 7.3 below)	paid-up capital of investee company (with face value of investments)	total market value (carrying value of investments)
	-----Number of shares of listed companies-----					-----Rupees in '000-----					
<b>Sector / companies</b>											
<b>Oil and gas marketing company</b>											
Pakistan State Oil Company Limited	1,043	-	-	-	1,043	435	204	(231)	0.02	0.00	0.02
<b>Fertilizer</b>											
Fauji Fertilizer Company Limited	395,469	-	98,867	-	494,336	52,329	42,968	(9,361)	3.91	0.08	4.53
						<b><u>52,764</u></b>	<b><u>43,172</u></b>	<b><u>(9,592)</u></b>			
<b>Total cost of investments - available for sale</b>						<b><u>9,673</u></b>					

		<b>March 31, 2009</b>	<b>June 30, 2008</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
Shares of listed companies	7.1	<b><u>905,670</u></b>	<u>1,770,335</u>

**7.1 Shares of listed companies - held for trading**

Name of the investee company	As at July 01, 2008	Purchases during the period	Bonus/ rights issue	Sales during the period	As at March 31, 2009	Carrying value as at March 31, 2009	Market value as at March 31, 2009	Unrealised (loss) / gain as at March 31, 2009	Percentage in relation to		
									net assets of the Fund on the basis of market value of investments (see note 7.3 below)	paid-up capital of investee company (with face value of investments)	total market value (carrying value of investments)
	-----Number of shares of listed companies-----					-----Rupees in '000-----					
<b>Closed end mutual fund</b>											
Meezan Islamic Income Fund (an associate of the fund)	-	1,665,651	-	1,665,651	-	-	-	-	-	-	-
<b>Commercial banks</b>											
Meezan Bank Limited (an associate of the fund)	1,349,640	-	116,069	-	1,465,709	41,150	19,787	(21,363)	1.80	0.30	2.09
									<b><u>1.80</u></b>	<b><u>0.30</u></b>	<b><u>2.09</u></b>

Name of the investee company	As at July 01, 2008	Purchases during the period	Bonus/ rights issue	Sales during the period	As at March 31, 2009	Carrying value as at March 31, 2009	Market value as at March 31, 2009	Unrealised (loss)/ gain as at March 31, 2009	Percentage in relation to		
									net assets of the Fund on the basis of market value of investments (see note 7.3 below)	paid-up capital of investee company (with face value of investments)	total market value (carrying value of investments)
-----Number of shares of listed companies-----					-----Rupees in '000-----						
<b>Textile composite</b>											
Nishat Mills Limited	186,170	168,085	-	90,000	264,255	15,245	8,012	(7,233)	0.73	0.11	0.84
									0.73		0.84
<b>Jute</b>											
Thal Limited (note 7.2)	153,000	9,100	61,200	-	223,300	30,428	12,250	(18,178)	1.12	0.26	1.29
									1.12		1.29
<b>Cement</b>											
Attock Cement Company Limited	370,600	-	-	4,000	366,600	28,276	24,731	(3,545)	2.25	0.51	2.61
Lucky Cement Limited	-	217,500	-	-	217,500	7,475	10,742	3,267	0.98	0.07	1.13
D G Khan Cement Company Limited	315,000	230,000	-	544,400	600	38	13	(25)	0.00	0.00	0.00
Fauji Cement Company Limited	124,355	100,000	-	-	224,355	2,057	1,404	(653)	0.13	0.03	0.15
									3.36		3.89
<b>Power generation &amp; distribution</b>											
The Hub Power Company Limited	2,533,500	500,500	-	500,000	2,534,000	66,162	52,251	(13,911)	4.76	0.22	5.51
									4.76		5.51
<b>Oil &amp; gas marketing companies</b>											
Pakistan State Oil Company Limited	204,500	40,100	-	87,000	157,600	56,419	30,880	(25,539)	2.81	0.09	3.25
Sui Northern Gas Pipelines Limited	232,200	-	-	-	232,200	10,117	7,017	(3,100)	0.64	0.04	0.74
									3.45		3.99
<b>Oil &amp; gas exploration companies</b>											
Oil & Gas Development Company Limited	1,708,000	779,500	-	900,000	1,587,300	147,859	114,397	(33,462)	10.42	0.04	12.06
Pakistan Oilfields Limited	312,000	135,000	55,400	160,000	342,400	77,918	58,571	(19,347)	5.34	0.14	6.17
Pakistan Petroleum Limited	951,610	15,000	90,961	317,300	740,271	164,373	128,267	(36,106)	11.69	0.09	13.52
									27.45		31.75
<b>Automobile assembler</b>											
Indus Motor Company Limited	196,092	-	-	-	196,092	39,228	14,481	(24,747)	1.32	0.25	1.53
Pak Suzuki Motor Company Limited	185,980	-	-	-	185,980	22,279	10,142	(12,137)	0.92	0.23	1.07
									2.24		2.60
<b>Automobile parts &amp; accessories</b>											
Agriauto Industries Limited (note 7.2)	590,800	-	118,160	-	708,960	48,889	19,823	(29,066)	1.81	2.46	2.09
									1.81		2.09
<b>Technology &amp; communication</b>											
Pakistan Telecommunication Company Limited "A"	2,357,000	1,794,100	-	160,000	3,991,100	110,379	66,572	(43,807)	6.07	0.11	7.02
TRG Pakistan Limited	4,095,000	100,000	-	4,195,000	-	-	-	-	-	0.00	-
									6.07		7.02
<b>Fertilizer</b>											
Engro Chemical Pakistan Limited	669,038	125,000	-	363,500	430,538	116,145	62,277	(53,868)	5.67	0.20	6.56
Fauji Fertilizer Company Limited	908,086	50,100	202,021	250,000	910,207	91,759	79,115	(12,644)	7.21	1.48	8.34
Fauji Fertilizer Bin Qasim Limited	3,885,000	440,000	-	2,244,500	2,080,500	72,797	35,618	(37,179)	3.25	0.22	3.75
									16.13		18.66
<b>Pharmaceutical</b>											
Glaxo SmithKline (Pakistan) Limited	103,906	-	-	50,000	53,906	9,164	4,886	(4,278)	0.45	0.03	0.51
									0.45		0.51
<b>Chemicals</b>											
ICI Pakistan Limited	336,600	80,000	-	-	416,600	60,322	40,069	(20,253)	3.65	0.30	4.22
Sitara Chemical Industries Limited	62,460	-	-	-	62,460	15,768	10,674	(5,094)	0.97	0.31	1.12
									4.62		5.35
<b>Paper &amp; Board</b>											
Packages Limited	503,987	-	-	15,000	488,987	123,171	84,639	(38,532)	7.71	0.58	8.92
									7.71		8.92
<b>Glass &amp; Ceramics</b>											
Ghani Glass Limited	54,212	-	2,710	20,000	36,922	3,969	2,328	(1,641)	0.21	0.04	0.25
									0.21		0.25
<b>Miscellaneous</b>											
Tri-Pack Films Limited	48,300	20,000	-	-	68,300	10,398	6,724	(3,674)	0.61	0.23	0.71
									0.61		0.71
						<u>1,371,785</u>	<u>905,670</u>	<u>(466,115)</u>			
<b>Total cost of investments - held for trading</b>											<u>1,313,101</u>



7.2 All shares have a nominal value of Rs 10 each except for shares of Agriauto Industries Limited & Thal Limited which have a face value of Rs 5 each.

7.3 Net assets are as defined in Regulation 66 of NBFC Regulations, 2008.

7.4 100,000 shares of Oil & Gas Development Company Limited having market value of Rs 4.999 million (June 30, 2008: 12.436 million) have been pledged as collateral in favour of National Clearing Company of Pakistan Limited (NCCPL) against exposure margins and mark-to-market losses.

#### 8. DERIVATIVE FINANCIAL INSTRUMENTS

Type of derivative	Number of shares	Settlement	Underlying	Notional amount	Fair value		
					Assets	Liabilities	
					----- Rupees in '000 -----		
Rights entitlement							
D G Khan Cement Co. Ltd.	600	May 16, 2009	Equity indices	-	-	-	
Engro Chemical Pak. Ltd.	689,638	May 20, 2009	Equity indices	-	26,110	-	
Meezan Bank Ltd.	1,465,709	May 29, 2009	Equity indices	-	1,795	-	
					March 31, 2009	27,905	-
					June 30, 2008	-	-

9. (LOSS) / EARNINGS PER SHARE	Nine months ended March 31,		Quarter ended March 31,	
	2009	2008	2009	2008
----- (Rupees in '000) -----				
Net (loss) / profit for the period	(661,658)	291,423	328,501	162,013
Weighted average number of ordinary shares outstanding during the period	137,540	137,540	137,540	137,540
----- (Rupees) -----				
(Loss) / earnings per share	(4.81)	2.12	2.39	1.18

#### 10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

The connected person include AMIML being the management company, CDC being the custodian, MBL being the shariah adviser and holding company of the management company, Pakistan Kuwait Investment Company (Private) Limited and Meezan Islamic Fund, Meezan Islamic Income Fund, Meezan Balanced Fund, Meezan Tahaffuz Pension Fund and Meezan Capital Protected Fund - I, being the funds under the common management of the management company.

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

Remuneration payable to the management company and the custodian is determined in accordance with the provisions of NBFC Rules and Regulations.

	March 31, 2009	June 30, 2008
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited</b>		
<b>- management company of the Fund</b>		
Remuneration payable	<u>1,869</u>	<u>3,221</u>
Investment of 23,205,692 shares (June 30, 2008: 23,205,692 shares)	<u>104,426</u>	<u>311,753</u>
<b>Central Depository Company of Pakistan</b>		
<b>Limited - custodian of the Fund</b>		
Remuneration payable	<u>39</u>	<u>86</u>
<b>Meezan Bank Limited - shariah adviser of the Fund</b>		
Balances with bank	<u>1,510</u>	<u>2,262</u>
Remuneration payable	<u>433</u>	<u>250</u>
Investment in 1,465,709 shares (June 30, 2008: 1,349,640 shares)	<u>19,787</u>	<u>41,150</u>
Investment of 5,561,607 shares (June 30, 2008: 5,561,607 shares)	<u>25,027</u>	<u>76,194</u>
<b>Meezan Islamic Fund</b>		
Investment of 19,570,700 shares (June 30, 2008: 19,570,700 shares)	<u>88,068</u>	<u>268,119</u>
<b>Pakistan Kuwait Investment Company</b>		
<b>(Private) Limited</b>		
Investment of 16,895,690 shares (June 30, 2008: 16,895,690 shares)	<u>76,031</u>	<u>231,471</u>
<b>Directors and officers</b>		
Investment of 349,440 shares (June 30, 2008: 349,440 shares)	<u>1,572</u>	<u>4,787</u>

	<b>Nine months period ended March 31,</b>	
	<b>2009</b>	<b>2008</b>
	<b>(Rupees in '000)</b>	
<b>Al Meezan Investment Management Limited</b>		
<b>- investment adviser of the Fund</b>		
Remuneration for the period	<u>19,523</u>	<u>31,150</u>
Dividend for the period	<u>23,206</u>	<u>44,522</u>
<b>Central Depository Company of Pakistan Limited - custodian of the Fund</b>		
Charges for the period	<u>467</u>	<u>818</u>
<b>Meezan Bank Limited - shariah adviser of the Fund</b>		
Profit on deposit accounts with bank	<u>1</u>	<u>-</u>
Shariah advisory fee for the period	<u>184</u>	<u>188</u>
Dividend for the period	<u>5,562</u>	<u>10,881</u>
<b>Meezan Islamic Fund</b>		
Dividend for the period	<u>19,571</u>	<u>42,545</u>
<b>Pakistan Kuwait Investment Company (Private) Limited</b>		
Dividend for the period	<u>16,896</u>	<u>41,911</u>
<b>Directors and officers</b>		
Dividend for the period	<u>349</u>	<u>757</u>

**11. DATE OF AUTHORISATION**

These condensed interim financial statements have been authorised for issue on April 16, 2009 by the board of directors of the Fund.

**Chief Executive Officer**

**Director**

**STATEMENT OF THE INCOME & EXPENDITURE OF THE MANAGEMENT  
COMPANY IN RELATION TO THE INVESTMENT COMPANY  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009**

	2009	2008
	(Rupees in '000)	
<b>INCOME</b>		
Remuneration receivable from Al Meezan MutualFund Limited	19,523	31,150
Dividend income	23,206	49,469
	42,729	80,619
<b>OPERATING EXPENSES</b>		
Salaries and other benefits	3,555	7,202
Motor vehicle running expenses	130	139
Fees and subscription	148	374
Insurance expense	20	77
Printing and stationery	153	157
Communication	209	340
Depreciation	560	595
Travelling and conveyance	56	220
Entertainment	11	36
Legal and professional charges	246	718
Repair and maintenance	21	38
Other office supplies	33	69
Training and development	44	101
Rent, rates and taxes	479	617
Utilities	79	138
Miscellaneous expenses	22	19
	5,766	10,840
<b>Profit for the period</b>	<b>36,963</b>	<b>69,779</b>

**Note:**

The above expenses are allocated based on the average net assets of the respective funds managed by the Asset Management Company. Other revenue and expenses not relating to the investment company have not been included in the above statement.