



PCM/4079/829/08
28 January 2008

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

Dear Sir,

PAKISTAN CAPITAL MARKET FUND (PCM)
FINANCIAL RESULTS FOR THE SIX MONTHS & QUARTER ENDED 31st DECEMBER 2007

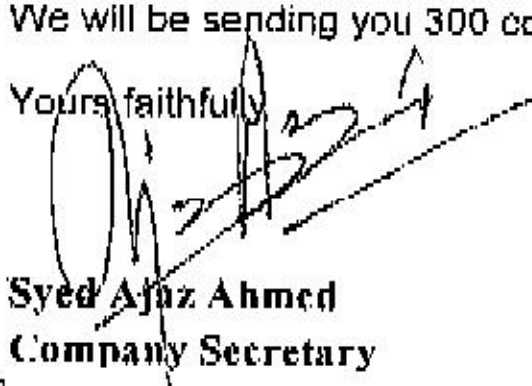
We are pleased to inform you that the Board of Directors of Arif Habib Investment Management Limited, (The Management Company) of Pakistan Capital Market Fund (PCM) in their meeting held on 26th January 2008, at 10:00 a.m. at 2/1 R.Y.16 Old Queens Road, Karachi, has approved the financial statements for the six months ended 31st December 2007.

The financial result of the Fund are as follows:

	Six Months Ended 31 December		Quarter Ended 31 December	
	2007	2006	2007	2006
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Income				
Capital gain on sale of investments	106,909	51,455	73,232	24,353
Income from Continuous Funding System	-	5,131	-	5,131
Income from Term Finance Certificates	2,619	7,534	1,519	3,780
Dividend income	23,599	14,787	15,957	8,249
Profit on bank deposits	5,283	5,373	2,082	3,025
Other income	1,075	673	186	81
	<u>139,485</u>	<u>84,953</u>	<u>92,976</u>	<u>44,619</u>
Unrealised appreciation / (diminution) in fair value of investment 'at fair value through profit or loss - held for trading'	12,828	(26,829)	2,972	(31,921)
Unrealised gain on revaluation of derivative financial instruments	-	65	-	65
Total income	<u>152,313</u>	<u>58,389</u>	<u>95,948</u>	<u>12,763</u>
Operating expenses				
Remuneration of Arif Habib Investment Management Limited - Management Company	18,594	20,499	9,474	10,127
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,123	1,187	588	589
Securities transaction cost	2,080	3,367	875	1,785
Bank charges	89	100	47	54
Annual fee - Securities and Exchange Commission of Pakistan	620	683	316	337
Fees and subscription	118	257	58	177
Auditors' remuneration	370	287	211	151
Amortisation of preliminary expenses and floatation costs	1,458	1,462	729	731
Amortisation of conversion cost	740	740	370	370
Total expenses	<u>25,192</u>	<u>28,582</u>	<u>12,648</u>	<u>14,321</u>
Net income / (loss) from operating activities	<u>127,121</u>	<u>29,807</u>	<u>83,300</u>	<u>(1,558)</u>
Net element of accrued income / (loss) and realised capital gain / (loss) relating to units issued and redeemed during the period	8,235	(5,124)	(56,223)	(35,210)
Net income / (loss) for the period	<u>135,356</u>	<u>24,683</u>	<u>27,077</u>	<u>(36,768)</u>

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

Yours faithfully,


Syed Afaz Ahmed
Company Secretary

Arif Habib Investment Management Limited

2/1, R.Y.16, Old Queens Road, Karachi-74000

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