

PIHF/8877/948/09
24 October 2008



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

Dear Sir,

PAKISTAN INTERNATIONAL ELEMENT ISLAMIC FUND (PIIF)
FINANCIAL RESULT FOR THE QUARTER ENDED 30th SEPTEMBER 2008

We have to inform you that the Board of Directors of Arif Habib Investment Management Limited, the Management Company of Pakistan International Element Islamic Fund (PIIF) in their meeting held on 24th October 2008 at 10:30 AM. at 2/1, R.Y. 16, Old Queens Road, Karachi have approved the following financial results:

| | Quarter ended 30 th September | |
|--|---|---------------|
| | 2008 | 2007 |
| | (Rupees in '000) | |
| Income | | |
| Capital (loss) / gain on sale of investments | (63,921) | 21,872 |
| Income from investment in Sukuk | 2,566 | 328 |
| Dividend income | 7,838 | 6,791 |
| Profit on bank accounts | 954 | 1,602 |
| Other income | 704 | 172 |
| | (51,859) | 30,765 |
| Unrealised (diminution) / appreciation on investments at fair value through profit or loss - net | (124,384) | 21,102 |
| | (176,243) | 51,867 |
| Expenses | | |
| Remuneration of Arif Habib Investment Management Limited - Management Company | 5,958 | 6,987 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 432 | 502 |
| Remuneration of Shariah Adviser | - | 126 |
| Annual fee - Securities and Exchange Commission of Pakistan | 216 | 254 |
| Brokerage | 661 | 671 |
| Settlement charges | 13 | 10 |
| Bank Charges | 6 | 6 |
| Fees and subscriptions | 64 | 42 |
| Auditors' remuneration | 204 | 181 |
| Capital value tax | 25 | 21 |
| Printing & related cost | 135 | - |
| Professional charges | 24 | 198 |
| Amortisation of preliminary expenses and floatation costs | 416 | 415 |
| Total operating expenses | 8,154 | 9,413 |
| Net (loss) / income from operating activities | (184,397) | 42,454 |
| Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed | 17,718 | (378) |
| Net (loss) / income for the period | (166,679) | 42,076 |

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

Yours faithfully,

Syed Ijaz Ahmed
Company Secretary

Arif Habib Investment Management Limited

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

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