

*First Capital Mutual Fund Limited*



*First Capital Mutual Fund Limited*



**CONDENSED FINANCIAL STATEMENT  
FOR THE QUARTER ENDED**

**30 SEPTEMBER 2007  
(Un-Audited)**



## COMPANY INFORMATION

Board of Directors	Salmaan Taseer (Chairman) Kamran Hafeez (CEO) Khawaja Khalil Shah Muhammad Naveed Tariq Mahmood Ali Athar Muhammad Musharaf Khan Ahmad Bilal
Chief Financial Officer	Syed Kashan Kazmi
Audit Committee	Salmaan Taseer Muhammad Naveed Tariq Muhammad Musharaf 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	Crescent Commercial Bank Limited
Investment Advisers	First Capital Investments Limited 103-C/II, Gulberg-III, Lahore
Registered Office / Head Office	103-C/II, Gulberg-III Lahore, Pakistan Tel: +92 42 5757591-4 Fax: +92 42 5757590, 5877920
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, 5689021





## DIRECTORS' REVIEW

The Directors of First Capital Mutual Fund Limited ("the fund") are pleased to present the quarterly financial statements for the period ended September 30, 2007.

### Performance Review

#### *Operating Results*

The operating results for the first quarter of FY 07/08 are summarized as follows:

*All figures are in Rs.*

	Sept 30, 2007 2007	Sept 30, 2006 2006
Net (loss)/gain on sale of listed securities	(1,437,877)	960,255
Unrealized (loss)/gain	(11,255,283)	5,575,587
Dividend income	2,796,350	1,697,500
Other income	909,996	188,726
Operating expenses	2,417,916	4,089,030
Net (loss)/income	(11,409,331)	4,248,163
Earnings per share	(0.38)	0.16

	Sept 30, 2007 2007	June 30, 2007 2006
Net assets value per share	12.30	12.68
KSE-100 Index	13,352	13,772

During the first quarter of FY07/08, your Fund has incurred a net loss of Rs. 11.4 million against net profit after tax of Rs. 4.2 million in the corresponding period last year. Unrealized loss stood at 11.2 million against unrealized gain of 5.6 million in the same period last year. The variation in performance is mirroring the difference in performance of market during the same period relative to previous year. KSE-100 experienced a decline of 3.05% in 1QFY07/08 against an increase of 6.8% in 1QFY06/07. During the period, KSE-100 declined to 11,958 points on 27 August 2007 from the opening index of 13,929 as at 02 July 2007. Thereafter, it showed significant recovery and these conducive sentiments led the recovery of the market to its highest level and this bullish trend is still continued.



Dividend income has increased by 65%, which remained the major source of revenue in the declining market. Other Income has also shown significant increase mainly because of higher deposits maintained during the period in view of bearish pattern exhibited by the stock market. Operating expenses have declined by 41% mainly because of a one-off expense incurred in 1QFY06 for take-up commission in respect of rights issue. NAV has declined by 3% during the period from Rs. 12.68 per share at 30 June 2007 to Rs. 12.30 per share at 30 September 2007. Performance of NAV however, remained closely aligned with the benchmark KSE-100 and your Fund outperformed by 0.06% in this quarter.

### **Market Outlook & Future Strategy**

Our exposure to market has remained high during the period which itself manifests our positive outlook on the market. Subsequent to the close of quarter i.e. during the month of October 2007 market has appreciated by 7%, breaching all previous record highs. We stand firm on the confidence in the attractive fundamentals of the market however at the same time we are also not oblivious to the political risks and unnerving volatility that markets may resultantly witness. Our market has returned from a record level of +14,000 and had corrected downwards not because of overvaluation concerns rather because of exogenous variables. We expect increased volatility to remain a part of market until political stability is restored. As things are visible from here, a smooth transition towards a democratic government shall bode well towards market performance in the near future.

On the economic front, risks posed by continuing high deficit and inflation may put pressure on economic performance and respective targets of 4.0% and 6.5% appear to be a daunting task for economic managers. On the positive increasing foreign investment (US\$ 460 million in Jul-Aug-07), record levels of foreign reserves (US\$ 16.5 billion) indicate good economic health while political risk in country is substantial.

We intend to broadly maintain the overweight stance on Oil & Gas Exploration, Banks, Fertilizers, Cements, Oil & Gas Marketing Companies and Automobile sectors.



**Acknowledgement**

We are obliged to our shareholders for their support & confidence in the Fund and would like to thank the Securities and Exchange Commission of Pakistan (SECP) and the Stock Exchanges for their guidance and support.

For and on behalf of the Board

LAHORE  
October 27, 2007

KAMRAN HAFEEZ  
Chief Executive Officer



**CONDENSED STATEMENT OF ASSETS AND LIABILITIES  
AS AT 30 SEPTMEBER 2007**

	Note	(Un-Audited) 30 September 2007 Rupees	(Audited) 30 June 2007 Rupees
<b>ASSETS</b>			
<b>Non current asset</b>			
Long term deposit		37,500	37,500
<b>Current assets</b>			
Investments at fair value through profit or loss	4	331,198,341	352,440,327
Dividend and other receivables		13,966,385	16,780,420
Bank balances		36,991,579	50,812,785
<b>Total assets</b>		<b>382,193,805</b>	<b>420,071,032</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Due to investment adviser - an associated company		8,571,221	6,772,792
Trade and other payables		4,751,381	3,017,706
Dividend payable		-	30,000,000
<b>Total liabilities</b>		<b>13,322,602</b>	<b>39,790,498</b>
<b>Net assets</b>		<b>368,871,203</b>	<b>380,280,534</b>
<b>Share capital and reserves</b>			
Authorised share capital 35,000,000 (June 2007: 35,000,000) ordinary shares of Rs. 10 each		350,000,000	350,000,000
Issued, subscribed and paid up capital		300,000,000	300,000,000
Undistributed income		68,871,203	80,280,534
<b>Contingencies and commitments</b>	5	<b>368,871,203</b>	<b>380,280,534</b>

The annexed notes from 1 to 9 form an integral part of these condensed financial statements.

LAHORE

CHIEF EXECUTIVE

DIRECTOR



**CONDENSED INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2007**

	Note	July to Sept 2007 Rupees	July to Sept 2006 Rupees
<b>Income</b>			
Net (loss)/gain on listed securities		(1,437,877)	960,255
Unrealized (loss)/gain on listed securities	4	(11,255,283)	5,575,587
Dividend income		2,796,350	1,697,500
Other income		909,996	188,726
		<u>(8,986,814)</u>	<u>8,422,068</u>
<b>Operating expenses</b>			
Listing, regulatory and central depository company fee		174,171	560,616
Remuneration to the investment adviser	6	1,798,430	1,636,521
Securities and transaction cost		383,686	393,263
Custodian fee		60,000	-
Bank charges		1,630	250
Take-up commission		-	1,498,380
		<u>2,417,917</u>	<u>4,089,030</u>
<b>Net (loss)/income before taxation</b>		<b>(11,404,731)</b>	<b>4,333,038</b>
Taxation		4,600	84,875
<b>Net (loss)/income for the period</b>		<b>(11,409,331)</b>	<b>4,248,163</b>
<b>Earnings per share - basic and diluted</b>		<b>(0.38)</b>	<b>0.16</b>

The annexed notes from 1 to 9 form an integral part of these condensed financial statements.



**CONDENSED CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2007**

	July to Sept 2007 Rupees	July to Sept 2006 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (loss)/income before taxation	(11,404,731)	4,333,038
Adjustment for:		
Dividend income	(2,796,350)	(1,697,500)
Unrealized loss/(gain) due to change in fair value of listed securities	11,255,283	(5,575,587)
	<u>8,458,933</u>	<u>(7,273,087)</u>
Operating loss before working capital changes	(2,945,798)	(2,940,049)
(Increase)/decrease in current assets		
Investments in listed securities	9,986,703	(109,840,274)
Other receivables	4,230,767	(188,029)
	<u>14,217,470</u>	<u>(110,028,303)</u>
Increase/(decrease) in current liabilities		
Due to investments adviser-an associated company	1,798,430	1,636,521
Trade and other payables	(965,198)	5,901,508
	<u>833,232</u>	<u>7,538,029</u>
Cash generated from/(used) in operations	12,104,904	(105,430,323)
Tax paid	(133,207)	(3,517)
Dividend received	1,508,225	839,625
	<u>1,375,018</u>	<u>836,108</u>
<b>Net cash generated from/(used) in operating activities</b>	<b>13,479,922</b>	<b>104,266,431</b>
<b>Cash flow from financing activities</b>		
Dividend paid	(27,301,128)	-
Proceeds from issue of right shares	-	149,838,000
<b>Net cash (used) in/generated from financing activities</b>	<b>(27,301,128)</b>	<b>149,838,000</b>
<b>Net (decrease)/increase in cash and cash equivalents of the period</b>	<b>(13,821,206)</b>	<b>43,571,569</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>36,991,579</b>	<b>50,145,432</b>

The annexed notes from 1 to 9 form an integral part of these condensed financial statements.



**CONDENSED DISTRIBUTION STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2007**

	Jul - Sept 2007 Rupees	July - Sept 2006 Rupees
Undistributed income brought forward	80,280,534	25,880,778
Net (loss)/income for the period	(11,409,331)	4,248,163
<b>Undistributed income carried forward</b>	<b>68,871,203</b>	<b>30,128,941</b>

The annexed notes 1 to 9 form an integral part of these condensed financial statements.

LAHORE CHIEF EXECUTIVE DIRECTOR

**CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2007**

	Issued, subscribed and paid up capital	Share deposit money (right issue)	Un- distributed income	Total
Rupees				
Balance as at 30 June 2006	150,000,000	162,000	25,880,778	176,042,778
Share deposit money - right issue	-	149,838,000	-	149,838,000
Right shares issued	150,000,000	(150,000,000)	-	-
Net income for the period	-	-	4,248,163	4,248,163
<b>Balance as at 30 September 2006</b>	<b>300,000,000</b>	<b>-</b>	<b>30,128,941</b>	<b>330,128,941</b>
Balance as at 30 June 2007	300,000,000	-	80,280,534	380,280,534
Net loss for the period	-	-	(11,409,331)	(11,409,331)
<b>Balance as at 30 September 2007</b>	<b>300,000,000</b>	<b>-</b>	<b>68,871,203</b>	<b>368,871,203</b>

The annexed notes 1 to 9 form an integral part of these condensed financial statements.

LAHORE CHIEF EXECUTIVE DIRECTOR



**CONDENSED STATEMENT OF MOMENT IN RESERVES -  
PER SHARE (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2007**

	Jul - Sept 2007 Rupees	July - Sept 2006 Rupees
<b>Net assets per share as at 01 July</b>	<b>12.68</b>	11.74
Dilution due to issue of 100% right shares at par value i.e. Rs. 10 per share	-	(5.87)
Net (loss)/gain from transactions in listed securities	(0.05)	0.03
Unrealized (loss)/gain on listed securities	(0.38)	0.19
Net income/(loss) for the period excluding realized/un-realized (loss)/gain on listed securities	0.04	(0.08)
Net (loss)/income for the period - per share	(0.38)	0.16
Proceeds from issue of right shares	-	4.99
<b>Net assets per share as at 30 September</b>	<b>12.30</b>	<b>11.00</b>

The annexed notes 1 to 9 form an integral part of these condensed financial statements.

LAHORE CHIEF EXECUTIVE DIRECTOR

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS  
(UN-AUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2007**

**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. The custodian of the fund is Crescent Commercial Bank Limited.

**2** These condensed financial statements are unaudited and are being submitted to the shareholders under section 245 of the Companies Ordinance 1984 and are in accordance with the directives issued by Securities and Exchange Commission of Pakistan.

These condensed financial statements have been prepared in accordance with the requirements of International Accounting Standard-34 "Interim Financial Statements".

**3** Accounting policies adopted for the preparation of these condensed financial statements 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. Investments at fair value through profit or loss**

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

SECTOR/NAME OF COMPANY	NUMBER OF SHARES/CERTIFICATES				BALANCE AS AT 30, SEPTEMBER 2007				PERCENTAGE IN RELATION TO					
	Holdings at the beginning of the period*	Purchased during the period	Bonus/ Shares received during the period	Sales during the period	Holdings at the end of the period	Cost Rupees	Carrying Amount Rupees	Market Value Rupees	Unrealized gain/(Loss) Rupees	Own net assets		Total Investment		
										At Cost	Market Value	At Cost	Market Value	
<b>Investment Companies / Banks</b>														
First Capital Equities Limited	483,750	-	-	-	483,750	5,771,138	34,056,000	34,176,938	120,938	1.56	9.27	0.90	2.12	10.32
Pakistan Industrial Credit & Investment Corporation Limited	50,000	-	-	50,000	-	-	-	-	-	-	-	-	-	-
Arif Habib Limited	60,000	30,000	1,000	20,000	11,000	2,184,050	2,051,659	1,946,450	(105,209)	0.59	0.53	0.06	0.80	0.59
Arif Habib Securities Limited	60,000	-	-	60,000	-	-	-	-	-	-	-	-	-	-
<b>Commercial Banks</b>														
National Bank of Pakistan Limited	83,500	65,000	-	60,500	88,000	10,824,000	22,977,689	21,472,000	(1,505,689)	2.93	5.82	0.01	3.97	6.48
Bank Alfalah Limited	80,000	50,000	-	50,000	-	-	-	-	-	-	-	-	-	-
Askari Commercial Bank Limited	104,344	-	-	80,000	79,344	6,862,462	9,243,576	8,093,088	(1,150,488)	1.86	2.19	0.02	2.52	2.44
The Bank of Punjab	64,750	45,000	-	25,000	34,750	8,711,477	11,573,814	11,571,750	(2,064)	2.36	3.14	0.01	3.20	3.49
MCB Bank Limited	50,000	50,000	-	50,000	50,000	1,672,500	1,762,500	90,000	90,000	0.45	0.48	0.01	0.61	0.53
Mezban Bank Limited	25,000	25,000	-	23,700	23,700	2,922,210	2,922,210	2,701,800	(220,410)	0.79	0.73	0.00	1.07	0.82
Allied Bank Limited	40,000	35,000	-	35,000	75,000	15,702,000	15,590,250	13,462,500	(2,127,750)	4.26	3.65	0.01	5.76	4.06
<b>Insurance</b>														
Metropolitan Life Assurance Company Limited	-	17,500	-	-	17,500	191,100	191,025	266,875	75,850	0.05	0.07	0.08	0.07	0.08
<b>Textile Composite</b>														
Nisat Mills Limited	80,000	40,000	-	20,000	100,000	10,017,000	12,975,000	11,860,000	(1,295,000)	2.72	3.17	0.06	3.68	3.53
<b>Sugar &amp; allied Industries</b>														
J.D.W Sugar Mills Limited	-	10,000	-	1,600	8,400	612,780	612,801	582,120	(30,681)	0.17	0.16	0.03	0.22	0.18
<b>Synthetic &amp; Rayon</b>														
Dewan Sahman Fibre Limited	100,000	-	-	100,000	-	-	-	-	-	-	-	-	-	-
<b>Cement</b>														
Dewan Cement Limited	41,512	-	-	41,512	599,848	720,233	720,233	552,110	(168,123)	0.16	0.15	0.03	0.22	0.17
D.G Khan Cement Company Limited	150,055	10,000	-	20,000	140,055	13,599,340	16,234,909	15,406,050	(828,859)	3.69	4.18	0.06	4.99	4.65
Lucky Cement Limited	145,000	145,000	-	170,000	120,000	12,752,400	15,268,260	15,390,000	321,740	3.46	4.17	0.05	4.66	4.85
Fauji Cement Company Limited	-	100,000	-	100,000	100,000	2,123,000	2,122,500	1,835,000	(287,500)	0.38	0.50	0.03	0.78	0.55
<b>Tobacco</b>														
Pakistan Tobacco Company Limited	-	20,000	-	-	20,000	3,352,600	3,352,600	3,200,000	(152,600)	0.91	0.87	0.01	1.23	0.97
<b>Refinery</b>														
National Refinery Limited	-	10,000	-	-	-	-	-	-	-	-	-	-	-	-
Attock Refinery Limited	-	15,000	-	15,000	-	-	-	-	-	-	-	-	-	-
<b>Power Generation and Distribution</b>														
Hub Power Company Limited	100,000	75,000	-	-	175,000	5,843,250	6,433,735	5,890,000	(553,735)	1.58	1.59	0.02	2.14	1.78
<b>C/F</b>						<b>103,741,165</b>	<b>157,996,761</b>	<b>149,979,181</b>	<b>(6,017,580)</b>					

SECTOR/NAME OF COMPANY	NUMBER OF SHARES/CERTIFICATES				BALANCE AS AT 30, SEPTEMBER 2007				PERCENTAGE IN RELATION TO				
	Holdings at the beginning of the period*	Purchased during the period	Bonus/Rights received during the period	Sales during the period	Holdings at the end of the period	Cost	Carrying Amount	Market Value	Unrealized gain/(Loss)	Own net assets		Total Investment	
										At Cost	Market Value	At Cost	Market Value
B/F						Rupees	Rupees	Rupees	Rupees	%	%	%	%
						103,741,155	157,998,761	149,979,181	(8,019,580)				
<b>Oil &amp; Gas Marketing Companies</b>													
Pakistan State Oil Company Limited	55,000	-	-	10,000	45,000	16,680,600	17,615,250	16,224,750	(1,390,500)	4.52	4.40	0.03	6.12
<b>Oil &amp; Gas Exploration Companies</b>													
Pakistan Oil Fields Limited	60,000	30,000	-	35,000	55,000	16,200,800	17,255,563	17,022,500	(233,063)	4.39	4.61	0.03	5.95
Pakistan Petroleum Limited	285,000	10,000	-	295,000	30,975,000	30,975,000	35,568,010	33,925,000	(1,439,010)	8.40	9.20	0.01	11.37
Engineering	70,000	70,000	-	55,000	85,000	20,321,050	22,505,186	22,610,000	104,614	5.67	6.13	0.01	7.68
Sazgar Engineering Works Limited	-	200	-	200	-	-	-	-	-	-	-	-	-
<b>Automobile Assembler</b>													
Indus Motors Limited	25,000	10,000	-	-	35,000	10,572,450	10,817,499	11,550,000	732,501	2.87	3.13	0.04	3.88
Pak Suzuki Motor Company Limited	15,000	6,000	-	-	21,000	6,478,710	8,176,780	8,101,600	(74,980)	1.76	2.20	0.03	2.38
<b>Technology &amp; Communication</b>													
TRG Pakistan Limited	260,000	35,000	-	60,000	235,000	13,587,700	13,411,802	12,337,500	(1,074,302)	3.68	3.34	0.01	4.99
Fertilizer	50,000	125,000	-	-	175,000	2,859,500	2,963,748	2,546,250	(417,498)	0.78	0.69	0.05	1.05
Engro Chemical Limited	93,495	35,000	-	100,000	28,495	6,293,121	7,084,692	7,405,950	321,156	1.71	2.01	0.02	2.31
Fauji Fertilizer Company Limited	146,500	85,000	-	95,000	136,500	15,009,540	16,701,485	15,697,500	(1,003,985)	4.07	4.26	0.03	5.51
Fauji Fertilizer Bin Qasim Limited	325,000	345,500	-	316,000	354,500	12,662,740	16,033,503	15,704,350	(329,153)	3.43	4.26	0.04	4.65
<b>Chemicals</b>													
Berger Paints Limited	-	900	-	900	-	-	-	-	-	-	-	-	-
Silara Chemicals Limited	-	7,000	-	7,000	-	-	-	-	-	-	-	-	-
<b>Paper &amp; Board</b>													
Pakistan Paper Mills Limited	-	46,100	-	5,000	41,100	12,123,267	12,123,292	14,385,000	2,261,708	3.29	3.90	0.06	4.45
Glass & Ceramics	-	54,700	-	-	54,700	4,402,256	4,402,053	3,708,660	(693,393)	1.19	1.01	0.07	1.62
Ghani Glass Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Miscellaneous</b>													
Tri-Pack Films Limited	20,000	-	-	20,000	-	-	-	-	-	-	-	-	-
<b>30-Sep-2007</b>						<b>272,507,889</b>	<b>342,453,624</b>	<b>331,198,341</b>	<b>(11,255,283)</b>				
<b>30 June 2007</b>						<b>266,333,505</b>	<b>293,947,610</b>	<b>352,440,327</b>	<b>58,492,717</b>				

\* Holdings at the beginning of period represents balance as at 01 July 2007.

4.1 Net assets are as defined in rule 2 (XXXIV) of the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003.

4.2 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.

4.3 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.

## 8 Contingencies and commitments

These are same as reported in the annual financial statements of the Fund for the year ended 30 June 2007.

July - Sept 2007	July - Sept 2006
Rupees	Rupees

## 6 Remuneration to the investment adviser

Average annual net assets after charging remuneration of Investment Adviser and annual fee to SECP

<b>359,686,000</b>	<b>327,304,045</b>
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Remuneration @ 2% of annual average net assets

<b>1,798,430</b>	<b>1,636,521</b>
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## 7 Transactions with related parties and connected persons

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

July - Sept 2007	July - Sept 2006
Rupees	Rupees

### Associates

Take up commission - 973,947  
Fee to investment adviser 1,798,430 1,636,521

## 8 Date of authorisation for issue

These financial statements were authorised for issue on 27 October 2007 by the board of directors.

## 9 General

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





**CONDENSED PROFIT AND LOSS ACCOUNT  
IN RELATION TO THE INVESTMENT ADVISER (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2007**

	<b>Jul - Sept 2007 Rupees</b>	<b>July - Sept 2006 Rupees</b>
<b>INCOME</b>		
Investment advisory fee	2,547,687	2,242,198
Capital gain	-	29,700
Take-up commission	-	149,838
Unrealized gain on remeasurement of investments at fair value through profit or loss	21,544	-
	<u>2,569,231</u>	<u>2,421,736</u>
<b>EXPENDITURES</b>		
Operating expenses	2,320,921	1,692,916
	<u>248,310</u>	<u>728,820</u>
<b>OPERATING PROFIT</b>		
Other charges	(2,111)	(43,332)
Share of (loss)/profit from associates	(1,140,473)	433,304
	<u>(894,274)</u>	<u>1,118,792</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		
Taxation	25,045	-
Share of taxation from associates	460	8,487
	<u>(919,779)</u>	<u>1,110,305</u>
<b>(LOSS)/ PROFIT AFTER TAXATION</b>		
<b>Earnings per share- Basic and Diluted</b>	<u>(0.24)</u>	<u>0.29</u>

LAHORE

CHIEF EXECUTIVE

DIRECTOR

