



Bachat ka Doosra Naam

Asset Manager Rating (by PACRA): **AM2+** (AM Two Plus)

Quarterly Report March 31, 2015 (Unaudited)



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Vision

To become synonymous with Savings.

Mission

To become a preferred Savings and Investment Manager in the domestic and regional markets, while maximizing stakeholder's value.

Core Values

The Company takes pride in its orientation towards client service. It believes that its key success factors include continuous investment in staff, systems and capacity building, and its insistence on universal best practices at all times.

COMPANY INFORMATION

Board of Directors

Mian Mohammad Mansha	Chairman
Mr. Nasim Beg	Executive Vice Chairman
Mr. Yasir Qadri	Chief Executive Officer
Dr. Syed Salman Ali Shah	Director
Mr. Haroun Rashid	Director
Mr. Ahmed Jahangir	Director
Mr. Samad A. Habib	Director
Mr. Mirza Mahmood Ahmad	Director

Audit Committee

Mr. Haroun Rashid	Chairman
Mr. Ahmed Jahangir	Member
Mr. Samad A. Habib	Member

Human Resource & Remuneration Committee

Dr. Syed Salman Ali Shah	Chairman
Mr. Nasim Beg	Member
Mr. Haroun Rashid	Member
Mr. Ahmed Jahangir	Member
Mr. Yasir Qadri	Member

Company Secretary & Chief Financial Officer

Mr. Muhammad Saqib Saleem

Share Registrar

Central Depository Company of Pakistan Ltd.

CDC House, 99-B, Block 'B' S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326034
Web: www.cdcPakistan.com

Bankers

MCB Bank Limited
Summit Bank Limited
Bank Al Habib Limited
Allied Bank Limited

Auditors

A.F. Ferguson & Co.
Chartered Accountants
(a member firm of PwC network)
State Life Building 1-C
I.I. Chundrigar Road, Karachi.

Legal Advisor

Akhund Forbes
D-21, Block-4, Scheme-5,
Clifton, Karachi.

Bawany & Partners

404, 4th Floor, Beaumont Plaza,
Beaumont Road, Civil Lines, Karachi-75530

Registered Office

MCB-Arif Habib Savings & Investments Limited

8th Floor, Techno City, Corporate Tower,
Hasrat Mohani Road, Karachi

Rating

Asset Manager: "AM2+" (PACRA)
Entity Ratings : "AA-" (PACRA)

DIRECTOR'S REPORT

FOR THE QUARTER ENDED MARCH 31, 2015

The Board of Directors of **MCB-Arif Habib Savings and Investments Limited (MCBAH)** is pleased to present the update on financial affairs of MCBAH for the nine months period ended March 31, 2015.

Company's Performance Review

The Company recorded a gross income of Rs.563 million, which includes management/investment advisory fee and other operating income. After accounting for administrative, operating & financial expenses and income sharing of Rs. 270 million, the company earned a profit before tax of Rs. 293 million. The net profit after tax for the period amounts to Rs. 212 million, as compared to net profit of Rs. 125 million for the corresponding period ended March 31, 2014. The company is expected to deliver better results going forward on the back of strengthening trend of funds under management and improvement in the performance of the equity market.

MARKET & ECONOMIC REVIEW

Economy & Money Market Review

In the wake of lower oil prices, macro-environment has stabilized with strengthening outlook. With oil prices hovering around \$55 per barrels at the end of March, 2015 in the international market, the crude has fallen by more than 50% from its peak level of around \$114 per barrel touched in June, 2014, largely benefiting the country in the shape of soft inflation and lower oil import bill.

Hence, on the heels of stable food prices and cut in fuel prices in the domestic market, Consumer Price Inflation averaged around 5.14% during the first nine months of the current fiscal year. If oil prices stabilize below \$60 per barrel, CPI is expected to persist in lower range during the last quarter of the current fiscal year.

While the country's current account deficit summed to \$1.64 billion during the first eight months of the current fiscal year (as per latest available data) as opposed to deficit of \$ 2.4 billion during the corresponding period last year. With trade deficit largely unchanged compared to the previous year, improvement in the current account balance came from larger Collation Support Fund proceeds and higher remittances. Import bill remained close to the last year's level, as benefit of lower oil bill was eroded by volumetric increase in imports of other segments. Whereas exports have slightly weakened in consideration of lower cotton prices, disruptive power supplies and the loss of competitiveness due to real exchange rate appreciation. With oil imports accounting for one-third of the country's total import bill, trade deficit is forecasted to narrow down in the coming months reflecting significant drop in oil prices.

Workers' Remittances summed to \$ 13.33 billion during the nine months period, marking a growth of 15 percent as compared to the corresponding period last year.

At the same time, financial account registered a surplus of \$ 2.5 billion as compared to a surplus of \$ 0.61 billion recorded during the same period last year. This is mainly due to increase in portfolio investments after the government successfully raised \$ 1 billion through Sukuk auction.

The country's FX reserves got an impetus from multilateral and bilateral disbursements, privatization proceeds, \$ 1 billion Sukuk auction, lower oil bill and SBP interventions. The reserves stood at around \$ 16 billion at the end of March, higher by around \$2 billion since the start of the current fiscal year. Out of total financing of around \$ 2.2 billion scheduled for FY15 under IMF Extended Fund Facility (EFF), the country has received two tranches of around \$ 540 million each during 9MFY15. Keeping in view lower inflationary pressure along with improving outlook on the balance of payment, the government had announced cut in the discount rate in the monetary policy held in November, January and March, bringing the discount rate to 8 percent from 10 percent at the start of the year. M2 has expanded by 4.87 percent during the 9MFY15 (till 27th March) as opposed to expansion of 5.21 percent during the same period last year. At the same time, the net borrowing from the banking system

DIRECTOR'S REPORT

FOR THE QUARTER ENDED MARCH 31, 2015

increased by Rs 521.62 billion as opposed to Rs 505.86 billion raised during the same period last year. Money market remained quite active during the 9MFY15, largely due to declining interest rate scenario stemming from sharp decline in oil prices. Participation largely remained concentrated in longer tenure paper causing strain on short term liquidity as the government sold a total of Rs 850 billion worth of PIBs against a target of Rs 600 billion during the first three quarters.

Equities Market Review

Stock market remained highly volatile during the year. The benchmark KSE-100 index which had surged by 8.4 percent during 1HFY15 fell by 6 percent during the 3QFY15.

Weak fundamentals in Index heavy weights i.e. Banking and Oil & Gas Sectors, liquidity outflow from foreign investor accounts and certain steps from regulators aimed at improvement in market transparency unnerved few investor segments which triggered sharp correction in the market in the 3QFY15. This can be gauged from the fact that offshore investors remained net sellers, with total outflow of around \$135 million in 3QFY15, as opposed to a net inflow of around \$121.5 million recorded during the 1HFY15.

Oil and Gas and Banking sectors remained the main contributors of dismal market performance during the third quarter. Declining trend with high volatility in oil prices didn't allowed Oil and Gas sector to perform while attractiveness of Banking sector was marred by regular reductions in discount rates. Monetary easing and low interest rate outlook on the back of lower expected inflation kept leveraged and high yielding sectors like Fertilizer and Electricity in the lime light. Cement sector was the beneficiary of both lower raw material and lower interest rate costs while Fertilizer and Electricity performed on the back of attractive yields.

The average turnover stood at around 197 million shares during the 9MFY15 as opposed to average volume of 214 million shares during the same period last year.

MARKET & ECONOMY - FUTURE OUTLOOK

The government expects reserve position to improve further towards the end of the ongoing fiscal year on the back of significant improvement in foreign direct investments and pledges made by multilateral agencies. The government is eyeing to raise foreign inflows through offloading its stake in HBL and the country is also expected to receive next tranche of US\$ 550 million from IMF in April. Remittances are expected to grow further, however, political distraction in the Middle Eastern region and lower oil prices pose risk to the ongoing northward trend.

Due to subsiding cost pressure, we expect manufacturing sectors, primarily, Auto, Cement and Consumer sectors to outperform the broader market. Moreover, continuation of expansionary environment suggests high-dividend yield companies to stay in the limelight.

MUTUAL FUND INDUSTRY REVIEW

The Net Assets of the open end mutual fund industry stood at around Rs 453.7 billion at the end of March-2015, marking a growth of 17.2 percent during the first nine month of the current fiscal year. AUMs of Islamic Income funds and Money Market funds declined while Equity funds, Income funds and Islamic Equity funds registered growth.

In terms of the segment share, Income fund was the leader with a share of around 24.3 percent, followed by Money Market funds with 22.9 percent and Equity funds with 21.3 percent.

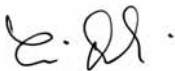
The double impact of FED and Sales tax on management fees of the fund continues to exert pressure on return of funds, especially fixed income funds. However, improved distribution, along with rapidly evolving technology platforms contribute towards growth.

DIRECTOR'S REPORT FOR THE QUARTER ENDED MARCH 31, 2015

MUTUAL FUND INDUSTRY OUTLOOK

Taxation concerns likely to keep pressure on growth particularly in case of yield sensitive fixed income investors. The Higher returns of fixed income funds covered for the excessive tax regime on unit-holders of mutual funds, however as yields bottom out, taxes will reappear more prominently in a low interest rate environment. Income funds reflected stellar performance by capitalizing on the downward shift in yield curve may now gradually reflect more of accrual yield and relatively lower capital gains although another round of significant moves in crude oil either side due to its implications for inflation outlook may bring the yield curve in limelight. While equity Funds are likely to continue to benefit from asset prices growth.

For and on behalf of Board

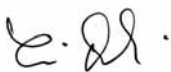


Yasir Qadir
Chief Executive Officer
April 24, 2015.

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2015

		(Unaudited) March 31, 2015	(Audited) June 30, 2014
	Note	-----Rupees-----	
ASSETS			
Non-current assets			
Fixed assets	4	373,887,415	384,746,339
Long-term investments	5	401,127,366	356,922,294
Long-term loans and receivables		2,753,885	5,082,907
Long-term deposits		1,221,536	1,511,236
Total non-current assets		778,990,202	748,262,776
Current assets			
Loans and advances		744,238	656,206
Deposits, prepayments and other receivables		11,815,995	13,533,790
Receivable from related parties		321,667,223	181,401,477
Short-term investments	6	681,204,118	600,560,776
Taxation - net		34,796,100	52,764,616
Cash and bank balances		7,534,818	10,554,360
Total current assets		1,057,762,492	859,471,225
Total assets		1,836,752,694	1,607,734,001
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
72,000,000 (June 30, 2014: 72,000,000) ordinary shares of Rs 10 each		720,000,000	720,000,000
Issued, subscribed and paid-up share capital		720,000,000	720,000,000
Reserves		666,540,427	622,095,830
Total equity		1,386,540,427	1,342,095,830
Surplus on revaluation of property and equipment - net of deferred tax		11,323,045	11,750,176
		1,397,863,472	1,353,846,006
LIABILITIES			
Non-current liabilities			
Deferred tax		56,109,759	47,931,810
Current liabilities			
Trade and other payables	7	382,779,463	205,956,185
Total liabilities		438,889,222	253,887,995
Total equity and liabilities		1,836,752,694	1,607,734,001
CONTINGENCIES AND COMMITMENTS			
	10	-	-

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



Chief Executive Officer


Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2015

		Nine months ended		Quarter ended	
	Note	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Rupees					
Revenue					
Management fee / investment advisory fee	8	457,448,121	371,144,514	165,377,467	130,266,574
Processing and other related income		4,557,561	722,283	719,525	256,664
Profit on bank deposits		1,652,679	1,612,587	323,240	533,913
Income from Government Securities		18,321,122	-	1,334,504	-
Capital gain on sale of investments - net		28,843,026	23,493,465	5,533,222	15,197,611
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		50,911,093	24,050,191	21,313,734	4,588,244
Other income		1,004,625	815,200	108,234	130,636
Total income		562,738,227	421,838,240	194,709,926	150,973,642
Expenses					
Administrative and operating expenses	9	(201,410,919)	(201,179,552)	(67,854,757)	(68,914,615)
Management / investment advisory / processing fee and other related income sharing		(62,985,698)	(58,405,584)	(23,736,583)	(19,302,612)
Financial charges		(5,579,169)	(231,038)	(28,097)	(230,588)
Total expenses		(269,975,786)	(259,816,174)	(91,619,437)	(88,447,815)
Profit for the period before taxation		292,762,441	162,022,066	103,090,489	62,525,827
Taxation					
- Current		(73,357,075)	(35,010,674)	(24,841,958)	(13,905,186)
- Prior		420,543	2,418,418	-	-
- Deferred		(8,177,949)	(4,617,991)	(1,992,421)	(498,221)
		(81,114,481)	(37,210,247)	(26,834,379)	(14,403,407)
Profit for the period after taxation		211,647,960	124,811,819	76,256,110	48,122,420
Earnings per share - basic and diluted (Rupees)		2.94	1.73	1.06	0.67

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



Chief Executive Officer

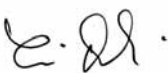


Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2015

	Nine months ended		Quarter ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	-----Rupees-----			
Profit for the period after taxation	211,647,960	124,811,819	76,256,110	48,122,420
Other comprehensive income for the period				
<i>Items that will be reclassified to profit or loss</i>				
Net unrealised appreciation / (diminution) on re-measurement of 'available for sale' less reclassification adjustment for gain included in the income statement	48,369,772	40,986,829	3,912,078	15,034,702
	48,369,772	40,986,829	3,912,078	15,034,702
Total comprehensive income for the period	<u>260,017,732</u>	<u>165,798,648</u>	<u>80,168,188</u>	<u>63,157,122</u>

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



Chief Executive Officer

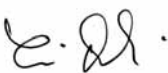


Director

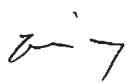
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2015

	Nine months ended	
	March 31, 2015	March 31, 2014
	-----Rupees-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period before taxation	292,762,441	162,022,066
Adjustments for non cash items:		
Depreciation	10,184,670	9,871,101
Amortisation	3,814,567	2,248,311
Loss / (Gain) on sale of fixed assets	91,680	80,870
Capital gain on sale of marketable securities	(28,843,026)	(23,493,465)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(50,911,093)	(24,050,191)
Financial charges	5,579,169	231,038
	(60,084,033)	(35,112,336)
CASH FLOW FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES	232,678,408	126,909,730
WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets		
Receivable from related parties	(140,265,746)	(79,580,850)
Deposits, prepayments and other receivables	1,717,795	(2,273,710)
Investments made-net	3,275,210	86,047,807
Loans and advances	(88,032)	(130,503)
	(135,360,773)	4,062,744
Increase / (decrease) in current liabilities		
Trade and other payables	176,823,278	81,995,763
NET CASH USED IN WORKING CAPITAL CHANGES	41,462,505	86,058,507
CASH FLOW FROM OPERATING ACTIVITIES	274,140,913	212,968,237
Income tax paid	(54,968,016)	(32,770,524)
Finance cost paid	(5,579,169)	(231,038)
Dividend paid	(216,000,000)	(162,000,000)
NET CASH FLOW FROM OPERATING ACTIVITIES	(2,406,272)	17,966,675
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(3,290,492)	(16,112,015)
Proceeds from sale of property plant and equipment	58,500	65,000
Long term loans and receivables	2,329,022	725,165
Long term deposits	289,700	-
NET CASH USED IN INVESTING ACTIVITIES	(613,270)	(15,321,850)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(3,019,542)	2,644,825
Cash and cash equivalents at the beginning of the period	10,554,360	4,794,987
Cash and cash equivalents at the end of the period	7,534,818	7,439,812

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



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE MONTHS MARCH 31, 2015

	Issued, subscribed and paid-up capital	Share premium	Deficit arising on amalgamation	Sub-total	Unappropriated profit	Unrealised appreciation on re-measurement of 'available for sale' financial assets	Sub-total	Total
Rupees								
Balance as at July 1, 2013	720,000,000	396,000,000	(60,000,000)	336,000,000	128,988,779	78,213,000	207,201,779	543,201,779
Final dividend for the year ended June 30, 2013 @ 10% declared subsequent to the year end	-	-	-	-	(72,000,000)	-	(72,000,000)	(72,000,000)
Total comprehensive income for the nine months ended March 31, 2014	-	-	-	-	124,811,819	40,986,829	165,798,648	165,798,648
Transferred from surplus on revaluation of fixed assets - net of tax	-	-	-	-	377,174	-	377,174	377,174
Interim dividend @ 12.5% (Rupee 1.25 per share)	-	-	-	-	(90,000,000)	-	(90,000,000)	(90,000,000)
	-	-	-	-	(36,811,007)	40,986,829	4,175,822	4,175,822
Balance as at March 31, 2014	720,000,000	396,000,000	(60,000,000)	336,000,000	92,177,772	119,199,829	211,377,601	547,377,601
Balance as at July 1, 2014	720,000,000	396,000,000	(60,000,000)	336,000,000	150,182,231	135,913,599	286,095,830	622,095,830
Final dividend for the year ended June 30, 2014 @ 15% declared subsequent to the year end	-	-	-	-	(108,000,000)	-	(108,000,000)	(108,000,000)
Total comprehensive income for the nine months ended March 31, 2015	-	-	-	-	211,647,960	48,369,772	260,017,732	260,017,732
Transferred from surplus on revaluation of fixed assets - net of tax	-	-	-	-	426,865	-	426,865	426,865
Interim dividend @ 15% (Rupee 1.50 per share)	-	-	-	-	(108,000,000)	-	(108,000,000)	(108,000,000)
	-	-	-	-	(3,925,175)	48,369,772	44,444,597	44,444,597
Balance as at March 31, 2015	720,000,000	396,000,000	(60,000,000)	336,000,000	146,257,056	184,283,371	330,540,427	666,540,427

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



Chief Executive Officer



Director

1 STATUS AND NATURE OF BUSINESS

- 1.1** MCB Arif Habib Savings and Investments Limited ("the Company") was incorporated in the name of Arif Habib Investment Management Limited (AHIML) on August 30, 2000 as an unquoted public limited company under the Companies Ordinance, 1984. During 2008, the Company was listed on the Karachi Stock Exchange by way of offer for sale of shares by a few of its existing shareholders to the general public. In the same financial year, the name of the Company was changed from "Arif Habib Investment Management Limited" to "Arif Habib Investments Limited" (AHIL).
- 1.2** On January 19, 2011 a transfer agreement was signed between Arif Habib Corporation Limited (AHCL) [the then parent of the Company] and MCB Bank Limited (MCB Bank) [the then parent of MCB Asset Management Company Limited (MCB AMC)] for the transfer of the entire business of MCB AMC to the Company to achieve synergies in business and to access a wider distribution network. The scheme of amalgamation ("the Scheme") was approved by the shareholders of the Company and MCB AMC in their respective extra ordinary general meetings held on May 21, 2011. The Securities and Exchange Commission of Pakistan (SECP) vide its order (through letter no. SCD/NBFC-II/MCBAMCL and AHIL/271/2011 dated June 10, 2011) under Section 282(L) of the Companies Ordinance, 1984 (the Sanction Order) approved the Scheme. As per the Sanction Order, the effective date of amalgamation was June 27, 2011 (the effective date). In accordance with the terms contained in the scheme of amalgamation, the Company became a subsidiary of MCB Bank Limited from the end of the year ended June 30, 2011 which continues to own 51.33% ordinary shares in the Company till date.

Subsequent to the completion of the merger, the SECP issued an order postponing the effective date of the merger to July 30, 2011 (through letter no. SCD/PR and DD/AMCW/MCB-AMCL and AHIL/348/2011 dated June 27, 2011). However, on the request of the Company, the SECP reviewed its aforementioned order and through letter no. SCD/AMCW/Mis/540/2013 dated May 17, 2013 issued a revised order under section 484(2) of the Companies Ordinance, 1984 to affirm the effective date of merger of MCB-AMC with AHIL as June 27, 2011. The latest order also endorsed the steps/actions taken by Company from June 27, 2011 to date.

Pursuant to the approval of merger, the name of the Company has been changed from Arif Habib Investments Limited to MCB-Arif Habib Savings and Investments Limited with effect from May 23, 2013.

- 1.3** The Company is registered as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 and as an Asset Management Company and an Investment Advisor under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003. It also manages discretionary portfolios on behalf of its clients. The registered office of the Company is situated at 8th Floor, Techno City, Corporate Tower, Molana Hasrat Mohani Road, Karachi, Pakistan.
- 1.4** The Company has been assigned an asset manager rating of "AM2+" and entity rating "AA-" by the Pakistan Credit Rating Agency Limited (PACRA) and, currently, has the following funds under management:

	Net assets value as at	
	March 31, 2015	June 30, 2014
	----- Rupees in million -----	
Open-end Collective Investment Scheme (CISs)		
MCB Cash Management Optimizer	9,072	10,181
MCB Dynamic Allocation Fund	1,840	779
MCB DCF Income Fund	14,017	11,102
MCB Islamic Income Fund	1,396	2,055
Metro Bank - Pakistan Sovereign Fund	9,133	2,496
Pakistan Capital Market Fund	486	365
Pakistan Cash Management Fund	1,646	3,148
Pakistan Income Enhancement Fund	1,468	1,677
Pakistan Income Fund	1,068	1,008
Pakistan International Element Islamic Asset Allocation Fund	509	411
MCB Pakistan Stock Market Fund	4,850	3,730
Pakistan Strategic Allocation Fund	338	358
Pakistan Sarmaya Mehfooz Fund	713	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

	Net asset value as at	
	March 31, 2015	June 30, 2014
	----- Rupees in millions -----	
Pension Funds		
Pakistan Islamic Pension Fund	387	321
Pakistan Pension Fund	737	595
Discretionary portfolio	11,325	7,207
The Company is also managing investments under discretionary portfolio management agreements, the details of which are given below:		
Number of clients	32	28
Total portfolio at cost (Rs in millions)	10,463	6,560
Total portfolio at market value (Rs in millions)	11,008	6,598
Fee earned (Rs in millions)	13	14

- 1.5** Pakistan Saramaya Mahfooz Fund (PSMF) was launched during the period. PSMF is a Capital Protected Fund with an objective to pay back investors the whole of their initial investment (net of Front-end load) i.e. Rs 100 per unit over the term of its two years life.

- 1.6** Pakistan Premier Fund and MCB Dynamic Stock Fund were merged into Pakistan Stock Market Fund on May 2, 2014.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

- a)** This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan. Wherever the requirements of the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.
- b)** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Company for the year ended June 30, 2014.
- c)** This condensed interim financial information is unaudited. However, a review has been performed by the statutory auditors in accordance with the requirements of the Code of Corporate Governance. The Board of Directors of the Company declares that this condensed interim financial information gives a true and fair view of the state of the Company's affairs.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

2.2 Accounting convention

This condensed interim financial information has been prepared under the historical cost convention except that investments have been marked to market and are carried at their respective fair values and building has been stated at revalued amount.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupee which is the Company's functional and presentation currency.

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, ASSUMPTIONS AND CHANGES THEREIN

The accounting policies applied for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published audited financial statements of the Company for the year ended June 30, 2014.

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The significant estimates, judgments and assumptions 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 annual financial statements as at and for the year ended June 30, 2014.

The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Company for the year ended June 30, 2014.

Certain amendments to approved accounting standards have been published and are mandatory for the Company's accounting period beginning on or after July 1, 2014. None of those amendments have a significant effect on this condensed interim financial information.

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
		----- Rupees -----	
4 FIXED ASSETS			
Property and equipment	4.1	89,773,407	96,943,764
Intangible assets	4.2	284,114,008	287,802,575
		<u>373,887,415</u>	<u>384,746,339</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

4.1 Property and equipment

Following is a statement of property and equipment:

	Computers	Building	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles	Total
Rupees							
As at July 1, 2014							
Cost / revaluation	29,871,094	84,494,665	13,064,852	15,602,037	2,725,000	7,662,267	153,419,915
Accumulated depreciation	(21,125,175)	(13,637,343)	(7,258,661)	(8,253,478)	(315,323)	(5,886,171)	(56,476,151)
Net book value	8,745,919	70,857,322	5,806,191	7,348,559	2,409,677	1,776,096	96,943,764
Nine months ended March 31, 2015							
Opening net book value	8,745,919	70,857,322	5,806,191	7,348,559	2,409,677	1,776,096	96,943,764
Revaluations during the period	-	-	-	-	-	-	-
Additions during the period	2,253,073	-	581,845	329,574	-	-	3,164,492
Disposals / transfers							
Cost / revaluation	(1,651,310)	-	(220,624)	(27,544)	-	-	(1,899,478)
Accumulated depreciation	1,546,613	-	193,734	8,952	-	-	1,749,299
	(104,697)	-	(26,890)	(18,592)	-	-	(150,179)
Depreciation for the period	(3,050,638)	(2,657,150)	(1,564,304)	(1,172,153)	(408,750)	(1,331,675)	(10,184,670)
Closing net book value	7,843,657	68,200,172	4,796,842	6,487,388	2,000,927	444,421	89,773,407
As at March 31, 2015							
Cost / revaluation	30,472,857	84,494,665	13,426,073	15,904,067	2,725,000	7,662,267	154,684,929
Accumulated depreciation	(22,629,200)	(16,294,493)	(8,629,231)	(9,416,679)	(724,073)	(7,217,846)	(64,911,522)
Net book value	7,843,657	68,200,172	4,796,842	6,487,388	2,000,927	444,421	89,773,407
Depreciation rates (% per annum)	25%	5%	20%	10%	20%	25%	
Year ended June 30, 2014							
Opening net book value	7,269,753	70,794,885	6,429,037	8,808,756	-	3,551,133	96,853,564
Revaluation during the period	-	3,694,665	-	-	-	-	3,694,665
Additions during the year	5,829,048	-	1,670,143	120,207	2,725,000	-	10,344,398
Disposals / transfers							
Cost	(322,766)	-	(696,180)	(30,120)	-	-	(1,049,066)
Accumulated depreciation	187,160	-	577,020	-	-	-	764,180
	(135,606)	-	(119,160)	(30,120)	-	-	(284,886)
Depreciation for the year	(4,217,276)	(3,632,228)	(2,173,829)	(1,550,284)	(315,323)	(1,775,037)	(13,663,977)
Closing net book value	8,745,919	70,857,322	5,806,191	7,348,559	2,409,677	1,776,096	96,943,764
As at June 30, 2014							
Cost / revaluation	29,871,094	84,494,665	13,064,852	15,602,037	2,725,000	7,662,267	153,419,915
Accumulated depreciation	(21,125,175)	(13,637,343)	(7,258,661)	(8,253,478)	(315,323)	(5,886,171)	(56,476,151)
Net book value	8,745,919	70,857,322	5,806,191	7,348,559	2,409,677	1,776,096	96,943,764
Depreciation rates (% per annum)	25%	5%	20%	10%	20%	25%	

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

4.1.1 The office premises of the Company was originally revalued by an independent professional valuer on November 20, 2007. The revaluation was carried out by M/s Pee Dee and Associates on the basis of professional assessment of present market values and resulted in a surplus of Rs 1.623 million. The Company revalued its office premises using the same independent professional valuer as on October 1, 2010. The said revaluation was based on market values prevailing at that time and resulted in a further surplus of Rs 15.260 million.

Office premises of the Company was again revalued on December 31, 2013 by an independent / professional valuer Sardar Enterprises on the basis of professional assessments of the market values. The revaluation resulted in a further surplus of Rs. 3.695 million. Had there been no revaluation, the carrying amount of the said office premises as at March 31, 2015 would have been Rs. 51.345 million (June 30, 2014: Rs. 53.345 million).

4.2 Intangible assets

The following is a statement of intangible assets:

	Computer software	Goodwill	Management rights	Total
Nine months ended March 31, 2015 (Unaudited)				
-----Rupees-----				
Opening net book value	13,675,642	82,126,933	192,000,000	287,802,575
Additions during the period	126,000	-	-	126,000
Transfer from CWIP	-	-	-	-
Amortisation for the period	(3,814,567)	-	-	(3,814,567)
Closing net book value	9,987,075	82,126,933	192,000,000	284,114,008

Amortisation rates (% per annum)

25%

-

-

	Computer software	Goodwill	Management rights	Total
Year ended June 30, 2014 (Audited)				
-----Rupees-----				
Opening net book value	4,720,900	82,126,933	192,000,000	278,847,833
Additions during the year	12,500,626	-	-	12,500,626
Disposals during the year	-	-	-	-
Amortisation for the year	(3,545,884)	-	-	(3,545,884)
Closing net book value	13,675,642	82,126,933	192,000,000	287,802,575

Amortisation rates (% per annum)

25%

-

-

(Unaudited) (Audited)
Note March 31, 2015 June 30, 2014
----- Rupees -----

5 LONG-TERM INVESTMENTS

Investments in units of mutual funds

Available-for-sale investments	5.1	401,127,366	356,922,294
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5.1 Available-for-sale

Name of the Investee fund	As at July 01, 2014	Purchase s during the period	Bonus units issued during the period	Redemption s/ reclassifications during the period	As at December 31, 2014	As at March 31, 2015			As at June 30, 2014		
						Cost	Market value	Unrealised appreciation on re-measurement of investments	Cost	Market value	Unrealised appreciation on re-measurement of investments
Number of units						Rupees					
Pakistan Pension Fund	852,196	-	-	-	852,196	108,396,061	198,877,803	90,481,742	108,396,061	175,418,882	67,022,821
Pakistan Islamic Pension Fund	905,160	-	-	-	905,160	112,534,000	202,249,563	89,715,563	112,534,000	181,503,412	68,969,412
						220,930,061	401,127,366	180,197,305	220,930,061	356,922,294	135,992,233

5.1.1 Net unrealised appreciation / (diminution) in value of investments classified as 'available-for-sale'

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
Rupees			
Market value of investments		401,127,366	356,922,294
Less: Cost of investments		(220,930,061)	(220,930,061)
		180,197,305	135,992,233
Less: Net unrealised appreciation in fair value of investments at the beginning of the period adjusted for amount realised on disposal		(135,992,233)	(78,213,000)
Add: Amount realised on redemption		-	3,775,560
		44,205,072	61,554,793

6 SHORT-TERM INVESTMENTS

Investments in units of mutual funds

At fair value through profit or loss
Available-for-sale investments

Investment in Pakistan Investment Bond

Available-for-sale investments

6.1	571,595,333	515,915,923
6.2	63,663,195	-
	635,258,528	515,915,923
6.2	45,945,590	84,644,853
	681,204,118	600,560,776

6.1 At fair value through profit or loss

Name of the Investee Fund	As at July 01, 2014	Purchases during the period	Bonus units issued during the period	Redemptions during the period	As at March 31, 2015	As at March 31, 2015					As at June 30, 2014				
						Carrying value	Market value	Unrealised appreciation on re-measurement of investments	Carrying value	Market value	Unrealised appreciation on re-measurement of investments	Carrying value	Market value	Unrealised appreciation on re-measurement of investments	
	2,584,797	65,088	-	1,819,710	830,175	84,322,633	92,897,324	8,574,691	239,021,793	261,330,685	21,708,892				
MCB DCF Income Fund	2,584,797	-	-	-	2,364,412	169,933,421	195,566,965	25,633,544		169,933,421	16,309,129				
MCB Dynamic Allocation Fund															
Metrobank Pakistan Sovereign Fund - Perpetual Scheme	1,569,142	5,661,760	-	2,233,886	4,997,016	266,428,186	283,131,044	16,702,858	77,000,000	78,519,864	1,519,864				
MCB Pakistan Stock Market Fund	98,018	-	-	98,018	-	-	-	-	6,000,000	6,131,953	131,953				
Pakistan Income Enhancement Fund	-	1,619,031	-	1,619,031	-	-	-	-	-	-	-				
MCB Cash Management Optimizer	-	2,676,380	-	2,676,380	-	-	-	-	-	-	-				
						520,684,240	571,595,333	50,911,093	476,246,085	515,915,023	39,669,838				

* The above mentioned investee funds are related parties of MCB - Arif Habib Savings and Investments Limited.

6.2 Available-for-sale investments

Particulars	As at July 01, 2014	Purchased during the year	Disposed during the year	As at March 31, 2015	As at March 31, 2015			As at June 30, 2014		
					Carrying Value	Market value	Unrealised appreciation/(depreciation) on re-measurement of investments	Carrying Value	Market value	Unrealised appreciation/(depreciation) on re-measurement of investments
Pakistan Investment Bonds (Rupees)	85,800,000	1,985,000,000	2,026,600,000	44,200,000	43,612,287	45,945,590	2,333,303	84,723,487	84,644,853	(78,634)
MCB Pakistan Stock Market Fund (Number of units)	-	850,541	1,245	849,296	61,910,432	63,663,195	1,752,763	-	-	-
					105,522,719	109,608,785	4,086,066	84,723,487	84,644,853	(78,634)

6.2.1 These Pakistan Investment Bonds have a cost of Rs. 43.6 million (30 June 2014: 84.6 million) and carry interest at the rate of 11.25% (30 June 2014: 11.25%) per annum.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

	Note	(Unaudited) March 31, 2015	(Audited) June 30, 2014
7	TRADE AND OTHER PAYABLES	-----Rupees-----	
Accrued expenses		85,932,534	65,572,749
Withholding tax payable		832,356	115,218
Indirect taxes and duties payable	7.1	225,278,903	108,366,838
Payable to facilitators/distributors		66,013,361	29,804,252
Markup payable on running finance	7.2	-	-
Unclaimed dividend		4,149,459	1,762,196
Others		572,850	334,932
		<u>382,779,463</u>	<u>205,956,185</u>

- 7.1** As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of law.

The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies together with their respective Collective Investment Schemes through their trustees, through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) on September 4, 2013 challenging the levy of FED. In this respect, the SHC has issued a stay order against the recovery of FED and the hearing of the petition is still pending.

Pending decision of the SHC, the Funds have stopped making payments for FED to their respective management companies. However, full provision in respect of FED effective June 13, 2013 is being made in the books of accounts.

- 7.2** This represents markup on running finance facility of Rs. 300 million obtained from MCB Bank Limited during the half year ended December 31, 2014. The facility carried mark-up at the rate of 1 months' KIBOR plus 0.5 % (June 30, 2014 : NIL), payable on quarterly basis. The facility was secured against pledge over Government Securities held by the Company.

8 MANAGEMENT FEE / INVESTMENT ADVISORY FEE

	Note	Nine months ended		Quarter ended	
		March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
		-----Rupees-----		-----Rupees-----	
From Collective Investment Schemes - related parties	8.1	592,739,695	486,688,693	213,933,512	170,144,650
From Discretionary Portfolio		17,496,097	12,723,367	6,680,028	5,142,053
		610,235,792	499,412,060	220,613,540	175,286,703
Less: Indirect taxes and duties on management fees		(152,787,671)	(128,267,546)	(55,236,073)	(45,020,129)
		<u>457,448,121</u>	<u>371,144,514</u>	<u>165,377,467</u>	<u>130,266,574</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

8.1 From Collective Investment Schemes - related parties

Note	Nine months ended		Quarter ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	-----Rupees-----		-----Rupees-----	
MCB Cash Management Optimizer	115,591,698	127,147,349	30,812,740	48,414,801
MCB Dynamic Allocation Fund	20,603,934	12,270,353	9,222,575	4,505,510
MCB DCF Income Fund	186,880,317	164,197,018	66,686,821	55,520,186
MCB Dynamic Stock Fund	-	19,664,740	-	6,655,342
MCB Islamic Income Fund	15,246,853	25,622,756	4,951,396	8,183,090
Metro - Bank Pakistan Sovereign Fund	59,235,439	7,691,680	31,187,145	2,493,417
Pakistan Capital Market Fund	8,641,404	7,284,135	3,425,903	2,223,899
Pakistan Cash Management Fund	26,250,535	31,825,065	5,986,595	11,905,208
Pakistan Income Enhancement Fund	23,601,409	15,841,013	8,277,738	4,375,402
Pakistan Income Fund	15,416,009	15,313,415	5,166,472	4,872,432
Pakistan International Element Islamic Asset Allocation Fund	8,744,519	4,801,305	3,312,684	1,681,397
Pakistan Islamic Pension Fund	5,330,301	3,676,992	1,925,213	1,306,357
Pakistan Pension Fund	10,035,351	6,839,704	3,640,625	2,354,332
Pakistan Premier Fund	-	12,710,318	-	4,797,559
MCB Pakistan Stock Market Fund	87,189,432	24,900,331	34,551,642	8,459,222
Pakistan Strategic Allocation Fund	7,373,490	6,902,519	2,433,483	2,396,496
Pakistan Sarmaya Mahfooz Fund	2,599,004	-	2,352,480	-
	592,739,695	486,688,693	213,933,512	170,144,650

9 ADMINISTRATIVE AND OPERATING EXPENSES

	Nine months ended		Quarter ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	-----Rupees-----		-----Rupees-----	
Salaries, allowances and other benefits	125,896,418	127,788,502	41,614,210	43,934,486
Marketing and advertising expenses	4,567,743	3,269,054	1,579,160	486,292
Legal and professional charges	9,346,892	10,240,734	3,935,622	4,078,761
Travelling and conveyance charges	1,993,198	2,020,093	680,815	433,100
Repairs and maintenance	16,371,236	18,641,438	5,203,391	6,037,625
Office supplies	375,717	441,638	63,874	264,757
Auditors' remuneration	1,700,000	1,350,000	300,000	450,000
Directors' meeting fee	550,000	800,000	100,000	250,000
Insurance	1,323,978	1,023,028	424,465	270,073
Depreciation	10,184,670	9,871,101	3,258,230	3,476,436
Amortisation	3,814,567	2,248,311	1,271,351	816,438
Stamp duty and taxes	175,863	897,729	156,334	749,363
Registrar fee	551,298	551,122	162,493	181,357
Printing and stationery	3,057,997	3,749,131	903,448	1,074,034
Utilities	2,802,284	2,836,613	284,444	1,176,622
Telephone expenses	4,470,952	4,586,485	2,660,712	1,665,211
Entertainment expenses	1,660,371	1,627,002	652,426	614,519
Books, periodicals and subscription	6,008,792	5,926,870	2,341,652	1,653,711
Miscellaneous expenses	6,558,943	3,310,701	2,262,130	1,301,830
	201,410,919	201,179,552	67,854,757	68,914,615

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as on March 31, 2015 and June 30, 2014.

11 TRANSACTIONS WITH RELATED PARTIES

MCB Bank Limited (MCB) holds 51.33% ordinary shares of the Company as the period end. Therefore, all its subsidiaries and associated undertakings of MCB are related parties of the Company. Other related parties comprise of Arif Habib Corporation Limited with a holding percentage of 30%, Arif Habib Limited and collective investment schemes managed by the Company, directors, key management personnel and their close family members and retirement benefit plan. Transactions with related parties are in the normal course of business and carried out at contracted rates and terms. Details of such transaction are as follows:

	Nine months ended	
	March 31	March 31
	2015	2014
	-----Rupees-----	
	-----Un-audited-----	
11.1 Transactions with related parties during the period		
CONTRIBUTIONS TO PENSION FUND	2,444,659	3,606,341
MCB BANK LIMITED		
Profit on bank deposits	1,492,390	1,457,494
Dividend paid	110,870,304	83,152,728
Branch sharing expenses	2,340,000	1,844,763
Reimbursement of expenses	9,000,000	8,250,000
Commission on distribution of units	30,730,000	28,491,685
Mark-up on running finance	5,270,143	-
Bank charges	309,026	231,038
ADAMJEE LIFE ASSURANCE COMPANY LIMITED		
Advisory income	9,013,016	7,591,907
Amount paid against life insurance	3,475,268	908,392
ADAMJEE INSURANCE COMPANY LIMITED		
Amount paid against vehicles' and other insurance	838,830	831,272
Dividend paid	9,532,770	3,396,340
MCB FINANCIAL SERVICES LIMITED		
Reimbursement of expenses	1,807,813	1,539,285
Trustee fee	1,403,171	-
SUMMIT BANK LIMITED		
Profit on bank deposits	160,290	155,093
Payment against compensation on outright sale	136,354	-
ARIF HABIB CORPORATION LIMITED		
Dividend paid	64,992,500	48,744,376
ARIF HABIB LIMITED		
Dividend paid	5,258,216	4,213,722

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

	Un-audited 31 March 2015	Un-audited 31 March 2014
	-----Rupees-----	
KEY MANAGEMENT PERSONNEL	42,661,386	37,946,250
EXECUTIVE DIRECTORS	12,004,047	19,025,019
MCB DCF INCOME FUND		
Remuneration income	140,090,193	122,025,132
Sales load	200,751	42,473
Investments in units	7,000,000	99,202,641
Redemption of units	189,000,000	313,000,000
MCB DYNAMIC STOCK FUND		
Remuneration income	-	14,614,105
Sales load	-	47,527
Investments in units	-	31,000,000
Redemption of units	-	31,194,034
MCB DYNAMIC ALLOCATION FUND		
Remuneration income	15,445,228	9,118,871
Sales load	106,937	155,868
Investments in units	-	95,000,000
Redemption of units	-	42,000,000
MCB CASH MANAGEMENT OPTIMIZER		
Remuneration income	86,650,448	94,491,193
Sales load	-	124,263
Investments in units	277,987,698	5,000,000
Redemption of units	278,503,660	-
MCB ISLAMIC INCOME FUND		
Remuneration income	11,429,425	19,041,882
Sales load	17,388	178,480
MCB PAKISTAN STOCK MARKET FUND		
Remuneration income	65,359,394	18,505,002
Sales load	329,380	37,385
Investments in units	61,995,537	-
Redemption of units	7,000,000	-
Amount received against conversion cost	1,135,912	-
PAKISTAN INCOME FUND		
Remuneration income	11,556,229	11,380,362
Sales load	11,246	4,494
PAKISTAN PREMIER FUND		
Remuneration income	-	9,445,837
Amount received against conversion cost	-	1,135,912

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

	(Unaudited) March 31, 2015	(Audited) March 31, 2014
	----- Rupees -----	
METRO BANK-PAKISTAN SOVERIGN FUND		
Remuneration income	44,404,377	5,716,171
Sales load	17,488	-
Investments in units	301,287,037	16,491,060
Redemption of units	117,600,000	50,000,000
PAKISTAN CAPITAL MARKET FUND		
Remuneration income	6,477,814	5,413,299
Sales load	67,862	2,860
PAKISTAN STRATEGIC ALLOCATION FUND		
Remuneration income	5,527,354	5,129,696
Sales load	6,587	5,918
Amount received against conversion cost	1,520,031	1,520,031
PAKISTAN PENSION FUND		
Remuneration income	7,522,752	5,083,014
Sales load	332,877	22,989
Redemption of units	-	11,100,000
PAKISTAN INTERNATIONAL ELEMENT ISLAMIC ASSET ALLOCATION FUND		
Remuneration income	6,555,112	3,568,152
Sales load	77,684	40,321
PAKISTAN ISLAMIC PENSION FUND		
Remuneration income	3,995,728	2,732,604
Sales load	67,188	13,313
Investments in units	-	1,000,000
PAKISTAN CASH MANAGEMENT FUND		
Remuneration income	19,678,062	23,651,208
PAKISTAN INCOME ENHANCEMENT FUND		
Remuneration income	17,692,211	11,772,453
Sales load	38,507	46,392
Investments in units	91,000,000	-
Redemption of units	92,033,856	-
PAKISTAN SARMAHA MAHFOOZ FUND		
Remuneration income	1,948,279	-
Sales load	3,283,666	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
Amount outstanding as at period end	----- Rupees -----	
MCB BANK LIMITED		
Bank balance	4,359,226	7,511,943
Receivable as share of expense	206,162	206,162
Other payable	9,022,765	3,382,765
Commission payable	32,346,064	6,870,556
ADAMJEE LIFE ASSURANCE COMPANY LIMITED		
Advisory fee receivable	8,155,563	9,135,094
ADMJEE INSURANCE COMPANY LIMITED		
Receivable against sale of software	2,000,000	2,000,000
MCB FINANCIAL SERVICES LIMITED		
Payable against monthly reimbursement	304,844	167,500
Payable against trustee fee	200,000	-
SUMMIT BANK LIMITED		
Bank balance	3,150,333	3,017,026
Mark up receivable	14,767	-
MCB DCF INCOME FUND		
Remuneration receivable	78,127,298	47,661,854
Sales load receivable	31,079,401	10,582,915
Closing balance of investment in units	92,897,324	261,330,685
MCB DYNAMIC ALLOCATION FUND		
Remuneration receivable	8,737,716	3,896,954
Sales load receivable	18,996,563	2,361,127
Closing balance of investment in units	195,566,965	169,933,421
MCB CASH MANAGEMENT OPTIMIZER		
Remuneration receivable	49,792,908	36,949,201
Sales load receivable	21,708	111,708
MCB ISLAMIC INCOME FUND		
Remuneration receivable	8,118,709	4,688,348
Sales load receivable	2,917,786	2,996,501

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	----- Rupees -----	
MCB PAKISTAN STOCK MARKET FUND		
Remuneration receivable	34,051,767	17,708,648
Share of load receivable	5,924,658	1,432,902
Other receivable	14,068	11,518
Conversion cost receivable	1,680,851	2,816,763
Closing balance of investment in units	63,663,195	6,131,953
PAKISTAN INCOME FUND		
Remuneration receivable	6,640,870	5,902,907
Share of load receivable	152,933	86,404
Other receivable	7,060	-
METRO BANK-PAKISTAN SOVEREIGN FUND		
Remuneration receivable	20,519,926	5,011,930
Share of load receivable	1,384,056	740,431
Closing balance of investment in units	283,131,044	78,519,864
PAKISTAN CAPITAL MARKET FUND		
Remuneration receivable	3,608,359	2,086,808
Share of load receivable	82,828	30,327
Other receivable	49,871	44,841
PAKISTAN STRATEGIC ALLOCATION FUND		
Remuneration receivable	3,064,218	2,730,500
Share of load receivable	80,604	37,918
Conversion cost receivable	2,082,764	3,602,795
PAKISTAN PENSION FUND		
Remuneration receivable	3,853,833	2,216,016
Share of load receivable	195,699	-
Closing balance of investment in units	198,877,803	175,418,882
PAKISTAN INTERNATIONAL ELEMENT ISLAMIC ASSET ALLOCATION FUND		
Remuneration receivable	3,361,964	1,700,221
Share of load receivable	512,948	609,094

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015**

	(Unaudited) March 31, 2015	(Audited) June 30, 2014
	----- Rupees -----	
PAKISTAN ISLAMIC PENSION FUND		
Remuneration receivable	2,055,724	1,179,868
Share of load receivable	42,487	105,289
Closing balance of investment in units	202,249,563	181,503,412
PAKISTAN SARMAHA MAHFOOZ FUND		
Remuneration receivable	1,061,795	-
Back end load receivable	48,571	-
Share of load receivable	2,261,634	-
Formation Cost	4,313,850	-
PAKISTAN CASH MANAGEMENT FUND		
Remuneration receivable	11,278,772	9,372,032
PAKISTAN INCOME ENHANCEMENT FUND		
Remuneration receivable	8,777,876	6,847,776
Share of load receivable	1,109,447	812,794
Others receivable	3,530	3,530

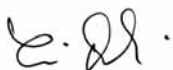
12 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 24, 2015 by the Board of Directors of the Company.

13 GENERAL

13.1 Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison or better presentation. No significant reclassification was made in this condensed interim financial information during the current period.

14 Amounts have been rounded off to the nearest Rupee unless otherwise stated.



Chief Executive Officer



Director

Please find us on



by typing: **Bachat Ka Doosra Naam**

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