

First Capital Mutual Fund Limited



**Condensed Interim Financial Information
for the nine months ended**

**March 31, 2010
(Un-audited)**

First Capital Mutual Fund Limited



MISSION

At First Capital Mutual Fund Limited we would focus on creating wealth for shareholders, to conduct ourselves with dignity and the highest ethical standards, to contribute as a good corporate citizen to the society and also to provide a good working environment that will surely stimulate talent and reward hard work.

VISION

To be a leader among Mutual Funds of the country through prudent investments in diversified portfolio for sustained best financial results and continuing achieving maximum yield for the shareholders of First Capital Mutual Fund Limited.



Company Information

Board of Directors	Salmaan Taseer (Chairman) Syed Kashan Hussain Kazmi (CEO) Omer Subhan Salamat Farid Uddin Asif* Mahmood Ali Athar Suhail Ahmad Ahmad Bilal
Chief Financial Officer	Muhammad Usman Sheikh
Audit Committee	Ahmad Bilal (Chairman) Farid Uddin Asif Suhail Ahmad
Company Secretary	Shahzad Jawahar
Investment Committee	Syed Kashan Hussain Kazmi Omer Subhan Salamat Pardeep Kumar
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants
Legal Adviser	Mazhar Law Associates Advocates & Solicitors
Custodian	Central Depository Company of Pakistan Limited ("CDC")
Asset Management Company	First Capital Investments Limited 103-C/II, Gulberg-III, Lahore
Registered / Head Office	103-C/II, Gulberg-III Lahore, Pakistan Tel: +92 42 35757591-4 Fax: +92 42 35757590, 35877920
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited Ground Floor, State Life Building No.3, Dr. Ziauddin Ahmed Road, Karachi Tel: + 92 21 111-000-322

* Appointed as Director in place of Mr. Muhammad Naveed Tariq subject to approval of SECP.





Directors' Review

The Directors of First Capital Mutual Fund Limited ("the fund") are pleased to present third quarter's condensed interim un-audited financial information for the period ended 31 March, 2010.

Equity Market Review

The performance of Pakistan equity market, as represented by KSE - 100 index remained upbeat during the initial nine months of Financial Year 2010. That said the benchmark KSE - 100 posted a healthy gain of 42 % to end the period at 10,178 points level. Market capitalization increased by 36 % to Rs 2.89 trillion from that of Rs 2.12 trillion as on June 30, 2009. During the period, the trading activity improved significantly by 114 % with average daily volumes of 172 mn shares (Rs 7.92 billion or US\$ 95 million) in the ready market. This remarkable improvement in the trading activity was mainly due to the low base effect as the trading activity during the comparable period of last year remained almost halted in the wake of price floor placed by the Board of Karachi Stock Exchange.

Growing signs of economic recovery, achievement of targets set by the IMF - resulting in much needed dollar inflows - and democratic resolution of key political issues were the primary factors behind investors' restorative confidence in Pakistan market. The intensity of the political issues has been notably reduced with the resolution of major and core issues like cancellation of the NRO that had the potential to destabilize the entire democratic system. The above-mentioned factors along with cheap valuations of KSE-100 relative to the regional markets also resulted in renewed interest of foreign investors which further supported the buying spree at KSE.

Performance Review

Operating Results

The operating results for the nine months ended 31 March 2010 are summarized as follows:

All figures in Rs.

	March 31, 2010	March 31, 2009
Capital gain/(loss) on listed securities	55,379,097	(76,909,703)
Unrealized gain / loss	(9,967,428)	(73,929,405)
Dividend income	8,842,408	9,709,689
Other income	2,850,500	1,053,875
Operating expenses	9,363,833	4,779,718
Net income/(loss)	46,856,502	(145,224,118)
Earning / (Loss) per share	1.56	(4.84)
	March 31, 2010	June 30, 2009
Net assets value per share	8.34	6.78
KSE-100 Index	10,178	7,162

During the period under review, your Fund has reported an after tax profit of Rs. 46.86 million against a net loss of Rs. 145.22 million in the corresponding period last year. This is mainly attributed to fund's strategy to realize the unrealized gain on the investments, which increased capital gain by 172% and decreased unrealized loss by 87%. EPS for the period under review was recorded at 1.56 (Mar 2009: Loss per share of Rs. 4.84) whereas the EPS for six months ended 31st December, 2009 was reported as Rs. 1.63 (Dec 2009: Loss per share of Rs. 6.21).

The net asset value per share has increased by 23 % as compared to its benchmark KSE 100 return of 42%. The underperformance during the period was due to the cautious strategy in the said period because of the high volatility in the capital markets amid the sustainable political and law & order situation. We were mainly exposed to the defensive & fundamentally sound scrip. Though this strategy has led us to under perform the index by 1900 basis, but



it also provided us the safe cushion for restrained any travails of the market.

Future Outlook

We expect the sustainability of the recently witnessed foreign fund inflows, resolution of circular debt issues, development of power projects, better corporate results, recovery of banking sector, improving political scenario and potential increase in oil and gas exploration will play a major role in determining the direction of economic and capital market. Chemicals sector will also be under the radar because of rising fertilizer prices and heavy demand for fertilizers in Pakistan due to supply shortage.

Your fund will continue its cautious approach and we will be monitoring the triggers of the market carefully & get exposed to it on the basis of strong fundamentals. Currently the portfolio constitutes 21%, 17%, 16% and 9% of NAV in Chemicals, Oil & Gas, Banks and Electricity sectors respectively. We will prefer to overweight in the same sectors along with some small cap growth oriented scrip in future.

Performance rating

During the current financial year fund has been assigned long term credit rating of "2-Star", while normal credit rating has been assigned at "3 Star" Pakistan Credit Rating Agency Limited (PACRA).

Appointment of Director

During the period, Mr. Muhammad Naveed Tariq has resigned from board of directors and Mr. Farid Uddin Asif has been appointed as director of the Company in his place subject to the approval of Securities and Exchange Commission of Pakistan ("SECP").

Declaration by Directors

As required under the Non Banking Finance Companies and Notified Entities Regulations, 2008 the Directors of Asset Management Company state that the financial statements of the fund for the nine months ended 31 March 2010 give a true and fair view of the fund.

Renewal of License

During the period under review SECP have renewed license of Asset Management Company.

Acknowledgement

We are grateful to our shareholders for their support and confidence in the fund and would like to thank the SECP and the Stock Exchanges for their guidance and support.

For and on behalf of the Board

Lahore
April 23, 2010

Syed Kashan Hussain Kazmi
Chief Executive Officer



Condensed Interim Statement of Assets & Liabilities
As at March 31, 2010

	Note	(Un-Audited) March 31, 2010 Rupees	(Audited) June 30, 2009 Rupees
Assets			
Non current assets			
Long term deposits		137,500	137,500
Current assets			
Investments at fair value through profit or loss	6	210,099,373	195,889,882
Dividend and other receivables		6,925,921	6,276,443
Bank balances		48,403,393	7,954,436
Total assets		265,566,187	210,258,261
Liabilities			
Current liabilities			
Due to Asset Management Company - an associated company	7	3,695,552	4,144,100
Trade and other payables		10,734,269	2,240,821
Provision for taxation		974,083	567,559
Total liabilities		15,403,904	6,952,480
Net assets		250,162,283	203,305,781
Share capital and reserves			
Authorized share capital 35,000,000 (2009: 35,000,000)		350,000,000	350,000,000
Ordinary shares of Rs. 10 each			
Issued, subscribed and paid up capital		300,000,000	300,000,000
Accumulated loss		(49,837,717)	(96,694,219)
Contingencies and commitments	8	-	-
		250,162,283	203,305,781
Net assets value per share		8.34	6.78

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

Lahore

Chief Executive

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Director



Condensed Interim Income Statement (Un-audited)
For the nine months ended March 31, 2010

Note	Nine months ended		Three months ended	
	March 31, 2010 Rupees	March 31, 2009 Rupees	March 31, 2010 Rupees	March 31, 2009 Rupees
Income				
Capital gain/(loss) on listed securities -realized	55,379,097	(76,909,703)	6,852,765	(53,813,828)
Dividend income	8,842,408	9,709,689	3,892,762	4,364,098
Profit on bank deposits	2,850,500	1,053,875	1,475,496	273,300
	67,072,005	(66,146,139)	12,221,023	(49,176,430)
Unrealized gain/(loss) on revaluation of investments at fair value through profit or loss -net	6	(9,967,428)	(73,929,405)	(10,862,421)
	57,104,577	(140,075,544)	1,358,602	42,506,098
Operating expenses				
Remuneration to Asset Management Company	7	3,695,552	3,126,466	1,250,445
Securities transaction cost		3,533,991	622,330	1,222,663
Fee and subscription		485,039	438,823	76,396
Custodian fee		1,016,741	77,663	352,702
Auditors remuneration		137,500	110,000	30,000
Printing charges		317,166	323,250	42,000
Legal and professional charges		109,000	80,000	-
Bank charges		68,845	1,186	27,631
		9,363,833	4,779,718	3,001,836
Profit/(loss) before taxation		47,740,743	(144,855,262)	(1,643,235)
Provision for taxation				
- Taxation-current period		884,241	368,856	389,276
				95,655
Total Comprehensive Income/(loss)		46,856,502	(145,224,118)	(2,032,511)
Earnings/(loss) per share - basic & diluted	9	1.56	(4.84)	(0.07)
				1.37

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

Lahore

Chief Executive

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Director



Condensed Interim Cash Flow Statement (Un-audited)
For the nine months ended March 31, 2010

	Nine months ended	
	March 31, 2010 Rupees	March 31, 2009 Rupees
Cash flow from operating activities		
Profit/(loss) before taxation	47,740,743	(144,855,262)
Adjustment for:		
Dividend income	(8,842,408)	(9,709,689)
Remuneration to Asset Management Company	3,695,552	3,126,466
Unrealized gain/(loss) on revaluation of investments at fair value through profit or loss -net	9,967,428	73,929,405
	<u>4,820,572</u>	<u>67,346,182</u>
Operating profit/(loss) before working capital changes	52,561,315	(77,509,080)
(Increase)/decrease in current assets		
Investments in listed securities	(24,176,919)	84,012,062
Dividend and other receivables	1,816,632	(13,136,397)
	<u>(22,360,287)</u>	<u>70,875,665</u>
Increase/(decrease) in current liabilities		
Trade and other payables	8,493,448	632,481
	<u>8,493,448</u>	<u>632,481</u>
Cash generated from/(used in) operations	38,694,476	(6,000,934)
Paid remuneration to Asset Management Company	(4,144,100)	(7,436,075)
Tax paid	(562,809)	(131,653)
Dividend received	6,461,390	8,384,291
	<u>6,461,390</u>	<u>8,384,291</u>
Net cash generated from/(used in) operating activities	40,448,957	(5,184,371)
Cash flow from financing activities		
Dividend paid	-	(340)
	<u>-</u>	<u>(340)</u>
Net cash used in financing activities	-	(340)
Net increase/(decrease) in cash and cash equivalents	40,448,957	(5,184,711)
Cash and cash equivalents at the beginning of the period	7,954,436	8,752,079
Cash and cash equivalents at the end of the period	48,403,393	3,567,368

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

Lahore

Chief Executive

Director

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Condensed Interim Distribution Statement (Un-audited)
For the nine months ended March 31, 2010

	March 31, 2010 Rupees	March 31, 2009 Rupees
(Accumulated loss) / Undistributed income brought forward		
Undistributed income/(loss) at the beginning of the year (realized)	(130,293,601)	(38,995,537)
Accumulated income/(loss) at the beginning of the year (unrealized)	33,599,382	76,600,190
	<u>(96,694,219)</u>	<u>37,604,653</u>
Total Comprehensive income/(loss) for nine months ended 31 March 2010	46,856,502	(145,224,118)
Accumulated loss carried forward	<u>(49,837,717)</u>	<u>(107,619,465)</u>
Represented by:	(73,469,670)	(110,290,250)
Undistributed income/(loss) at the end of the period (realized)	23,631,954	2,670,785
Accumulated income/(loss) at the end of the period (unrealized)	<u>(49,837,717)</u>	<u>(107,619,465)</u>

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

Lahore

Chief Executive

Director

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Condensed Interim Statement of Changes in Equity (Un-audited)
For the nine months ended March 31, 2010

	Issued, subscribed and paid up share capital Rupees	Accumulated loss Rupees	Total Rupees
Balance as at July 01, 2008	300,000,000	37,604,652	337,604,652
Total comprehensive loss for the nine months ended March 31, 2009	-	(145,224,118)	(145,224,118)
Balance as at March 31, 2009	<u>300,000,000</u>	<u>(107,619,466)</u>	<u>192,380,534</u>
Balance as at July 01, 2009	300,000,000	(96,694,219)	203,305,781
Total comprehensive loss for the nine months ended March 31, 2010	-	46,856,502	46,856,502
Balance as at March 31, 2010	<u>300,000,000</u>	<u>(49,837,717)</u>	<u>250,162,283</u>

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

Lahore

Chief Executive

Director

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Condensed Interim Statement of Movement in Equity and Reserves - Per Share (Un-audited)
For the nine months ended March 31, 2010

	Nine months ended	
	31 March 2010 Rupees	31 March 2009 Rupees
Net assets per share as at July 01	6.78	11.25
Net gain/(loss) from transactions in listed securities	1.85	(2.56)
Unrealized loss on revaluation of investments at fair value through profit or loss -net	(0.33)	(2.46)
Other net operating income for the period	0.05	0.19
Net gain/(loss) for the period - per share	1.56	(4.84)
Net assets per share as at March 31	<u>8.34</u>	<u>6.41</u>

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

Lahore

Chief Executive

Director

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Notes to the Condensed Interim Financial Information
(Un-audited)

For the nine months ended March 31, 2010

1 Status and nature of business

First Capital Mutual Fund Limited (the "Fund") was incorporated in Pakistan on January 08, 1995 as a public limited company under the Companies Ordinance, 1984, having registered office at 103-C/II Gulberg III, Lahore. The Fund commenced its operations on March 14, 1995. The Fund is listed on Karachi and Lahore Stock Exchanges. It is registered with the Securities and Exchange Commission of Pakistan (SECP) as an Investment Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. The Fund is registered as Notified Entity under the Non Banking Finance Companies and Notified Entities Regulations, 2008. The object of the Fund is to carry on the business of a close end mutual fund and to invest its assets in securities, which are listed or unquoted securities unless an application for listing of such securities has been accepted by the stock exchanges.

The Fund has an agreement with First Capital Investments Limited ("FCIL"), an associated company, to provide asset management services. First Capital Investments Limited is duly licensed under the NBFC Rules to provide asset management services to closed end funds only.

FCIL has been assigned rating of "AM4+" by Pakistan Credit Rating Agency (PACRA). The Fund has been assigned long term credit rating at "2 Star", while normal credit rating has been assigned at "3 Star" by PACRA.

Central Depository Company of Pakistan Limited is the custodian of the Fund.

The Securities and Exchange Commission of Pakistan issued the Non-Banking Finance Companies and Notified Entities Regulations, 2008 in November 2008. As per Regulation 65 of these regulations an asset management company managing an Investment Company shall, upon the expiry of every five years from 21st November 2007 or the date of launch of the Investment Company which ever is later, hold within one month of such period a meeting of share holders to seek the approval of the shareholders (by special resolution) to convert the Investment Company into an Open End Scheme or wind up the Investment Company.

2 Basis for preparation

2.1 Statement of compliance

This condensed interim financial information is un-audited. and are prepared in accordance with the requirements of approved Accounting Standards as applicable in Pakistan relating to Interim Financial Reporting. This condensed interim financial information does not include all the information required for full annual financial statements and should be read in conjunction with the financial information of the Company for the year ended 30 June 2009. This financial information has been presented in accordance with the requirements of International Accounting Standard "IAS 34, Interim Financial Reporting."

This condensed interim financial information comprise of condensed interim statement of assets and liabilities as at 31 March 2010 and the related condensed interim income statement, condensed interim statement of cash flows, condensed interim statement of changes in equity, condensed interim statement of movement in net assets per certificate, condensed interim distribution statement and notes thereto, for the nine months period ended 31 March 2010.



The condensed interim financial information is un-audited and is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984 and as required under Regulation 38(g) of the NBFC and Notified Entities Regulations, 2008 (NBFC Regulations) and Listing Regulations of Karachi Stock Exchange.

There are no items of comprehensive income to report and, therefore, Statement of Comprehensive Income is not being presented.

2.2 Initial application of a standard or an interpretation

Revised International Accounting Standard (IAS) 1 "Presentation of Financial Statements" which is applicable for accounting years beginning on or after January 01, 2009, requires 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in performance statement. Companies can choose whether to present one performance statement (the statement of comprehensive income) or two statements (profit and loss account and statement of comprehensive income).

Other new standards, amendments and interpretations that were mandatory for the accounting periods beginning on or after 1 July 2009 and are not considered to be relevant or have any significant effect on the Fund's operations, have not been explained in these condensed interim financial information.

3 Significant accounting policies

Accounting policies adopted for the preparation of these condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2009 except for the change mentioned in note 2.2 above due to the adoption of IAS 1 (revised); this change, however had no effect on the fund's income for the period or prior periods.

4 Estimates

The preparation of the condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial information for the year ended 30 June 2009.

5 Financial risk management

The Fund's risk management objectives and policies are consistent with those disclosed in the financial information as at and for the year ended 30 June 2009.



6 Investments at fair value through profit or loss
Ordinary fully paid shares have a face value of Rs. 10/- each unless stated otherwise

Securities Exposure & Name of Company	1	2	3	4	5	6	7	8	9	10	11
	Opening	Purchase	No. of Shares Bought/Sold	Sales	Closing Shares	Book Value	Market Value	Appreciation (Depreciation)	Net assets	Percentage in relation to Investor Co.'s Paid-up Capital	
Oil and Gas											
Atock Petroleum Limited	-	46,005	-	30,765	14,250	5,413,116	6,050,880	(183,229)	2,08	0.02	
Attock Refinery Limited	15,000	114,500	-	119,000	10,000	1,177,430	1,182,700	(24,730)	0.47	0.01	
Byco Petroleum Pakistan Limited	46,000	144,200	-	99,200	90,000	1,089,841	980,000	(79,841)	0.49	0.02	
Marl Gas Company Limited	-	5,000	-	5,000	-	-	-	-	-	-	
Mirani Gas Limited	19,700	-	-	-	-	-	-	-	-	-	
Oil and Gas Development Company Limited	210,700	983,600	-	827,200	37,000	4,815,709	4,804,620	(10,689)	1.88	0.00	
Pakistan State Oil Company Limited	21,000	186,100	-	163,100	37,000	6,482,656	6,519,229	28,659	3.39	0.02	
Pak Oil Fields Limited	105,100	237,900	-	303,000	38,000	9,208,334	9,238,680	28,346	3.88	0.02	
Pakistan Petroleum Limited	55,660	286,900	-	294,280	46,900	5,719,055	6,882,005	112,890	3.49	0.01	
Steel Pakistan Limited	-	45,243	-	57,043	6,800	2,877,128	2,468,958	(91,810)	0.95	0.01	
Diversified											
Diversified Hercules Chemicals Limited	-	41,367	-	28,012	13,786	3,461,339	3,885,979	464,240	1.39	0.02	
Deacon Oxygen Limited	470,000	40,000	-	6,000	75,000	15,986,410	16,086,410	1,941,166	6.29	0.04	
Engro Corporation Limited	91,415	354,700	6,000	287,000	295,000	6,259,265	6,116,890	(143,289)	3.20	0.03	
Engro Polymer & Chemical Limited	115,000	172,000	-	182,000	123,000	12,946,988	13,940,715	700,727	6.14	0.03	
Fauji Fertilizer Bh. Oaem Limited	60,000	985,000	-	172,069	513,089	7,186,255	6,690,811	(507,454)	2.68	0.10	
Fauji Fertilizer Company Limited	113,855	-	-	113,800	540,000	6,133,890	5,902,200	(231,690)	2.45	0.04	
ICI Pakistan Limited	-	1,830,000	-	300,000	60,000	-	-	-	-	-	
Loto Pakistan FTA Limited	-	300,000	-	300,000	-	-	-	-	-	-	
Nimir Industrial Chemical Limited	80,000	-	-	60,000	-	-	-	-	-	-	
Nimir Refrains Limited	32,500	197,000	-	169,000	-	-	-	-	-	-	
Industrial and Mining											
Industrial Minerals and Mining Pakistan Co. Limited	-	110,000	-	17,265	92,168	2,861,666	2,461,888	(379,607)	1.14	0.19	
Construction and Materials	-	-	-	-	-	-	-	-	-	-	
Al-Ahsa Cement Industries Limited	-	50,000	-	50,000	-	-	-	-	-	-	
Attock Cement Pakistan Limited	-	72,000	-	35,000	37,000	2,658,200	2,890,330	74,850	1.02	0.04	
D.G.Cham Cement Company Limited	144,698	780,429	-	894,886	30,000	937,419	911,700	4,281	0.37	0.01	
Dawood Cement Limited	41,512	686,700	-	41,512	-	-	-	-	-	-	
Fauji Cement Company Limited	100,000	980,000	-	979,000	90,000	561,469	585,900	4,401	0.25	0.01	
Kofair Cement Limited	-	180,000	-	180,000	-	-	-	-	-	-	
Kofair Cement Company Limited	-	100,000	-	100,000	-	-	-	-	-	-	
Ladanga Pakistan Cement Limited	181,500	625,000	-	614,500	72,000	5,688,277	5,882,880	196,673	2.27	0.02	
Lucky Cement Company Limited	-	200,000	-	200,000	-	-	-	-	-	-	
Muple Leaf Cement Factory Limited	-	59,500	-	57,500	10,000	1,672,197	1,300,000	(372,197)	0.67	0.01	
General Industries	9,000	7,500	-	57,500	-	-	-	-	-	-	
Ti-Pack Fertilizer Limited	30,000	-	-	57,500	-	-	-	-	-	-	
Industrial Engineering											
Milax Tractors Limited	-	3,000	-	3,000	-	-	-	-	-	-	
Industrial Transportation											
Pakistan National Shipping Corporation Limited	-	42,000	-	22,000	20,000	1,039,949	999,800	(89,149)	0.42	0.02	
Pakistan International Container Terminal	17,400	-	-	17,400	-	-	-	-	-	-	
Transportation											
TRG Pakistan Limited	-	575,000	-	575,000	-	-	-	-	-	-	
Automobile and Parts											
General Tyre & Rubber Company of Pakistan Ltd.	-	102,556	-	69,640	42,716	1,208,377	1,145,216	(83,081)	0.48	0.07	
Honda Aes Cars Limited	-	26,844	-	26,844	-	-	-	-	-	-	
India Motor Company Limited	-	45,413	-	45,413	-	-	-	-	-	-	
Pak Suzuki Motor Company Limited	-	33,500	-	33,500	-	-	-	-	-	-	

Securities Exposure & Name of Company	1	2	3	4	5	6	7	8	9	10	11
	Opening	Purchase	No. of Shares Bought/Sold	Sales	Closing Shares	Book Value	Market Value	Appreciation (Depreciation)	Net assets	Percentage in relation to Investor Co.'s Paid-up Capital	
Food Producers											
Haseeb Weipa Sugar Mills Limited	24,000	-	-	24,000	-	-	-	-	-	-	
J.D.W.Sugar Mills Limited	-	6,306	-	5,306	-	-	-	-	-	-	
Household Goods	110,000	-	-	110,000	-	-	-	-	-	-	
Pak Etilon Limited	-	-	-	-	-	-	-	-	-	-	
Asqad Hina Limited	215,416	575,000	-	670,416	120,000	2,385,500	1,672,800	(713,100)	0.85	0.04	
Him Textile Mills Limited	-	61,000	-	61,000	-	-	-	-	-	-	
Brabbin Fibres Limited	-	479,500	-	589,900	20,000	1,294,494	1,128,400	(166,094)	0.52	0.01	
Nahat Churani Limited	245,000	260,000	104,000	16,000	10,000	128,912	282,577	102,265	0.05	0.01	
Narnal Mills Limited	-	18,000	-	18,000	-	-	-	-	-	-	
Pakistan Textiles Right	-	6,790	-	6,790	-	-	-	-	-	-	
Masood Textile Mills Limited	-	247,872	-	16,000	247,872	4,378,039	4,184,505	(943,634)	1.75	1.34	
Prosperity Weaving Mills Limited	-	55,000	-	55,000	-	-	-	-	-	-	
Sunji Cotton Limited	-	4,000	-	4,000	-	-	-	-	-	-	
Text Corporation Limited	-	12,500	-	12,500	-	-	-	-	-	-	
Pharma and Bio Tech	392,000	-	-	392,000	-	-	-	-	-	-	
Swachhthaiwa Pakistan Limited	-	1,040,920	-	1,127,000	305,500	6,394,267	6,418,555	24,288	2.68	0.01	
Telecommunication											
Pakistan Telecommunication Company Limited	-	966,257	-	4,782	361,795	11,615,141	12,598,715	780,574	4.64	0.03	
Hub Power Company Limited	-	50,000	-	24,800	26,500	82,110	73,185	(8,925)	0.03	0.00	
Kenshi Electric Supply Company Limited	-	258,000	-	80,000	148,000	7,817,998	6,865,296	(882,248)	3.01	0.02	
Kor Adu Power Company Limited	-	205,500	-	205,500	-	-	-	-	-	-	
Energy											
Kor Power Limited	-	77,600	-	77,600	-	-	-	-	-	-	
Sal North Gas Pipelines Limited	-	54,000	-	54,000	-	-	-	-	-	-	
Sal South Gas Company Limited	-	54,000	-	54,000	-	-	-	-	-	-	
Banks											
Allied Bank Limited	-	351,500	2,690	298,900	35,990	2,047,939	2,195,766	86,217	0.82	0.01	
Aff Habib Bank Limited	-	225,000	17,500	507,500	228,000	1,460,130	1,377,000	(113,130)	0.60	0.05	
Bank of Punjab	-	690,000	-	690,000	292,000	3,678,915	3,520,180	(158,735)	1.83	0.04	
The Bank of Punjab	-	890,000	-	659,500	202,000	4,692,289	4,488,109	(204,180)	1.83	0.05	
Bank Al Falah Limited	322,516	465,000	-	652,516	155,000	1,932,697	1,523,550	(20,663)	0.78	0.02	
Fayal Bank Limited	-	562,395	-	405,000	157,395	2,885,141	2,692,857	(182,284)	1.15	0.03	
Habib Bank Limited	22,100	194,600	-	146,700	-	-	-	-	-	-	
Habib Metropolitan Bank Limited	-	35,000	-	35,000	-	-	-	-	-	-	
ICF Bank Limited	684,500	150,000	-	1,000,000	719,496	3,959,690	3,228,297	(616,393)	1.53	0.19	
Meezan Bank Limited	38,096	215,400	-	238,467	15,000	3,115,954	3,183,600	19,048	1.25	0.00	
MCB Bank Limited	-	750,000	-	8,827	711,173	3,785,390	3,183,167	(692,193)	1.51	0.13	
Mybank Limited	-	29,695	-	593,100	-	-	-	-	-	-	
National Bank of Pakistan	204,100	417,500	29,695	390,000	-	-	-	-	-	-	
NIB Bank Limited	-	100,000	-	100,000	-	-	-	-	-	-	
Sidbank Limited	-	680,000	-	100,000	175,000	1,650,277	1,638,570	(28,907)	0.73	0.03	
Sindh Bank Limited	55,350	693,950	4,359	693,950	67,890	3,079,496	4,047,293	730,795	1.39	0.05	
Non Life Insurance											
Adamsji Insurance Company Limited	51,420	374,500	-	408,920	19,000	2,405,040	2,519,500	86,710	0.86	0.02	
EFU General Insurance Company Limited	38,800	13,197	-	51,997	55,000	1,444,949	1,983,950	(91,389)	0.89	0.10	
Pakistan Reinsurance Company Limited	16,100	146,000	-	109,100	-	-	-	-	-	-	
Shahen Insurance Company Limited	86,100	154,200	30,194	40,915	241,236	5,053,494	4,961,149	(642,346)	2.20	1.36	
ETU Life Assurance Limited	-	-	-	-	-	-	-	-	-	-	
Financial Services											
Freshoid Services	8,000	-	-	8,000	-	-	-	-	-	-	
Aff Habib Limited	120,000	-	-	15,000	-	-	-	-	-	-	
Aff Habib Equities Limited	210,000	-	-	679,000	120,000	10,919,710	6,871,685	(6,047,745)	4.37	0.11	
Aff Habib Securities Limited	40,000	-	-	40,000	188,000	7,596,018	7,208,890	(986,136)	3.04	0.02	
Swagor Subopt & Company Limited	174,377	490,000	-	54,377	40,000	739,914	865,800	(79,914)	0.38	0.01	
Equity Investment Instruments	-	129,000	-	129,000	-	-	-	-	-	-	
Fresh Equity Modaris	-	200,000	-	190,814	9,186	23,481	15,894	(7,477)	0.01	0.02	
Software and Computer Services	16,200	195,000	-	138,200	35,000	1,044,648	1,010,800	(33,848)	0.42		



Note	<u>March 31, 2010</u> Rupees	<u>June 30, 2009</u> Rupees
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**7 Due to Asset management company-
an associated company**

Remuneration @ 2% of annual average net assets	7.1	<u>3,695,552</u>	<u>4,144,100</u>
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7.1 The remuneration of the asset management company, First Capital Investments Limited, an associated company, has been calculated as required under Rule 61 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, which entitles the asset management company to a remuneration @ 2% of the average annual net assets of the Fund.

8 Contingencies and commitments

The Finance Act, 2008 brought an amendment in section 2 (f) of the Workers' Welfare Fund Ordinance, 1971 (the WWF Ordinance) with the intention to make the definition of "Industrial Establishment" applicable to any establishment to which the West Pakistan Shop and Establishment Ordinance, 1969 applies. As a result of this amendment, it can be construed that the WWF Ordinance is applicable to all Collective Investment Schemes (CIS) whose income exceeds Rs. 0.5 million in a tax year, thus rendering them liable to pay two percent of their total income (as defined in section 4 of the WWF Ordinance). However, during the period the Mutual Fund Association of Pakistan (MUFAP) has filed a constitutional petition in the High Court of Sindh praying it to declare that CIS are not liable to pay contribution to the WWF on the grounds that the CIS are not covered in the definition of Industrial Establishment. The legal proceedings in respect of the aforementioned petition are currently in progress.

The Management Company (a member of MUFAP) based on the advice of the MUFAP's legal counsel, is confident of a favorable decision and accordingly no provision for the aforementioned liability amounting to Rs. 1,364,479 has been made in this condensed interim financial information.

<u>March 31, 2010</u> Rupees	<u>March 31, 2009</u> Rupees
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9 Gain / (Loss) per share

Earnings/(loss) attributable to ordinary shareholders	<u>46,856,502</u>	<u>(145,224,118)</u>
Weighted average number of shares	<u>30,000,000</u>	<u>30,000,000</u>
Earnings/(loss) per share - basic	<u>1.56</u>	<u>(4.84)</u>

There is no dilutive effect on the basic earnings per share of the Fund.



<u>March 31, 2010</u> Rupees	<u>March 31, 2009</u> Rupees
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10 Transactions with related parties and connected persons

The transactions with related parties and connected persons are as follows:

**First Capital Investment Limited
- Asset Management Company**

Remuneration to Asset Management Company	3,695,552	3,126,466
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**Central Depository Company of Pakistan Limited
-custodian of the Fund**

Custodian fee	1,016,741	77,663
Custodian fee payable	137,856	-

11 Date of authorization for issue

This condensed interim financial information was authorized for issue on 23 April 2010 by the board of directors of the fund.

12 General

- These condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the fund.
- Figures have been rounded off to the nearest rupees.



**Condensed Interim Profit and Loss Account
In Relation to Investment Adviser (Un-audited)**
For the nine months ended March 31, 2010

	Nine Months Ended		Three Months Ended	
	March 31, 2010 Rupees	March 31, 2009 Rupees	March 31, 2010 Rupees	March 31, 2009 Rupees
Income				
Investment advisory fee	5,463,987	4,647,404	1,866,986	1,569,459
Unrealized gain/(loss) on remeasurement of investments at fair value through profit or loss	224,058	(2,805,029)	(284,381)	(861,760)
	5,688,045	1,842,375	1,582,605	707,699
Expenditure				
Operating expenses	5,793,128	10,160,742	2,902,732	3,258,155
Finance cost	42,879	80,836	9,776	25,998
	5,836,007	10,241,578	2,912,508	3,284,153
Operating loss	(147,962)	(8,399,203)	(1,329,903)	(2,576,454)
Other income/charges	4,362,516	4,084,920	1,595,744	1,217,728
Share of profit/(loss) from associates	10,393,955	(14,485,526)	(357,760)	(8,577,095)
Profit/(loss) before taxation	14,608,509	(18,799,809)	(91,919)	(9,935,821)
Taxation	1,381,513	(581,044)	205,795	(211,534)
Share of taxation from associates	192,514	36,886	84,752	12,162
Total Comprehensive Income/(loss)	13,034,482	(18,255,651)	(382,466)	(9,736,449)
Earnings/(loss) per share- Basic and Diluted	1.27	(1.78)	(0.04)	(0.95)

