

*First Capital Mutual Fund Limited*



*First Capital Mutual Fund Limited*



**CONDENSED FINANCIAL INFORMATION  
FOR THE PERIOD ENDED**

**MARCH 31, 2008  
(Un-Audited)**





## COMPANY INFORMATION

Board of Directors	Salmaan Taseer (Chairman) Kamran Hafeez (CEO) Mahmood Ali Athar Muhammad Naveed Tariq Khawaja Khalil Shah Ahmad Bilal Muhammad Musharraf Khan
Chief Financial Officer	Syed Kashan Kazmi
Audit Committee	Salmaan Taseer Muhammad Naveed Tariq Muhammad Musharraf Khan
Company Secretary	Amir Mahmood
Investment Committee	Kamran Hafeez Syed Kashan Kazmi Muhammad Asim
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants
Legal Adviser	Rehman Saleem & Tarar Advocates
Custodian	Central Depository Company of Pakistan Ltd.
Investment Advisers	First Capital Investments Limited 103-C/II, Gulberg-III, Lahore
Registered Office / Head Office	103-C/II, Gulberg-III Lahore, Pakistan ☎ (042) 5757591-4 Fax: (042) 5757590, 5877920
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited Ground Floor, State Life Building No.3, Dr. Ziauddin Ahmed Road, Karachi ☎ +92-21-5689021, +92-21-111-000-322







## DIRECTORS' REVIEW

The Directors of First Capital Mutual Fund Limited ("the fund") are pleased to present the financial information for the nine months ended 31 March 2008.

### Performance Review

#### Operating Results

The operating results for the nine months ended 31 March 2008 are summarized as follows:

*All figures in Rs.*

	March 31, 2008	March 31, 2007
Capital gain on listed securities	16,022,086	19,724,728
Unrealized gain	1,353,571	23,721,922
Dividend income	10,766,608	8,805,456
Other income	2,431,315	2,368,882
Operating expenses	8,018,968	8,068,979
Net income	21,703,652	46,135,380
Earnings per share	0.72	1.61
	March 31, 2008	June 30, 2007
Net assets value per share	13.41	12.68
KSE-100 Index	15,125	13,772

During the nine months of FY-08, your fund has posted a net income of Rs. 21.7 million against a net income of Rs. 46.1 million in the same period last year. This variation has mainly resulted from capital and unrealized gain of Rs. 17.4 million comparative to Rs 43.4 million in the same period last year. This is attributed towards the performance of the market 9.82% in this nine month period relative to 12.83% in the same period last year. In addition to that, a structural change in the performance contribution of index has also been observed during the period under review; liquid and blue chip stocks lagged the relatively small cap, illiquid scrips which exhibited tremendous appreciation in value. Our prudence based Investment Style restricted us from participating aggressively in such rallies.

Dividend income has contributed positively in the bottom, showing an increase of 22.3% relative to the same period last year.

During the nine months of FY-08, net asset value per share (NAV) of your Fund has increased by 5.76% against the 9.82% return of Benchmark KSE-100 index, underperformed the benchmark by 4.06%. Despite adversities in previous quarters, your fund has outperformed the index in this quarter by 145 bps and posted a return of 9.20% relative to 7.45% return of the benchmark KSE-100 index.

This attribution of performance is mainly towards the timely adaptation of strategies which aligned with the structural changes in market dynamics, as explained earlier. Your fund has revised its strategy to invest in blue chips only and has fine-tuned its investment strategy to construct a portfolio of blue chips combined with small cap stocks. Your fund has been restructuring its portfolio, in order to take a balanced exposure in blue chip scrips and small cap stocks. This strategy has led the NAV to 13.41 Rs. per share on 31 March 2008 as compared to 12.28 Rs per share on 31 December 2007.



Crescent Commercial Bank Limited has closed its custodial services; therefore, Fund has appointed Central Depository Company of Pakistan as its custodian after obtaining necessary approval from Securities and Exchange Commission of Pakistan (SECP).

### Market Outlook & Future Strategy

In spite of apprehensions at global and domestic front, the Karachi Stock Exchange has proved itself as one of the best markets of the world and touched the highest ever level in this quarter, showing an impressive performance of 7.45% for the three months ended 31 March 2008. The investors have shown confidence in market on the back of peaceful general election 2008 and smooth transition of power to the new government.

Erratic behavior of global markets, grim global outlook, highest ever commodities prices, albeit less correlation with our economy, poses a great risk to global economies & markets. At domestic front, the Country is facing challenges on economic front like inflation, current & fiscal account deficit, foreign exchange reserves energy crisis which can proved to be corrosive for the health of economy, even all this discounted in market on the hopes of immediate remedy by new economic managers.

The behavior of market will mostly depend upon direction of aforementioned factors including law and order situation, the economic policies of new managers, and capital market incentives in budget. We will hold the cautious investment approach mainly driven from professional and research based decisions.

Our stance will be cautious in market and shall take the exposure in, Oil Exploration and Production, Banks, Fertilizers, Cement and Communication sectors.

The Fund is in the process of conversion to open end from closed end subject to completion of necessary corporate and regulatory formalities. New Non Banking Finance Companies and Notified Entities Regulations, 2007 have been introduced by SECP along with amendments in the existing Non Banking Finance Companies (Establishment and Regulation) Rules, 2003.

### Acknowledgement

We are obliged 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 26, 2008

**Kamran Hafeez**  
Chief Executive Officer




**CONDENSED STATEMENT OF  
ASSETS & LIABILITIES**  
AS AT MARCH 31, 2008

	Note	(Un-Audited) March 31, 2008 Rupees	(Audited) June 30, 2007 Rupees
<b>Assets</b>			
<b>Non current asset</b>			
Long term deposit		137,500	37,500
<b>Current Assets</b>			
Investments at fair value through profit or loss	5	352,541,890	352,440,327
Dividend and other receivables		20,524,033	16,780,420
Bank balances		38,015,862	50,812,785
<b>Total assets</b>		<b>411,219,285</b>	<b>420,071,032</b>
<b>Current Liabilities</b>			
Due to investment adviser - an associated company	6	5,638,231	6,772,792
Trade and other payables		2,745,908	3,017,706
Provision for taxation		850,960	-
Dividend payable		-	30,000,000
<b>Total liabilities</b>		<b>9,235,098</b>	<b>39,790,498</b>
<b>Net assets</b>		<b>401,984,186</b>	<b>380,280,534</b>
<b>Share capital and reserves</b>			
Authorized share capital 35,000,000 (30 June 2007: 35,000,000) ordinary shares of Rs. 10 each		350,000,000	350,000,000
Issued, subscribed and paid up share capital		300,000,000	300,000,000
Undistributed income		101,984,186	80,280,534
		<b>401,984,186</b>	<b>380,280,534</b>
<b>Contingencies and commitments</b>	7		

The annexed notes 1 to 11 form an integral part of this interim financial information.

LAHORE

CHIEF EXECUTIVE

07

DIRECTOR


**CONDENSED INCOME STATEMENT (UN-AUDITED)**  
FOR THE PERIOD ENDED MARCH 31, 2008

	Note	NINE MONTHS ENDED		THREE MONTHS ENDED	
		March 31, 2008 Rupees	March 31, 2007 Rupees	March 31, 2008 Rupees	March 31, 2007 Rupees
<b>Income</b>					
Capital gain on listed securities		16,022,086	19,724,728	7,951,057	16,658,461
Dividend income		10,766,608	8,805,456	3,784,535	2,103,850
Other income		2,431,315	2,368,882	696,748	1,412,871
Unrealized gain on listed securities	5	1,353,571	23,721,922	24,826,367	27,363,414
		<b>30,573,580</b>	<b>54,620,988</b>	<b>37,258,707</b>	<b>47,538,596</b>
<b>Operating expenses</b>					
Listing, regulatory and central depository company fee		349,412	687,369	97,898	158,985
Remuneration to the investment Adviser		5,638,231	4,867,406	1,957,959	1,684,685
Securities and transaction cost		1,501,884	657,011	440,652	176,195
Legal and professional charges		185,000	115,000	105,000	-
Custodian fee		247,112	158,261	78,578	60,165
Auditors' remuneration		95,000	85,000	10,000	(5,000)
Bank charges		2,330	552	465	250
Take-up commission		-	1,498,380	-	-
		<b>8,018,968</b>	<b>8,068,979</b>	<b>2,690,551</b>	<b>2,075,280</b>
<b>Net income before taxation</b>		<b>22,554,612</b>	<b>46,552,009</b>	<b>34,568,156</b>	<b>45,463,316</b>
<b>Provision for taxation</b>					
- Taxation		850,960	416,629	244,202	81,549
<b>Net income for the period</b>		<b>21,703,652</b>	<b>46,135,380</b>	<b>34,323,954</b>	<b>45,381,767</b>
<b>Earnings per share - Basic</b>	8	<b>0.72</b>	<b>1.61</b>	<b>1.14</b>	<b>1.51</b>

The annexed notes 1 to 11 form an integral part of this interim financial information.

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DIRECTOR




**CONDENSED CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2008**

	<b>NINE MONTHS ENDED</b>	
	<b>March 31, 2008 Rupees</b>	<b>March 31, 2007 Rupees</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income before taxation	22,554,612	46,552,009
Adjustment for:		
Dividend income	(10,766,608)	(8,805,456)
Unrealized gain due to change in fair value of listed securities	(1,353,571)	(23,721,922)
	(12,120,179)	(32,527,378)
Operating income before working capital changes	10,434,433	14,024,631
(Increase)/decrease in current assets		
Investments in listed securities	1,252,008	(74,907,444)
Other receivables	(2,243,909)	(2,449,951)
	(991,901)	(77,357,395)
Increase/(decrease) in current liabilities		
Due to investment adviser	(1,134,561)	1,392,656
Trade and other payables	(363,153)	3,434,821
	(1,497,715)	4,827,477
Cash generated from/(used) in operations	7,944,818	(58,505,287)
Tax Paid	(483,043)	(290,758)
Dividend Received	9,749,947	8,332,581
<b>Net cash generated from/(used) in operating activities</b>	<b>17,211,722</b>	<b>(50,463,464)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Security deposit	(100,000)	-
<b>Net cash used in investing activities</b>	<b>(100,000)</b>	<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	(29,908,645)	(29,592,413)
Proceeds from issue of right shares	-	149,838,000
<b>Net cash (used) in/generated from in Financing activities</b>	<b>(29,908,645)</b>	<b>120,245,587</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(12,796,923)</b>	<b>69,782,123</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>50,812,785</b>	<b>6,573,863</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>38,015,862</b>	<b>76,355,986</b>

The annexed notes 1 to 11 form an integral part of this interim financial information.

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DIRECTOR

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**CONDENSED DISTRIBUTION STATEMENT (UN-AUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2008**

	<b>NINE MONTHS ENDED</b>	
	<b>March 31, 2008 Rupees</b>	<b>March 31, 2007 Rupees</b>
Unappropriated income brought forward	80,280,534	25,880,778
Income for the period	21,703,652	46,135,380
Dividend of Re. Nil (2006: Re. 1/-) per share for the year 2007	-	(30,000,000)
Unappropriated income carried forward	101,984,186	42,016,158

The annexed notes 1 to 11 form an integral part of this interim financial information.

LAHORE

CHIEF EXECUTIVE

DIRECTOR

**CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2008**

	<b>Issued, subscribed and fully paid up Share capital Rupees</b>	<b>Share deposit money (right issue) Rupees</b>	<b>Accumulated (loss)/un- appropriated income Rupees</b>	<b>Total Rupees</b>
<b>Balance as at July 01, 2006</b>	150,000,000	162,000	25,880,778	176,042,778
Income for the nine months ended March 31, 2007	-	-	46,135,380	46,135,380
Share Deposit Money - right issue	-	149,838,000	-	149,838,000
Right shares issued	150,000,000	(150,000,000)	-	-
Final Dividend @ Re 1/- per share for the year 2006	-	-	(30,000,000)	(30,000,000)
<b>Balance as at March 31, 2007</b>	<b>300,000,000</b>	<b>-</b>	<b>42,016,158</b>	<b>342,016,158</b>
<b>Balance as at July 01, 2007</b>	300,000,000	-	80,280,534	380,280,534
Income for the nine months ended March 31, 2008	-	-	21,703,652	21,703,652
<b>Balance as at March 31, 2008</b>	<b>300,000,000</b>	<b>-</b>	<b>101,984,186</b>	<b>401,984,186</b>

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DIRECTOR

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**CONDENSED STATEMENT OF MOVEMENT  
IN RESERVES - PER SHARE (UN-AUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2008**

	<b>NINE MONTHS ENDED</b>	
	<b>March 31, 2008 Rupees</b>	<b>March 31, 2007 Rupees</b>
<b>Net assets per share as at 01 July</b>	<b>12.68</b>	11.74
Dilution due to issuance of 100% right shares at par i.e. Rs. 10 per share	-	(5.87)
Net gain from transactions in listed securities	<b>0.53</b>	0.66
Unrealized gain on listed securities	<b>0.05</b>	0.79
Net profit for the period excluding net gain from sale of listed and unrealized gain on listed securities	<b>0.13</b>	0.09
Profit for the period - per share	<b>0.72</b>	1.54
Final dividend for the year ended June 30, 2006 @ Rs.1/- per share	-	(1.00)
Proceeds from issue of right shares	-	4.99
	-	3.99
<b>Net assets per share as at 31 March</b>	<b>13.40</b>	11.40

The annexed notes 1 to 11 form an integral part of this interim financial information.

LAHORE

CHIEF EXECUTIVE

DIRECTOR



**NOTES TO THE CONDENSED FINANCIAL  
INFORMATION  
FOR THE PERIOD ENDED MARCH 31, 2008**

**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 was registered with the Securities and Exchange Commission of Pakistan ("Commission") as an Investment Company under the Investment Companies and Investment Advisor's Rules, 1971. The Investment Companies and Investment Advisor's Rules, 1971, have been repealed by the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. Subsequently, the Fund has been registered with the Commission as an investment company under the Non Banking Finance Companies (Establishment & Regulations) Rules, 2003. The object of the fund is to carry on the business of a close-ended mutual fund and to invest its assets in securities, which are listed or proposed to be listed on the stock exchange.

The Fund has an agreement with First Capital Investments Limited, an associated company, to provide investment advisory services. Securities and Exchange Commission of Pakistan Limited vide its letter No. NBFC-II/AD/FCMF/95/2008 has approved Central Depository Company of Pakistan Limited as custodian of the company in place of Crescent Commercial Bank Limited.

**2 Basis of preparation**

The condensed interim financial information is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984 and as required under Regulation 46 (f) of the NBFC and Notified Entities Regulations, 2007 (NBFC Regulations) and Listing Regulations of Lahore Stock Exchange.

On 21 November 2007, Securities and Exchange Commission of Pakistan (SECP) has notified NBFC Regulations containing revised disclosures for annual financial statements and interim financial information in schedule IV. However, as per a clarification received by Mutual Funds Association of Pakistan (MUFAP) from SECP, schedule IV is currently not applicable on the quarterly and half yearly financial information. Therefore, this condensed interim financial information is presented on the same basis as last.

**3 Significant accounting policies**

Accounting policies adopted for the preparation of these condensed financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2007.

**4 Estimates**

The preparation of condensed financial information requires management to make judgments, estimates and assumption 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 judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2007.



5. Investments at fair value through profit or loss

Ordinary fully paid shares/certificates have a face value of Rs. 10 each unless stated otherwise.

Name Of Company	Number of Shares/certificates				Balance as at March 31, 2008				Percentage in relation to			
	Holding at the beginning of the period	Purchased during the period	Bonus/Right received during the period	Sale during the period	Holding at the end of the period	Cost	Carrying Amount	Market Value	Own net assets		Number of shares of investee company	
									At Cost	At Market Value	At Cost	At Market Value
<b>Investment Companies / Banks</b>												
First Capital Equities Limited	483,750	-	36,150	423,500	96,400	1,091,248	4,241,600	7,422,800	0.27	1.85	0.11	0.34
Arif Habib Securities Limited	60,000	155,000	-	140,000	75,000	13,552,500	13,628,242	13,233,750	3.37	3.29	0.03	4.25
Pakistan Industrial Credit and Investment Corporation Limited	50,000	-	-	50,000	-	1,685,750	1,685,725	1,861,250	-	0.46	0.04	0.53
<b>Commercial Banks</b>												
Bank Al Faah Limited	-	350,000	11,500	300,000	61,500	3,250,890	2,993,328	3,324,075	0.81	0.83	0.01	1.02
Bank Alfalah Limited	-	50,000	15,000	15,000	85,000	4,025,450	4,065,993	3,525,500	1.95	1.97	0.01	1.26
Bank Faysal Limited	-	50,000	4,300	25,000	44,500	11,960,030	11,992,120	12,237,300	2.96	3.04	0.01	3.76
BankIslami Pakistan Limited	-	148,500	-	-	148,500	-	-	-	-	-	-	-
Askari Bank Limited (formerly Askari Commercial Bank Limited)	80,000	293,000	11,300	80,000	110,300	15,242,096	26,041,360	25,939,700	3.79	6.43	0.01	4.78
National Bank of Pakistan Limited	63,500	133,000	22,500	100,000	32,500	16,622,630	14,404,997	14,661,250	3.99	3.65	0.01	5.06
United Bank Limited	104,344	140,000	10,000	253,278	8,984	-	-	-	-	-	-	-
The Bank of Punjab	104,344	140,000	10,000	253,278	8,984	-	-	-	-	-	-	-
MCB Bank Limited	64,750	203,700	-	200,000	68,450	21,762,308	27,441,297	28,440,975	5.41	7.08	0.01	6.83
Meezan Bank Limited	-	50,000	-	50,000	-	-	-	-	-	-	-	-
Alfalah Bank Limited	-	100,000	-	100,000	-	-	-	-	-	-	-	-
<b>Insurance Companies</b>												
Metropolitan Life Assurance Company Limited	-	17,500	-	17,500	-	-	-	-	-	-	-	-
Adamanjee Insurance Company Limited	-	35,000	-	35,000	-	-	-	-	-	-	-	-
P.F.U General Insurance Company Limited	-	35,000	-	35,000	-	-	-	-	-	-	-	-
New Jubilee Life Insurance Company Limited	-	10,000	-	10,000	-	-	-	-	-	-	-	-
<b>Textile Composite</b>												
Nishat Mills Limited	80,000	315,000	-	240,000	155,000	16,321,500	17,940,025	16,654,750	4.06	4.14	0.10	5.12
Awami Textile Mills Limited	-	75,000	-	75,000	-	3,237,000	3,237,000	3,172,000	0.81	0.78	0.05	1.02
<b>Synthetic &amp; Rayon</b>												
Dewan Saiman Fibers Limited	100,000	-	-	100,000	-	-	-	-	-	-	-	-
<b>Sugar and Allied Industries</b>												
C.D.W. Sugar Mills Limited	-	10,000	-	10,000	-	-	-	-	-	-	-	-
Fauji Cement Company Limited	-	100,000	-	50,000	100,000	2,123,000	2,122,500	1,490,000	0.53	0.37	0.01	0.67
Al-Abbas Cement Industries Limited	41,512	50,000	-	71,000	151,512	599,848	790,233	664,648	0.15	0.15	0.01	0.19
Lucky Cement Company Limited	150,512	85,000	-	345,000	164,032	18,033,215	18,033,215	18,033,215	4.67	4.67	0.06	5.09
Lucy Cement Company Limited	145,000	261,500	-	78,500	61,500	6,820,965	7,946,083	8,594,625	1.70	2.14	0.02	2.14
<b>Refinery</b>												
Attock Refinery Limited	-	78,500	-	10,000	35,000	13,049,300	13,049,275	11,612,500	3.24	2.24	0.04	4.09
National Refinery Limited	-	45,000	-	45,000	-	33,332	37,32,271	3,375,181	1.43	1.39	0.07	1.81
<b>Pakistan Tobacco Limited</b>												
Pakistan Tobacco Limited	-	30,000	-	10,000	30,000	4,955,100	4,955,049	4,200,000	1.23	1.04	0.01	1.56
<b>Power Generation and Distribution</b>												
Hub Power Company Limited	100,000	75,000	-	10,000	175,000	5,843,250	6,433,735	5,591,250	1.45	1.39	0.02	1.83
Hydro Electric Power Company Limited	55,000	88,500	-	24,700	8,000	4,251,600	4,251,628	4,267,600	1.06	1.06	0.00	1.33
<b>Oil &amp; Gas Marketing Companies</b>												
Pakistan State Oil Limited	-	10,000	-	135,500	-	-	-	-	-	-	-	-
Attock Petroleum Limited	60,000	270,000	-	285,000	45,000	14,539,500	15,882,030	16,533,000	3.62	4.11	0.02	4.56
Oil & Gas Exploration Companies	285,000	160,000	-	210,000	265,000	23,291,400	32,700,523	35,483,500	7.04	8.83	0.01	8.88
Oil & Gas Refining Company Limited	70,000	225,000	9,500	94,500	-	23,281,175	23,767,553	24,669,225	5.79	6.14	0.01	7.30
<b>Balance C/F</b>						<b>236,560,906</b>	<b>266,060,275</b>	<b>271,557,594</b>				

Name of Company	Number of Shares/certificates				Balance as at March 31, 2008				Percentage in relation to			
	Holding at the beginning of the period	Purchased during the period	Bonus/Right received during the period	Sale during the period	Holding at the end of the period	Cost	Carrying Amount	Market Value	Own net assets		Number of shares of investee company	
									At Cost	At Market Value	At Cost	At Market Value
<b>Balance B/F</b>						<b>236,560,906</b>	<b>266,060,275</b>	<b>271,557,594</b>				
<b>Engineering</b>												
Present Steel and Allied Products Limited	-	80,000	-	35,000	45,000	4,036,950	4,037,692	3,798,000	1.00	0.94	0.09	1.27
Sazgar Engineering Works Limited	-	200	-	200	-	-	-	-	-	-	-	-
<b>Automobile Assembler</b>												
Indus Motors Limited	25,000	10,000	-	25,000	10,000	3,020,700	3,090,714	2,850,000	0.75	0.71	0.01	0.95
Pakistan Suzuki Motor Company Limited	15,000	8,700	-	9,000	14,700	4,593,603	5,732,119	3,748,500	1.14	0.93	0.02	1.44
<b>Technology &amp; Communication</b>												
Pakistan Telecommunication Company Limited	260,000	315,000	-	160,000	415,000	23,443,350	20,594,085	18,841,000	5.83	4.69	0.01	7.36
TRG Pakistan Limited	50,000	275,000	-	325,000	-	4,858,717	4,858,717	3,683,750	1.18	0.92	0.09	1.49
Eye Television Network Limited	-	15,000	-	15,000	-	939,750	939,750	1,065,000	0.23	0.26	0.03	0.30
Nesol Technology Limited	-	53,000	-	53,000	-	6,361,590	6,361,537	6,187,750	1.58	1.54	0.09	2.00
<b>Fertilizer</b>												
Enpro Chemicals Limited	93,495	165,000	-	227,900	30,595	8,019,561	10,091,773	9,909,721	1.99	2.47	0.02	2.52
Fauji Fertilizer Company Limited	146,500	85,000	-	115,000	116,500	12,810,340	14,254,381	16,368,250	3.19	4.07	0.02	4.02
Fauji Fertilizer Bin Qasim Limited	325,000	395,500	-	591,000	129,500	4,674,950	5,841,680	5,872,825	1.16	1.46	0.01	1.47
<b>Chemical</b>												
ICI Pakistan Limited	-	20,000	-	-	20,000	4,028,200	4,028,206	4,010,000	1.00	1.00	0.01	1.26
Berger Paints Limited	-	900	-	900	-	-	-	-	-	-	-	-
Slara Chemicals Limited	-	7,000	-	7,000	-	-	-	-	-	-	-	-
Abbot Laboratories (Pakistan) Limited	-	12,900	-	12,900	-	-	-	-	-	-	-	-
<b>Pharmaceuticals</b>												
BOC (Pakistan) Limited	-	10,000	-	10,000	-	3,144,400	3,144,405	2,628,500	0.78	0.65	0.04	0.99
<b>Paper &amp; Board</b>												
Searl Pakistan Limited	-	20,000	-	-	20,000	1,448,800	1,448,750	1,306,000	0.36	0.32	0.08	0.45
<b>Packages Limited</b>												
Century Paper and Board Mills Limited	-	67,900	-	67,900	-	704,200	704,235	710,000	-	-	-	-
<b>Glass &amp; Ceramics</b>												
Ghani Glass Limited	-	64,700	3,235	67,935	-	-	-	-	0.18	0.18	-	0.22
<b>Miscellaneous</b>												
Tin-Pack Films Limited	20,000	-	-	20,000	-	-	-	-	-	-	-	-
<b>Total</b>						<b>318,542,050</b>	<b>351,183,319</b>	<b>352,541,890</b>				
<b>30 June 2007</b>						<b>266,333,505</b>	<b>293,947,610</b>	<b>352,440,327</b>				

5.1 Net assets are as defined in rule 2 (XIV) of the Non Banking Finance Companies (Notified Entities) Regulations, 2007.  
5.2 The percentage in relation to the own net assets (of the Fund) has been calculated in relation to the cost and market value of the respective investments.  
5.3 The percentage in relation to the investee company's paid up capital has been calculated with reference to the number of shares held in that investee company.





		Un-audited March 31, 2008 Rupees	Audited June 30, 2007 Rupees
Note			

## 6 Due to investment adviser - an associated company

Remuneration @ 2% of annual average net assets	6.1	<u>5,638,231</u>	<u>6,772,792</u>
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6.1 The remuneration of the investment Adviser First Capital Investments Limited, an associated company, has been calculated as required under Rule 53 of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 which entitles the Investment Adviser to a remuneration @ 2% of the average annual net assets of the Fund.

## 7 Contingencies and commitments

There are no contingencies or commitments at the balance sheet date. (June 30, 2007: Nil).

NINE MONTHS ENDED	
Un-audited March 31, 2008 Rupees	Un-audited March 31. 2007 Rupees

## 8 Earning per share - Basic

Income attributable to ordinary shareholders	<b>Rupees</b>	<b>21,703,652</b>	46,135,380
Weighted average number of shares	<b>Shares</b>	<b>30,000,000</b>	28,631,387
Earnings per share	<b>Rupees</b>	<b>0.72</b>	1.16

## 9 Transactions with related parties and connected persons

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

NINE MONTHS ENDED	
Un-audited March 31, 2008 Rupees	Un-audited March 31. 2007 Rupees

### Associates

Take-up commission		-	<b>973,947</b>
Fee to investment adviser	9.1	<b>5,638,231</b>	<b>1,636,521</b>

9.1 Amount due to related party at the year end is disclosed on note 6 of this financial information.



## 10 Date of authorization

These financial statements were authorized for issue on April 26, 2008 by the Board of Directors.

## 11 General

- Figures have been rounded off to the nearest of rupee.
- Corresponding figures have been re-arranged, where necessary, for the purpose of comparison. Listing, regulatory and central depository company fee, legal and professional charges, custodian fee, auditors' remuneration and bank charges have been shown on the face of income statement, previously these have been disclosed in administrative expenses.





**STATEMENT OF INCOME AND EXPENDITURE  
IN RELATION TO THE INVESTMENT COMPANY (UN-AUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2008**

	NINE MONTHS ENDED		THREE MONTHS ENDED	
	March 2008	March 2007	March 2008	March 2007
	Rupees	Rupees	Rupees	Rupees
<b>Income</b>				
Investment advisory fee	8,027,714	6,754,996	2,785,281	2,341,452
Dividend income	-	430,880	-	-
Capital Loss	-	(708,674)	-	-
Take-up commission	-	149,838	-	-
Unrealized loss on remeasurement of investments at fair value through profit or loss	(603,232)	(387,792)	(86,176)	(258,528)
	<u>7,424,482</u>	<u>6,239,248</u>	<u>2,699,105</u>	<u>2,082,924</u>
<b>EXPENDITURES</b>				
Operating expenses	9,980,109	7,906,565	2,702,313	2,783,099
<b>OPERATING LOSS</b>	<u>(2,555,627)</u>	<u>(1,667,317)</u>	<u>(3,208)</u>	<u>(700,175)</u>
Other charges/(income)	5,675	146,413	428	(7,585)
Share of profit from associates	2,255,461	4,655,201	3,456,815	4,546,332
<b>(LOSS) / PROFIT BEFORE TAXATION</b>	<u>(305,840)</u>	<u>2,841,471</u>	<u>3,453,180</u>	<u>3,853,742</u>
Taxation	(642,194)	122,884	53,033	(63,644)
Share of taxation from associates	85,096	41,663	24,420	8,155
<b>PROFIT AFTER TAXATION</b>	<u>251,258</u>	<u>2,676,924</u>	<u>3,375,727</u>	<u>3,909,231</u>
<b>Earnings per share- Basic and Diluted</b>	<u>0.07</u>	<u>0.70</u>	<u>0.89</u>	<u>1.03</u>

LAHORE

CHIEF EXECUTIVE

DIRECTOR

