

PSAF/6348/353/08  
23 April 2008

**FORM-7**

The General Manager  
Karachi Stock Exchange (Guarantee) Limited  
Stock Exchange Building  
Stock Exchange Road, Karachi.

**PAKISTAN STRATEGIC ALLOCATION FUND (PSAF)**  
**FINANCIAL RESULTS FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2008**

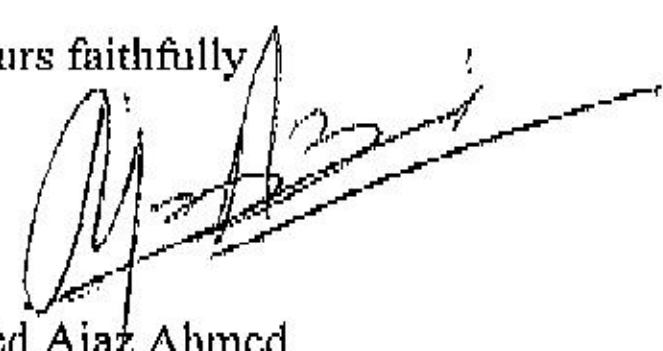
We have to inform you that the Board of Directors of Arif Habib Investment Management Limited (Management Company) of PSAF (the Fund) in their meeting held on 23 April 2008 at 3:00 p.m. at 2/1, R.Y.16, Old Queens Road, Karachi approved the following:

The financial results of the Fund are as follows:

|                                                                                                                   | <b>Nine months ended<br/>31 March</b> |                | <b>Quarter ended<br/>31 March</b> |                |
|-------------------------------------------------------------------------------------------------------------------|---------------------------------------|----------------|-----------------------------------|----------------|
|                                                                                                                   | <b>2008</b>                           | <b>2007</b>    | <b>2008</b>                       | <b>2007</b>    |
|                                                                                                                   | <b>----- (Rupees in '000) -----</b>   |                |                                   |                |
| <b>Income</b>                                                                                                     |                                       |                |                                   |                |
| Capital gain on sale of investments                                                                               | 110,107                               | 229,079        | 51,010                            | 76,053         |
| Income from Continuous Funding System                                                                             | -                                     | 4,908          | -                                 | 3,956          |
| Dividend income                                                                                                   | 128,389                               | 84,442         | 52,878                            | 13,797         |
| Profit on bank deposits                                                                                           | 33,994                                | 60,672         | 8,404                             | 32,845         |
|                                                                                                                   | <b>272,490</b>                        | <b>379,101</b> | <b>112,292</b>                    | <b>126,651</b> |
| Unrealised appreciation in fair value of investments<br>at fair value through profit or loss - 'held for trading' | <b>236,280</b>                        | <b>39,373</b>  | <b>254,020</b>                    | <b>212,334</b> |
| <b>Total income</b>                                                                                               | <b>508,770</b>                        | <b>418,474</b> | <b>366,312</b>                    | <b>338,985</b> |
| <b>Operating expenses</b>                                                                                         |                                       |                |                                   |                |
| Remuneration of Arif Habib Investment Management<br>Limited - Management Company                                  | <b>79,552</b>                         | <b>77,449</b>  | <b>27,040</b>                     | <b>25,946</b>  |
| Remuneration of Central Depository Company of Pakistan<br>Limited - Trustee                                       | <b>2,270</b>                          | <b>2,241</b>   | <b>743</b>                        | <b>723</b>     |
| Annual fee - Securities and Exchange Commission of Pakistan                                                       | <b>2,652</b>                          | <b>2,582</b>   | <b>902</b>                        | <b>865</b>     |
| Securities transaction cost                                                                                       | <b>5,047</b>                          | <b>12,967</b>  | <b>831</b>                        | <b>4,952</b>   |
| Custody, settlement and bank charges                                                                              | <b>509</b>                            | <b>692</b>     | <b>138</b>                        | <b>243</b>     |
| Fees and subscription                                                                                             | <b>232</b>                            | <b>267</b>     | <b>77</b>                         | <b>88</b>      |
| Auditors' remuneration                                                                                            | <b>678</b>                            | <b>397</b>     | <b>291</b>                        | <b>126</b>     |
| Amortisation of preliminary expenses and floatation costs                                                         | <b>3,645</b>                          | <b>3,642</b>   | <b>1,207</b>                      | <b>1,196</b>   |
|                                                                                                                   | <b>94,585</b>                         | <b>100,237</b> | <b>31,229</b>                     | <b>34,139</b>  |
| <b>Net income for the period</b>                                                                                  | <b>414,185</b>                        | <b>318,237</b> | <b>335,083</b>                    | <b>304,846</b> |
|                                                                                                                   | <b>----- (Rupees) -----</b>           |                |                                   |                |
| <b>Earnings per certificate</b>                                                                                   | <b>1.38</b>                           | <b>1.06</b>    | <b>1.12</b>                       | <b>1.02</b>    |

We will be sending you 300 copies of printed Accounts for distribution amongst the members of the Exchange.

Yours faithfully

  
Syed Ajaz Ahmed  
Company Secretary

**Arif Habib Investment Management Limited**

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