

Atlas funds

Nurturing your investments

Atlas Income Fund

THIRD QUARTER REPORT

31 March 2009

(UN-AUDITED)



Management Company

Atlas Asset Management

Rated AM3+by PACRA



Vision

To be a market leader in providing quality fund management services with customer satisfaction as our premier goal.

Mission Statement

We are committed to offering our investors the best possible returns on a diverse range of products; to meeting not only the customers' current and future requirements, but also exceeding their expectations. We aim to be the company with which people prefer to do business. We are committed to providing a stimulating and challenging environment in which all our people can be valuable contributors to the achievement of our vision, while achieving career progression and job satisfaction. We recognize that our success comes from our people. We are committed to the highest ethical and fiduciary standards and firmly believe that by placing the best interests of our clients first, we will also serve the best interest of our employees, our shareholders, and the communities in which we operate.

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Atlas Income Fund

ORGANIZATION

Management Company	Group Executive Committee
Atlas Asset Management Limited	President Mr. Aamir H. Shirazi Members Mr. Frahim Ali Khan Mr. Jawaid Iqbal Ahmed Mr. Iftikhar H. Shirazi Mr. Saquib H. Shirazi Mr. Bashir Makki Mr. M. Naem Khan
Board of Directors of the Management Company	Group Systems & Technology Committee
Chairman Mr. Yusuf H. Shirazi Vice Chairman & Chief Executive Officer Mr. M. Habib-ur-Rahman Directors Mr. Frahim Ali Khan Mr. Michael Ferrer Mr. Tariq Amin Mr. M. Ashraf Janjua Executive Director Mr. Ali H. Shirazi Company Secretary Ms. Lilly R. Dossabhoy	Chairman Mr. Iftikhar H. Shirazi Members Mr. Zia Ullah Begg Mr. S. Zeeshan Ali
Board Committees	Trustee
Audit Committee	Central Depository Company of Pakistan Limited 99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal Karachi - 74400
Chairman Mr. Tariq Amin Members Mr. Michael Ferrer Mr. Frahim Ali Khan	Chief Internal Auditor
Human Resource Committee	Mr. Saood Hasan
Chairman Mr. Frahim Ali Khan Members Mr. M. Habib-ur-Rahman Mr. Ali H. Shirazi	Auditors
Investment Committee	Ford Rhodes Sidat Hyder & Co. Chartered Accountants
Chairman Mr. M. Habib-ur-Rahman Members Mr. Frahim Ali Khan Mr. Timothy H. Julien Mr. Ali H. Shirazi Mr. Muhammad Abdul Samad Mr. Khurram Aftab Ahmed Mr. Khalid Mahmood	Legal Advisers
Management Committee	Mohsin Tayebaly & Co.
Chairman Mr. M. Habib-ur-Rahman Members Mr. Frahim Ali Khan Mr. Timothy H. Julien Mr. Ali H. Shirazi Mr. Muhammad Abdul Samad Mr. Khurram Aftab Ahmed Mr. Khalid Mahmood	Bankers
	Atlas Bank Limited Bank Alfalah Limited KASB Bank Limited The Bank of Punjab
	Registered Office
Chairman Mr. M. Habib-ur-Rahman Members Mr. Ali H. Shirazi Ms. Lilly R. Dossabhoy Mr. Muhammad Abdul Samad Mr. Hassan Khan Mr. S. Zeeshan Ali	Ground Floor, Federation House, Sharae Firdousi Clifton, Karachi - 75600 Tel: (92-21) 111-MUTUAL (6-888-25) (92-21) 5379501-04 Fax: (92-21) 5379280 Email: info@atlasfunds.com.pk Website: www.atlasfunds.com.pk

Third Quarter Report 2008-09

CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited financial statements of Atlas Income Fund for the nine months period ended 31 March 2009 of the financial year 2008-09.

The Economy

The Pakistan economy is steadily improving. The quarter ending 31 March 2009, saw a marked improvement in terms of fiscal deficit, easing of pressure on the balance of payment and reduction in the inflation figures. The fiscal deficit of the country, which stood at 1.9% of GDP during the first half as a result of cut down in subsidies and restrained expenditures by the government, is on course for meeting the full year target of 4.2% set by IMF as part of the macroeconomic stabilization program for Pakistan. Also, the direct tax collection during the July-February 2009 period has increased to Rs.704 billion from Rs.585 billion during the corresponding period last year, depicting a rise of about 20% despite economic slowdown.

On the monetary front, the tight monetary policy stance of the central bank by raising the discount rate to 15% has helped to control the surging M2 growth, which equaled 2.87% only during the 1 July – 14 March period in FY 09 as compared to a growth of 7.61% during the same period last year. In the near future, it is expected the central bank will reduce the discount rate, which will help revive the real economy and improve credit off-take. In the overall perspective, the stabilization measures taken have put the economy on the recovery path.

Fund Operations

The Net Asset Value per unit of your Fund has increased by 3.53% to Rs.508.78 as on 31 March 2009, this works out to 5.84% on an annualized basis. AIF portfolio comprises of floating rate TFCs/ Sukuks and bank deposits. The TFCs/ Sukuks portfolio exposure is mainly in Banking, Fertilizer and Telecom sector, while 89% of these TFCs/Sukuks are rated AA- or higher. The Net Assets of your Fund stood at Rs 1.81 billion as of 31 March 2009.

AIF presents a good opportunity for investors to earn attractive returns. The softening of market interest rates coupled with improved liquidity within the system has resulted in appreciation in values of TFCs/ Sukuks. The Net Asset Value per unit has appreciated by 6.51% from Rs.477.67 as on 31 December 2008 to Rs.508.78 as of 31 March 2009, which works out to be 29.16% on an annualized basis.

The slowdown in credit demand from both the government and private sector has helped improve liquidity in the banking system. Additionally, the SBP measures to improve liquidity by staggered lowering of Cash Reserve Requirement (CRR) and exemption of time liabilities from Statutory Liquidity Requirement (SLR) has led to softening of market interest rates.

The Board of Directors of the Management Company, in their meeting held on 24 April 2009, has approved an Interim bonus of Rs.7.50 per unit (1.50% on the face value of Rs.500 per unit). Unit holders as at the close of the business day of 24 April 2009 will be entitled to the distribution - the proportionate bonus will apply to actual holdings. Unit holders who have opted for cash payout will receive cash payment accordingly, after deduction of applicable taxes.

Rating

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the asset manager rating of "AM3+" to the Company, for FY 2007-08. The rating reflects the Company's experienced and qualified management team, sound quality of support systems and processes, and a strong emphasis on risk management framework.

PACRA has assigned a "3 Star" normal ranking to the Fund, and a long term "3 Star" ranking, for FY 2007-08. The normal star ranking is based on performance during the trailing twelve months period, whereas long-term star ranking is based on performance during the trailing thirty six months.

Future Prospects

Pakistan's economy is on a recovery path. The recovery is coming from greater stability in economic fundamentals, improved financial inflows and the receding commodity prices. The inflationary pressure, due to timely actions, has started to ease off, while the overall liquidity in the system has also improved. Your Fund is committed to prudent investment procedures and will continue to provide consistent long term returns to the investors.

ہم کیا چھینے گا شہنچہ سے کون ذوق شکر قند

(Our love for performance helps us to perform even in difficulties)

Acknowledgement

I would like to thank the Securities and Exchange Commission of Pakistan, the Board of Directors, and the Group Executive Committee for their help, support and guidance. I also thank ING for their continuing support. I also thank the financial institutions and the unit holders for their help, support and the confidence reposed in the Fund and the Chief Executive Officer, Mr. M. Habib-ur-Rahman and his management team for their hard work, dedication, and sincerity of purpose.



Yusuf. H. Shirazi
Chairman

Karachi: 24 April 2009

Atlas Income Fund

INTERIM CONDENSED STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2009

	Note	31 March 2009 Un-audited	30 June 2008 Audited
		-----Rupees-----	
Assets			
Bank balances and term deposits	4	619,966,989	1,185,420,074
Receivable against sale of securities		-	2,686,000
Receivable against continuous funding system		-	953,463,170
Investments	5	1,183,654,157	1,963,965,908
Dividends receivable		17,500	-
Interest accrued		52,848,542	57,691,079
Prepayments and other receivables		47,500	861,620
Security deposits		100,000	1,100,000
Total assets		1,856,634,688	4,165,187,851
Liabilities			
Payable to unit holders against redemption of units		29,532,232	61,604
Payable against purchase of securities		-	2,185,074
Payable to the management company		2,187,307	-
Payable to the trustee		242,441	512,057
Payable to SECP		2,025,192	5,010,141
Accrued and other liabilities		8,251,073	7,012,952
Total liabilities		42,238,245	14,781,828
Net assets		1,814,396,443	4,150,406,023
Unit holders' fund		1,814,396,443	4,150,406,023
Number of units in issue		3,566,141	7,930,536
Net asset value per unit		508.78	523.34
Commitments	6		

The annexed notes from 1 to 11 form an integral part of these interim condensed financial statements.

For Atlas Asset Management Limited
(Management Company)



M. Habib-ur-Rahman
Vice Chairman &
Chief Executive Officer



Yusuf H. Shirazi
Chairman



Tariq Amin
Director

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INTERIM CONDENSED INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2009

	Note	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
		2009	2008	2009	2008
		-----Rupees-----		-----Rupees-----	
Income					
Interest income	7	336,207,714	374,607,302	73,452,912	132,693,858
Income from transactions in futures		-	5,889,922	-	2,848,279
Dividend income		17,500	-	17,500	-
Net (loss) / gain on sale of investments		(75,138,371)	4,271,405	(11,975,975)	103,125
Net unrealised (loss) / gain on revaluation of investment		(78,110,677)	(8,473,499)	61,482,823	(3,548,347)
Element of income and capital gains included in prices of units sold less those in units redeemed - net		(23,425,698)	52,531,406	12,908,663	51,952,662
		159,550,468	428,826,536	135,885,923	184,049,577
Expenses					
Remuneration of the management company		27,738,997	34,898,428	6,159,617	12,266,381
Remuneration of the trustee		2,956,441	4,243,264	724,295	1,475,949
SECP Annual fee		2,025,193	3,489,840	358,290	1,226,633
Reversal of provision for SECP monitoring fee		(250,000)	-	-	-
NCCPL annual fee		699,620	-	-	-
Brokerage, commission and capital value tax		1,373,444	18,801,558	10,967	4,325,953
Auditors' remuneration		563,560	542,517	177,500	182,750
Printing charges		213,010	126,235	65,000	126,235
Settlement charges		1,713,502	2,866,822	299,503	950,177
Annual rating fee		75,000	75,000	25,000	25,000
Annual listing fee		22,500	22,500	7,500	7,500
Bank charges		79,497	30,831	18,771	9,160
Loss on term finance facility	5.8	11,438,994	-	-	-
Reversal of provision for impairment against investment		-	-	(5,000,000)	-
		48,649,758	65,096,995	2,846,443	20,595,738
Net income for the period		110,900,710	363,729,541	133,039,480	163,453,839

The annexed notes from 1 to 11 form an integral part of these interim condensed financial statements.

For Atlas Asset Management Limited
(Management Company)



M. Habib-ur-Rahman
Vice Chairman &
Chief Executive Officer



Yusuf H. Shirazi
Chairman



Tariq Amin
Director

Atlas Income Fund

INTERIM CONDENSED DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2009

	Note	For the Nine Months Ended	
		2009	2008
		31 March	
		-----Rupees-----	
Undistributed income brought forward		185,278,684	359,834,722
Final distribution at the rate of Rs. 22.50 per unit declared on 04 July 2008 (2008: Rs. 50 per unit declared on 20 July 2007)			
- Bonus units		(159,879,201)	(349,423,976)
- Cash payout against final distribution		(18,557,866)	-
		(178,437,067)	(349,423,976)
Interim distribution at the rate of Rs.13.75 per unit declared on 25 October 2008 (2008: nil)	9		
- Bonus units		(65,404,523)	-
- Cash payout against interim distribution		(20,871,147)	-
		(86,275,670)	-
Net income for the period		110,900,710	363,729,541
Undistributed income carried forward		31,466,657	374,140,287

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For Atlas Asset Management Limited
(Management Company)



M. Habib-ur-Rahman
Vice Chairman &
Chief Executive Officer



Yusuf H. Shirazi
Chairman



Tariq Amin
Director

Third Quarter Report 2008-09

INTERIM CONDENSED CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2009

Note	For the Nine Months Ended 31 March	
	2009	2008
	----- Rupees -----	
Cash flows from operating activities		
Net income for the period	110,900,710	363,729,541
Adjustments for:		
Net loss / (gain) on sale of investments	75,138,371	(4,271,405)
Net unrealised loss on revaluation of investments	78,110,677	8,473,499
Element of income and capital gains included in prices of units sold less those in units redeemed - net	23,425,698	(53,531,406)
	176,674,746	(48,329,312)
Decrease / (increase) in assets		
Receivable against sale of securities	2,686,000	(258,336,371)
Receivable against continuous funding system	953,463,170	(687,672,950)
Dividend receivable	(17,500)	-
Interest accrued	9,327,440	(65,480,418)
Prepayments and other receivables	814,120	(5,490,401)
Security deposits	1,000,000	-
	967,273,230	(1,016,980,140)
Increase / (decrease) in liabilities		
Payable to unit holders against redemption of units	29,470,628	355,630,125
Payable against purchase of securities	(2,185,074)	-
Payable to the management company	2,187,307	29,664,124
Payable to the trustee	(269,616)	244,842
Payable to SECP	(2,984,949)	485,163
Accrued and other liabilities	1,238,121	3,638,742
	27,456,417	389,662,996
	1,282,305,103	(311,916,915)
Investments made during the period	(224,842,349)	(2,624,711,368)
Investments sold / redeemed / matured during the period	847,420,149	1,200,899,256
Net cash inflow / (used in) operating activities	1,904,882,903	(1,735,729,027)
Cash flows from financing activities		
Proceeds from issue of units	1,417,895,824	9,170,250,476
Payment on redemption of units	(3,848,802,799)	(7,791,196,639)
Cash payout against final distribution	(18,557,866)	-
Cash payout against interim distribution	(20,871,147)	-
Net cash (used in) / inflow from financing activities	(2,470,335,988)	1,379,053,837
Net decrease in cash and cash equivalents	(564,453,085)	(356,675,190)
Cash and cash equivalents at the beginning of the period	1,185,420,074	1,941,692,397
Cash and cash equivalents at the end of the period 4	619,966,989	1,585,017,207

The annexed notes from 1 to 11 form an integral part of these interim condensed financial statements.

For Atlas Asset Management Limited (Management Company)



M. Habib-ur-Rahman
Vice Chairman &
Chief Executive Officer



Yusuf H. Shirazi
Chairman



Tariq Amin
Director

Atlas Income Fund

INTERIM CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2009

	For the Nine Months Ended 31 March			
	2009		2008	
	Units	Rupees	Units	Rupees
Net assets as at the beginning of the period [Rs.523.34 (2008: Rs.551.47) per unit]	7,930,536	4,150,406,023	6,988,480	3,853,939,834
Issue of units	2,799,974	1,417,895,824	17,652,819	9,170,250,476
Redemption of units	(7,613,344)	(3,848,802,799)	(14,999,768)	(7,791,196,639)
	(4,813,370)	(2,430,906,975)	2,653,050	1,379,053,837
Element of income and capital gains included in prices of units sold less those in units redeemed - net	-	23,425,698	-	(52,531,406)
Final distribution for the year ended 30 June 2008:				
Issue of bonus units	319,222	-	696,799	-
Cash payout against distribution	-	(18,557,866)	-	-
Net income for the period	-	110,900,710	-	363,729,541
Interim distribution for the period:				
Issue of bonus units	129,753	-	-	-
Cash payout against distribution	-	(20,871,147)	-	-
Net assets as at the end of the period [Rs.508.78 (2008: Rs.536.28) per unit]	<u>3,566,141</u>	<u>1,814,396,443</u>	<u>10,338,329</u>	<u>5,544,191,806</u>

The annexed notes from 1 to 11 form an integral part of these interim condensed financial statements.

For Atlas Asset Management Limited
(Management Company)



M. Habib-ur-Rahman
Vice Chairman &
Chief Executive Officer



Yusuf H. Shirazi
Chairman



Tariq Amin
Director

Third Quarter Report 2008-09

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2009

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Income Fund (the Fund) is an open ended mutual fund constituted by a Trust Deed entered into on 20 February 2003 between Atlas Asset Management Limited (AAML) as the establisher and the management company and Muslim Commercial Financial Services (Pvt.) Limited (MCFSL) as the trustee. MCFSL resigned on 11 June 2005 as trustee and Central Depository Company of Pakistan Limited (CDC) was appointed as the trustee with effect from that date, through the Deed of change of Trustee and First Supplemental Trust Deed dated 11 June 2005. The Trust Deed has been further revised through the Second Supplemental Trust Deed dated 29 October 2007. The Offering Document has been revised through the 2nd and 3rd Supplemental Offering Documents dated 29 October 2007, and 29 February 2008 respectively, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The investment activities and administration of the Fund are managed by Atlas Asset Management Limited situated at Ground Floor, Federation House, Sharae Firdousi, Clifton, Karachi.
- 1.2 Units of the Fund have been offered for public subscription on a continuous basis from 22 March 2004, and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on Lahore Stock Exchange.
- 1.3 According to the trust deed, the objective of the Fund is to provide investors one window facility to invest in diversified portfolio offering good returns and consistent growth. The Fund aims to deliver this objective mainly by investing in debt securities, Government securities, money market instruments, CFS transactions, reverse repurchase transactions and future transactions. The investment objectives and policy are more fully defined in the Fund's offering document.

2. BASIS OF PREPARATION

- 2.1 These interim condensed financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan.
- 2.2 These interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended 30 June 2008.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these interim condensed financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2008.

		31 March 2009 Un-audited	30 June 2008 Audited
	Note	----- Rupees -----	
4. BANK BALANCES AND TERM DEPOSITS			
PLS saving accounts	4.1	344,966,989	385,420,074
Term deposit accounts	4.2	275,000,000	800,000,000
		619,966,989	1,185,420,074
4.1 The rate of return on these accounts ranges from 5% to 11.50% (30 June 2008: 1.30% to 11.25%) per annum.			
4.2 The rate of return on these deposits is 14% (30 June 2008: 10.50% to 18.50%) per annum. These deposits will mature on 3 April 2009 (30 June 2008: July 2008 to March 2009).			
5. INVESTMENTS 5.1			
At fair value through income statement			
Equity securities acquired under CFS MK II			
Square up Scheme - Held for trading	5.3	4,416,881	-
Term finance certificates - listed	5.2 & 5.4	803,795,968	1,163,393,039
Term finance certificates - unlisted	5.2 & 5.5	223,789,507	205,003,996
Sukuk certificates - unlisted	5.2 & 5.6	19,082,000	-
		1,051,084,356	1,368,397,035
Held to maturity			
Term finance certificates - listed	5.2 & 5.7	6,512,967	6,527,116
Term finance facility	5.8	-	73,750,046
Certificates of investment and musharika	5.9	67,220,274	194,705,177
Commercial papers		58,836,560	116,826,534
		132,569,801	391,808,873
Advance against term finance certificate		-	203,760,000
		1,183,654,157	1,963,965,908

Atlas Income Fund

5.1 Total cost of investments amounts to Rs.1,277,639,433 (30 June 2008: 1,979,840,508).

5.2 In accordance with the accounting policy of the Fund, the TFCs and sukuk certificates are carried at fair value. During the period, the SECP vide its Circular No. 1 dated 6 January 2009, directed all Asset Management Companies, that effective from 10 January 2009, the TFCs and Sukuk certificates held by open end mutual funds shall be valued at the rates calculated and announced by the MUFAP on the basis of the methodology for valuation of debt securities provided in the above mentioned circular. This circular superceded Circular No. 26 dated 5 November 2008, which required these debt securities were to be valued at lower of the rates notified by MUFAP or value determined after applying specified discount rates to the face value of such securities based upon the entity or issuer rating. Accordingly, the Fund has valued the TFCs and Sukuk certificates on such basis.

5.3 This represents shares acquired from National Clearing Company of Pakistan Limited (NCCPL), under the CFS Mark II Square up Scheme (the Scheme) signed up by the Fund with NCCPL, on 29 December 2008. Under the provisions of the Scheme, the Fund, as Financier was required to purchase 30% of the shares financed under CFS MK II, and the remaining 70% would be received from the NCCPL after completion of the squaring up process, as full and final settlement of all amounts receivable to the Fund, as Financier, against open CFS Mark II release transactions. Such amount, aggregating to Rs.47,276,142 has been fully settled in January 2009.

The Securities and Exchange Commission of Pakistan (the Commission), vide its letter no. NBFC-II/D/MUFAP/01/2009 dated 1 January 2009 issued to MUFAP for dissemination of such letter to all the members, has allowed the acquisition of such shares portfolio under the Scheme to be held for a period of three months, extendable to another three months, upon application to the Commission. The Fund has applied to the Commission for extension in the holding period for another three months. Further, the above portfolio has been marked to market in accordance with the requirements of Regulation 66(a) of the NBFC Regulations, 2008, as directed by the Commission in the above mentioned letter.

Name of Investee Company	Number of Shares		As at 31 March 2009	Rupees	Percentage of	
	Acquired during the period	Disposed during the period		Carrying value/ Market value	Total investments	Net assets

Equity securities acquired under CFS MK II Square up Scheme - Held for trading

(Ordinary shares have a face value of Rs. 10/- each unless stated otherwise)

Closed-End Mutual Funds

JS Value Fund Limited	2,439	2,439	-	-	-	-	-
PICIC Growth Fund	340	340	-	-	-	-	-
Pakistan Premier Fund Limited	574	574	-	-	-	-	-
	3,353	3,353	-	-	-	-	-

Investment Banks/Cos./Securities

Arif Habib Limited	323	323	-	-	-	-	-
Arif Habib Securities Limited	35,293	-	35,293	945,147	21.40	0.05	0.01
Dawood Equities Limited	43	43	-	-	-	-	-
First National Equities Limited	67	67	-	-	-	-	-
Invest & Finance Securities Limited	152	152	-	-	-	-	-
Javed Omar Vohra & Company Limited	1,818	1,818	-	-	-	-	-
Jahangir Siddiqui & Company Limited	36,220	20	36,200	1,222,474	27.68	0.07	-
JS Investments Limited	326	326	-	-	-	-	-
Pervez Ahmed Securities Limited	1,715	1,715	-	-	-	-	-
	75,957	4,464	71,493	2,167,621	49.08	0.12	-

Commercial Banks

Allied Bank Limited.	367	367	-	-	-	-	-
Arif Habib Bank Limited	2,412	2,412	-	-	-	-	-
Askari Commercial Bank Limited	1,159	1,159	-	-	-	-	-
Bank Alfalah Limited	3,431	3,431	-	-	-	-	-
Bank Alfalah Limited - Rights	1,715	1,715	-	-	-	-	-
Bank Al Habib Limited	272	272	-	-	-	-	-
BankIslami Pakistan Limited	2,492	2,492	-	-	-	-	-
Faysal Bank Limited	228	228	-	-	-	-	-
Habib Bank Limited	4,305	4,305	-	-	-	-	-

c/f 16,381 16,381 - - - -

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	Number of Shares			Rupees	Percentage of		
	Acquired during the period	Disposed during the period	As at 31 March 2009	Carrying value/ Market value	Total investments	Net assets	Paid-up capital of investee company
Commercial Banks	b/f						
JS Bank Limited	16,381	16,381	-	-	-	-	-
MCB Bank Limited	3,506	3,506	-	-	-	-	-
Meezan Bank Limited	1,826	1,826	-	-	-	-	-
National Bank of Pakistan	75	75	-	-	-	-	-
NIB Bank Limited	1,494	1,494	-	-	-	-	-
Soneri Bank Limited	5,302	5,302	-	-	-	-	-
Saudi Pak Commercial Bank Limited	228	228	-	-	-	-	-
The Bank of Punjab	19,464	19,464	-	-	-	-	-
United Bank Limited	869	869	-	-	-	-	-
	3,528	3,528	-	-	-	-	-
	52,673	52,673	-	-	-	-	-
Insurance							
Adamjee Insurance Company Limited	162	162	-	-	-	-	-
EFU General Insurance Company Limited	1,174	1,174	-	-	-	-	-
Pakistan Reinsurance Company Limited	347	347	-	-	-	-	-
	1,683	1,683	-	-	-	-	-
Textile Spinning							
D.S. Industries Limited	672	672	-	-	-	-	-
Textile Composite							
Azgard Nine Limited	112	112	-	-	-	-	-
Dawood Lawrencepur Limited	246	246	-	-	-	-	-
Nishat Chunian Limited	355	355	-	-	-	-	-
Nishat Mills Limited	726	726	-	-	-	-	-
	1,439	1,439	-	-	-	-	-
Synthetic & Rayon							
Dewan Salman Fibre Limited	7,392	7,392	-	-	-	-	-
Cement							
Al Abbas Cement Limited	328	328	-	-	-	-	-
D.G. Khan Cement Company Limited	540	540	-	-	-	-	-
Dewan Cement Limited	533	533	-	-	-	-	-
Fauji Cement Company Limited	2,215	2,215	-	-	-	-	-
Lucky Cement Limited	120	120	-	-	-	-	-
Maple Leaf Cement Factory Limited	1,046	1,046	-	-	-	-	-
Pakistan Cement Company Limited	7,775	7,775	-	-	-	-	-
Pioneer Cement Limited	367	367	-	-	-	-	-
Thatta Cement Company Limited	61	61	-	-	-	-	-
	12,985	12,985	-	-	-	-	-
Refinery							
Attock Refinery Pakistan Limited	5,633	5,633	-	-	-	-	-
Bosicor Pakistan Limited	7,900	7,900	-	-	-	-	-
Pakistan Refinery Limited	8,647	47	8,500	581,655	13.17	0.03	0.02
	22,080	13,580	8,500	581,655	13.17	0.03	
Power Generation and Distribution							
The Hub Power Company Limited	1,186	1,186	-	-	-	-	-
Kot Addu Power Company Limited	85	85	-	-	-	-	-
	1,271	1,271	-	-	-	-	-
Oil and Gas Marketing Companies							
Attock Petroleum Limited	805	805	-	-	-	-	-
Pakistan State Oil Company Limited	3,596	3,596	-	-	-	-	-
Sui Northern Gas Pipelines Limited	224	224	-	-	-	-	-
Sui Southern Gas Company Limited	629	629	-	-	-	-	-
	5,254	5,254	-	-	-	-	-
Oil and Gas Exploration Companies							
Mari Gas Company Limited	2	2	-	-	-	-	-
Oil & Gas Development Company Limited	1,565	1,565	-	-	-	-	-
Pakistan Oilfields Limited	106	106	-	-	-	-	-
Pakistan Petroleum Limited	604	604	-	-	-	-	-
	2,227	2,227	-	-	-	-	-
Engineering							
Crescent Steel & Allied Products Limited	378	378	-	-	-	-	-
Dost Steels Limited	1,570	1,570	-	-	-	-	-
	1,948	1,948	-	-	-	-	-
Automobile Assemblers							
Honda Atlas Cars (Pakistan) Limited	1,585	1,585	-	-	-	-	-
Indus Motor Company Limited	22	22	-	-	-	-	-
	1,607	1,607	-	-	-	-	-

Atlas Income Fund

Name of Investee Company	Number of Shares			Rupees	Percentage of		
	Acquired during the period	Disposed during the period	As at 31 March 2009	Carrying value/ Market value	Total investments	Net assets	Paid-up capital of investee company
Cable and Electrical Goods							
Pak Electron Limited	467	467	-	-	-	-	-
Transport							
Pakistan International Container Terminal Limited	32	32	-	-	-	-	-
Technology and Communication							
Eye Television Network Limited	464	464	-	-	-	-	-
NetSol Technologies Limited	173,587	75,087	98,500	1,667,605	37.76	0.09	0.14
Pakistan Telecommunication Company Limited	280	280	-	-	-	-	-
Telecard Limited	6,589	6,589	-	-	-	-	-
TRG Pakistan Limited	8,159	8,159	-	-	-	-	-
Worldcall Telecom Limited	4,768	4,768	-	-	-	-	-
	193,847	95,347	98,500	1,667,605	37.76	0.09	-
Fertilizers							
Engro Chemical Pakistan Limited	2,952	2,952	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	1,008	1,008	-	-	-	-	-
Fauji Fertilizer Company Limited	655	655	-	-	-	-	-
	4,615	4,615	-	-	-	-	-
Pharmaceuticals							
Searle Pakistan Limited	52	52	-	-	-	-	-
Chemicals							
BOC Pakistan Limited	16	16	-	-	-	-	-
ICI Pakistan Limited	1,423	1,423	-	-	-	-	-
Pakistan PTA Limited	3,821	3,821	-	-	-	-	-
Sitara Peroxide Limited	1,164	1,164	-	-	-	-	-
	6,424	6,424	-	-	-	-	-
Papers and Board							
Packages Limited	565	565	-	-	-	-	-
Miscellaneous							
Pace Pakistan Limited	6,848	6,848	-	-	-	-	-
Tri-Pack Films Limited	393	393	-	-	-	-	-
	7,241	7,241	-	-	-	-	-
Market value of investments as at 31 March 2009				178,493	4,416,881	100.00	0.24

5.1.3 Cost of these investments as on 31 March 2009 is Rs. 7,029,481 (30 June 2008: Nil).

5.4 Term Finance certificates - I listed	Number of Certificates			Rupees	Percentage of		
	As at 01 July 2008	Acquired during the period	Disposed during the period	As at 31 March 2009	Carrying value/ Market value	Total investments	Net assets
Modarabas							
Al-Zamin Leasing Modaraba	2,000	-	2,000	-	-	-	-
Al-Zamin Leasing Modaraba-II	2,000	-	-	2,000	6,454,410	0.55	0.36
	4,000	-	2,000	2,000	6,454,410	0.55	0.36
Leasing Companies							
Orix Leasing Pakistan Limited	4,000	-	-	4,000	20,273,828	1.71	1.12
Trust Investment Bank Limited -II	629	-	-	629	314,500	0.03	0.02
	4,629	-	-	4,629	20,588,328	1.74	1.13
Investment Banks/Cos./Securities							
Escort Investment Bank Limited	5,000	-	-	5,000	24,283,358	2.05	1.34
IGI Investment Bank Limited	1,000	-	-	1,000	3,078,081	0.26	0.17
Jahangir Siddiqui & Company Limited -II	2,000	-	-	2,000	9,140,352	0.77	0.50
Jahangir Siddiqui & Company Limited - III	2,000	-	-	2,000	8,824,701	0.75	0.49
	10,000	-	-	10,000	45,326,492	3.83	2.50
Commercial Banks							
Allied Bank Limited	42,196	-	24,000	18,196	91,075,849	7.69	5.02
Askari Commercial Bank Limited - I	2,400	-	-	2,400	11,857,997	1.00	0.65
Askari Commercial Bank Limited - II	16,775	-	10,000	6,775	33,326,835	2.82	1.84
Bank Alfalah Limited - II	5,117	-	5,117	-	-	-	-
Bank Al Habib Limited - II	21,192	-	10,000	11,192	55,915,232	4.72	3.08
Faysal Bank Limited - I	1,400	-	1,400	-	-	-	-
NIB Bank Limited	21,399	-	20,000	1,399	6,680,734	0.56	0.37
Soneri Bank Limited	20,074	-	15,000	5,074	25,207,810	2.13	1.39
Standard Chartered Bank (Pakistan) Limited - III	12,000	-	-	12,000	59,928,000	5.06	3.30
The Royal Bank of Scotland Limited (Formerly ABN AMRO (Pakistan) Limited)	4,658	-	4,658	-	-	-	-
United Bank Limited - II	2,000	-	-	2,000	8,288,924	0.70	0.46
United Bank Limited - III	5,500	-	-	5,500	27,472,500	2.32	1.51
United Bank Limited - IV	8,000	-	-	8,000	36,749,974	3.10	2.03
	162,711	-	90,175	72,536	356,503,855	30.12	19.65

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Note	Number of Certificates				Rupees	Percentage of	
	As at 01 July 2008	Acquired during the period	Disposed during the period	As at 31 March 2009	Carrying value/ Market value	Total investments	Net assets
Textile Composite							
Azgard Nine Limited	5,000	-	-	5,000	17,790,840	1.50	0.98
Oil and Gas Exploration Companies							
Naimat Basal Oil & Gas Securitization Co. Limited	1,000	-	1,000	-	-	-	-
Technology and Communication							
Pakistan Mobile Communication Limited	-	40,000	-	40,000	186,200,000	15.73	10.26
Telecard Limited	4,000	-	-	4,000	11,074,883	0.94	0.61
	4,000	40,000	-	44,000	197,274,883	16.67	10.87
Fertilizer							
Engro Chemical Pakistan Limited - II	28,281	-	4,600	23,681	115,990,485	9.80	6.39
Pak Arab Fertilizers Limited	9,173	-	-	9,173	43,866,675	3.71	2.42
	37,454	-	4,600	32,854	159,857,160	13.51	8.81
Miscellaneous							
Pakistan Services Limited	11,269	-	11,269	-	-	-	-
					803,795,968	67.91	44.30

5.5 Term finance certificates - Unlisted

Cement

Gharibwal Cement Limited	59.1	-	5,000	-	5,000	22,575,391	1.91	1.24
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OIL & GAS EXPLORATION COMPANIES

Pak Hy-Oils Limited - refer note	59.2	-	5,000	-	5,000	18,750,000	1.58	1.03
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Technology and Communication

Pakistan Mobile Communications (Pvt.) Limited	5,000	-	5,000	-	-	-	-	-
Pakistan Mobile Communications (Pvt.) Limited - II	20,000	-	-	20,000	91,587,000	7.74	5.05	
	25,000	-	5,000	20,000	91,587,000	7.74	5.05	

Fertilizer

Engro Chemical Pakistan Limited	10,000	-	-	10,000	43,833,350	3.70	2.42
Pak American Fertilizers Limited	2,000	-	-	2,000	9,503,227	0.80	0.52
Pak American Fertilizers Limited - II	8,000	-	-	8,000	37,540,539	3.17	2.07
	20,000	-	-	20,000	90,877,116	7.68	5.01
					22,789,507	18.91	12.33

Number of Certificates	Rupees	Percentage of				
		Total investments	Net assets			
As at 01 July 2008	Acquired during the period	Disposed during the period	As at 31 March 2009	Carrying value/ Market value	Total investments	Net assets

5.6 Sukuk certificates - Unlisted

Fertilizer

Pak American Fertilizers Limited	-	4,060	-	4,060	19,082,000	1.61	1.05
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5.7 Term finance certificates - listed

Leasing Companies

Orix Leasing Pakistan Limited	1,285	-	-	1,285	6,512,967	0.55	0.36
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5.8 Term Finance Facility - Unsecured

During the period, the Fund accepted a proposal for upfront settlement of the term finance facility from Network Leasing Corporation Limited (NLCL). As per the terms of settlement, the Fund accepted to receive an aggregate present value sum of Rs.62,311,052 on 15 December 2008, in full and final settlement of the claim against the Term Finance Facility of Rs.100,000,000, otherwise receivable in 20 equal quarterly installments commencing from September 2008. This resulted in an impairment loss of Rs. 11,438,994 on such facility. During the period from December 2008 to March 2009, payments aggregating to Rs.63,107,763 including over due mark up of Rs.796,711 at the rate of return of 10% per annum on the outstanding balance of Rs. 32,311,052 have been received from the KASB Bank Limited, following the amalgamation of NLCL with KASB Bank Limited in December 2008.

Atlas Income Fund

	Note	31 March 2009 Un-audited	30 June 2008 Audited
		-----Rupees-----	
5.9 Certificates of Investment and Musharika Finance Facility			
Certificates of Investment	5.9.1	-	140,000,000
Income accrued		-	2,272,027
		-	142,272,027
Musharika Financing (Secured)	5.9.2	67,000,000	50,000,000
Income accrued		220,274	2,433,150
		67,220,274	52,433,150
		<u>67,220,274</u>	<u>194,705,177</u>

5.9.1 The overdue Certificate of Investment (COI) of Rs.50,000,000 placed with First Dawood Investment Bank Limited (FDIBL), which had matured on 15 December 2008 was settled during the quarter ended 31 March 2009, with Term Finance Certificates (TFCs) offered by FDIBL of Gharibwal Cement Limited and Pak Hy Oils Limited, of face value of Rs.25,000,000 each. The TFCs of Gharibwal Cement Limited have been transferred to the CDC account of the Fund. The Fund, has also accepted an undertaking from FDIBL to transfer the TFCs of Pak Hy Oils Limited in the CDC account of the Fund. after these have been received by them from the issuer. The TFCs, now held by the Fund, are valued at market price as announced by MUFAP.

5.9.2 This represents financing under Musharika Agreement with a Modaraba, secured by way of pledge of Term Finance Certificates and Sukuks, having a market value of Rs.88,650,105. The facility carries mark up at the rate of 15%.

6. COMMITMENTS

Commitments in respect of CFS transactions - 308,779,913

	<u>For the Nine Months Ended</u>		<u>For the Quarter Ended</u>	
	<u>31 March</u>		<u>31 March</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	<u>Un-audited</u>	<u>Un-audited</u>	<u>Un-audited</u>	<u>Un-audited</u>
-----Rupees-----				
INTEREST INCOME				
PLS saving and term deposit accounts	111,564,140	105,919,410	20,772,188	35,984,664
Continuous funding system	30,853,840	184,968,062	377,541	55,613,078
Placements	8,660,514	309,760	-	-
Term finances	156,468,295	77,705,550	46,000,194	38,704,130
Certificates of investment and musharika	15,106,602	5,704,520	2,606,302	2,391,986
Commercial paper	13,554,323	-	3,696,687	-
	<u>336,207,714</u>	<u>374,607,302</u>	<u>73,452,912</u>	<u>132,693,858</u>

For the Nine Months Ended
31 March
2009 2008
Un-audited Un-audited
-----Rupees-----

8. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

8.1 Transactions for the period

Atlas Asset Management Limited (Management Company)

Remuneration charged	27,738,997	34,898,428
Remuneration paid	25,551,690	5,236,223
Sales load and certificate charges	346	4,281

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For the Nine Months Ended

31 March

2009 2008

-----Rupees-----
Un-audited Un-audited

8.1 Transactions for the period (continued....)

Central Depository Company of Pakistan Limited (Trustee)

Trustee fee	2,956,441	4,243,264
Settlement charges	198,379	912,405
Sale of Nil (2008: 200,862) units	-	105,000,000
Redemption of 152,105 (2008: 94,320) units	77,678,294	50,000,000
Bonus of 8,536 (2008: 2,750) units	4,281,882	1,379,184

Atlas Fund of Funds (Fund under common management)

Sale of 29,038 (2008: Nil) units	15,000,000	-
Bonus of 792 (2008: Nil) units	399,268	-

Atlas Bank Limited (Group Company)

Sale of Nil (2008: 867,083) units	-	450,000,000
Redemption of Nil (2008: 1,269,556) units	-	666,094,767
Bonus of Nil (2008: 36,491) units	-	18,299,099
Term deposit receipts placed	680,301,370	500,000,000
Term deposit receipts matured	605,301,370	-
Interest income on bank balances and term deposits	32,699,745	36,847,182
Bank charges	3,175	6,523

Atlas Battery Limited (Group Company)

Bonus of Nil (2008: 51) units	-	25,455
Redemption of Nil (2008: 560) units	-	293,656

Atlas Capital Markets (Pvt.) Limited (Group Company)

Brokerage	91,099	1,247,282
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Atlas Foundation (Group Company)

Sale of 14,809 (2008: 64,613) units	7,560,000	33,000,000
Redemption of 36,145 (2008: 191) units	18,310,000	100,000
Bonus of 12,375 (2008: 7,729) units	6,212,542	3,875,981

Atlas Honda Limited (Group Company)

Sale of Nil (2008: 1,847,090) units	-	980,000,000
Redemption of 1,276,634 (2008: 1,575,927) units	630,000,000	816,271,152
Bonus of 128,756 (2007: 142,884) units	64,620,995	71,652,160

Atlas Insurance Limited (Group Company)

Sale of Nil (2008: 28,407) units	-	14,900,000
Redemption of 39 (2008: 49,378) units	19,750	26,319,886
Bonus of 39 (2008: 1,901) units	19,750	953,463

Shirazi Investments (Private) Limited (Group Company)

Sale of 292,096 (2008: 957,995) units	150,000,000	505,000,000
Redemption of 691,379 (2008: 885,369) units	351,174,073	462,906,686
Bonus of 17,166 (2008: 14,591) units	8,597,631	7,317,029

Atlas Asset Management Company Limited - Staff Provident Fund of a Group Company

Redemption of Nil (2008: 591) units	-	315,165
Bonus of nil (2008: 54) units	-	26,857

Atlas Income Fund

For the Nine Months Ended
31 March
2009 **2008**
Un-audited **Un-audited**
 -----Rupees-----

8.1 Transactions for the period (continued....)

Key Management Personnel of Management Company

Directors

Sale of 4,322 (2008: 3,817) units	2,200,000	2,000,000
Redemption of 25,405 (2008: Nil) units	11,998,795	-
Bonus of 1,785 (2008: 2,415) units	896,201	1,210,842

Executives

Sale of 4,425 (2008: 194) units	2,218,061	101,804
Redemption of 4,986 (2008: 194) units	2,484,111	101,882
Bonus of 77 (2008: Nil) units	38,651	-

31 March **30 June**
2009 **2008**
Un-audited **Audited**
 -----Rupees-----

8.2 Outstanding balances as at period / year end

Atlas Asset Management Limited (Management Company)

Remuneration payable to the management company	2,187,307	-
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Central Depository Company of Pakistan Limited (Trustee)

Trustee fee payable	242,441	419,130
Settlement charges payable	-	92,927
Units in issue - Nil (2008: 143,569)	-	75,135,235

Atlas Fund of Funds (Fund under common management)

Units in issue - 29,830 (2008: Nil)	15,176,795	-
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Atlas Bank Limited (Group Company)

Balance in PLS saving account	10,563	12,850,535
Term deposit balance	275,000,000	200,000,000
Accrued interest on bank balance and term deposits	537,252	1,962,057

Atlas Foundation (Group Company)

Units in issue - 166,653 (2008: 175,614)	84,789,917	91,905,644
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Atlas Honda Limited (Group Company)

Units in issue - 789,529 (2008: 1,937,407)	401,696,385	1,013,922,466
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Atlas Insurance Limited (Group Company)

Units in issue - 545 (2008: 544)	277,201	285,134
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Atlas Capital Markets (Pvt.) Limited (Group Company)

Brokerage payable	7,724	82,093
Payable against dividend on CFS	379,780	379,780

Shirazi Investments (Private) Limited (Group Company)

Units in issue - Nil (2008: 382,117)	-	199,977,073
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Key Management Personnel of Management Company

Directors

Units in issue - 5,242 (2008: 24,540)	2,666,802	12,843,023
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Executives

Units in issue - Nil (2008: 289)	-	151,085
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8.3 The transactions with related parties / connected persons are in the normal course of business at contracted rates and term determined in accordance with market rates.

9 INTERIM DISTRIBUTION

Represents interim distribution declared by the management company on 25 October 2008 at the rate of 13.75 per unit amounting to Rs. 86,275,670 on the basis of the net income for the quarter ended 30 September 2008 of Rs.118,861,062. The interim distribution has been made in accordance with the provision of the clause 29.7 of the Trust Deed.

10 GENERAL

Figures have been rounded off to the nearest Rupee.

11 DATE OF AUTHORISATION FOR ISSUE

These interim condensed financial statements were authorised for issue by the Board of Directors of the management company on 24 April 2009.

For Atlas Asset Management Limited
(Management Company)



M. Habib-ur-Rahman
Vice Chairman &
Chief Executive Officer



Yusuf H. Shirazi
Chairman



Tariq Amin
Director

Atlas Asset Management Limited

Ground Floor, Federation House, Sharae Firdousi, Clifton, Karachi - 75600

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