

Atlas funds

Nurturing your investments

Atlas Fund of Funds

THIRD QUARTER REPORT

31 March 2012

(UN-AUDITED)



Management Company

Atlas Asset Management

Rated AM2- 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.

CONTENTS

ORGANISATION	2
CHAIRMAN'S REVIEW	3
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	5
CONDENSED INTERIM INCOME STATEMENT	6
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	7
CONDENSED INTERIM DISTRIBUTION STATEMENT	8
CONDENSED INTERIM CASH FLOW STATEMENT	9
CONDENSED INTERIM STATEMENT OF MOVEMENT IN CERTIFICATE HOLDERS' FUND	10
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	11

Atlas Fund of Funds

ORGANISATION

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

Chairman Mr. Yusuf H. Shirazi
 Directors Mr. Tariq Amin
 Mr. M. Ashraf Janjua
 Mr. Frahim Ali Khan
 Mr. Arshad P. Rana
 Mr. Ali H. Shirazi

Chief Executive Officer Mr. M. Habib-ur-Rahman

Company Secretary Ms Lilly R. Dossabhoy

Board Committees Audit Committee

Chairman Mr. Tariq Amin
 Members Mr. M. Ashraf Janjua
 Mr. Frahim Ali Khan

Secretary Ms Qurrat-ul-Ain Jafari

Human Resource Committee

Chairman Mr. Frahim Ali Khan
 Members Mr. M. Habib-ur-Rahman
 Mr. Ali H. Shirazi

Investment Committee

Chairman Mr. M. Habib-ur-Rahman
 Members Mr. Ali H. Shirazi
 Mr. Muhammad Abdul Samad
 Mr. Khalid Mahmood

Secretary Mr. Muhammad Umar Khan

Management Committee

Chairman Mr. M. Habib-ur-Rahman
 Members Ms Lilly R. Dossabhoy
 Mr. Muhammad Abdul Samad
 Mr. Hassan Khan

Secretary Mr. M. Irfan Dhedhi

Risk Management Committee

Chairman Mr. Muhammad Abdul Samad
 Members Mr. Khalid Mahmood
 Ms Qurrat-ul-Ain Jafari
 Mr. Muhammad Umar Khan

Secretary Ms Zainab Hussain

Trustee

MCB Financial Services Limited
 3rd Floor, Adamjee House, I. I. Chundrigar Road
 Karachi

Chief Internal Auditor

Ms Qurrat-ul-Ain Jafari

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
 Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Bank Alfalah Limited
 Faysal Bank Limited
 Summit Bank Limited
 The Bank of Punjab

Registered Office

Ground Floor, Federation House, Sharae Firdousi
 Clifton, Karachi - 75600
 Tel: (92-21) 111-MUTUAL (6-888-25)
 (92-21) 35379501-04
 Fax: (92-21) 35379280
 Email: info@atlasfunds.com.pk
 Website: www.atlasfunds.com.pk

Third Quarter Report 2011-12

CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited financial statements of Atlas Fund of Funds (ATFF) for the nine months period ended 31 March 2012 of the FY 2011-12.

The Economy

Pakistan's economy is moving in right direction after overcoming both internal and external challenges it has faced in the past few years. During the period July - February FY 12, the total exports stood at US\$ 15.19 billion. The foreign exchange reserves of the country stood at US\$ 16.51 billion as on 31 March 2012. During July - March FY 12 period, foreign remittances reached a record level of US\$ 9.74 billion, which is 21.45% higher than the remittances received during the corresponding period last year. CPI inflation during July - March FY 12 period averaged 10.80% as compared to 14.00% during July - March FY 11. The SBP lowered its policy rate by a cumulative 200 basis points (bps) during current financial year i.e. 50 bps in July 2011 and 150 bps in October 2011. The decision was primarily driven by a high probability of meeting the 12% CPI inflation target for FY 12 and the need to revive the private investment demand in the economy.

Fund Operations

The Net Asset Value per certificate of ATFF has increased by 17.49% to Rs.9.77 as of 31 March 2012. During the period under review, the benchmark Closed End Funds Market Capitalization has increased by 7.25% from Rs.13.11 billion as on 30 June 2011 to Rs.14.06 billion as on 31 March 2012.

The ATFF's total exposure in Mutual Funds was 98.47% of the Net Assets. The total investment in closed - end funds that are trading at attractive discounts stood at 44.40% of the Net Assets. ATFF's Dividend income and Interest income stood at Rs.32.05 million and Rs.2.38 million respectively for the period under review. The Net Assets of the Fund stood at Rs.436.19 million as of 31 March 2012.

Ratings

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM2-" (AM Two Minus) to Atlas Asset Management Limited. The rating denotes the Company's very strong capacity to manage the risks inherent in asset management and meets high investment management industry standards and benchmarks. The annual review by the rating agency is currently under finalization.

The rating of the Fund is pending since FY 2007 - 08 due to some issues in the categorization of the Fund. The Management Company has also referred the matter to the Mutual Funds Association of Pakistan, to enable resolution of the matter, however, there being no other Fund in this category, rating is not presently facilitated by the rating agencies.

Future Outlook

The sustainable economic growth over the medium term would call for a substantial increase in both the domestic and foreign investment in the economy. Growth prospects would largely depend upon improving the policy mix, relieving infrastructural bottlenecks especially in the energy sector, strengthening human capital, and ensuring a competitive business environment. In the short-run successful auction of 3G license and inflows from coalition support fund will create fiscal space and lower fiscal deficit. The SBP's monetary policy is also trying to strike an appropriate balance among multiple and often competing considerations. These include bringing inflation further down, ensuring financial stability, preserving foreign exchange reserves, and supporting private investment in the economy.

The Fund is committed to prudent investment procedures and will continue to provide consistent long term returns to the investors.

گیسوئے تابدار کو اور بھی تابدار کر
(Let us shine more and more)

Atlas Fund of Funds

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 the financial institutions and the certificate 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.

Karachi: 24 April 2012

Yusuf H. Shirazi
Chairman

Third Quarter Report 2011-12

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT 31 MARCH 2012

	Note	31 March 2012 Un-audited	30 June 2011 Audited
		Rupees -----	
Assets			
Bank balances	4	6,948,675	16,086,920
Investments	5	429,511,161	419,914,511
Interest accrued		139,530	451,996
Security deposits, prepayments and other receivable		7,784,093	7,723,976
Total assets		444,383,459	444,177,403
Liabilities			
Payable against purchase of securities		-	3,312,271
Payable to the management company		608,022	679,297
Payable to the trustee		64,909	65,633
Payable to the SECP		296,083	389,781
Accrued and other liabilities	6	6,242,594	4,743,473
Dividend payable		984,308	455,282
Total liabilities		8,195,916	9,645,737
Net assets		436,187,543	434,531,666
Represented by:			
Certificate holders' Fund			
Issued, subscribed and paid up [52,500,000 (30 June 2011: 52,500,000) certificates of Rs.10/- each]		525,000,000	525,000,000
Repurchase of own certificates by the Fund [7,860,842 (30 June 2011: 7,860,842) certificates]	7	(38,414,346)	(38,414,346)
		486,585,654	486,585,654
Accumulated loss		(50,398,111)	(52,053,988)
		436,187,543	434,531,666
Net asset value per certificate		9.77	9.73

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Fund of Funds

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2012

	For the Nine Months Ended		For the Quarter Ended		
	31 March		31 March		
Note	2012	2011	2012	2011	
	Rupees				
Income					
Dividend income	32,055,351	33,993,308	-	7,143,961	
Interest income	2,382,538	3,998,133	476,197	1,695,554	
Net gain on investments at fair value through income statement (held-for-trading)					
Net gain on sale of investments	14,515,409	26,396,774	11,583,057	1,381,660	
Net unrealised gain on revaluation of investments	29,498,682	58,451,420	45,704,536	15,923,121	
	44,014,091	84,848,194	57,287,593	17,304,781	
Net gain on sale of available-for-sale investments	-	3,361,843	-	2,098,795	
	78,451,980	126,201,478	57,763,790	28,243,091	
Expenses					
Remuneration of the Management Company	5,413,775	5,086,377	1,731,718	1,608,292	
Sindh Sales Tax on Remuneration of the Management Company	866,204	-	277,075	-	
Remuneration of the trustee	561,414	539,954	183,762	193,604	
SECP annual fee	296,083	282,546	96,702	103,098	
Annual rating fee	-	75,000	-	25,000	
Annual listing fee	129,728	95,312	43,243	31,770	
Securities transaction cost	439,925	378,036	172,775	194,585	
Auditors' remuneration	192,000	180,000	65,000	60,000	
Printing charges	480,312	300,000	126,250	90,000	
CDC charges	50,625	50,625	16,875	16,875	
Bank charges	7,002	3,817	2,376	988	
Provision for Workers' Welfare Fund	1,400,298	2,384,196	1,100,960	518,377	
	9,837,366	9,375,863	3,816,736	2,842,589	
Net income for the period	68,614,614	116,825,615	53,947,054	25,400,502	
Earnings per certificate - basic and diluted	8	1.54	2.40	1.21	0.52

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For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Third Quarter Report 2011-12

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2012

	For the Nine Months Ended		For the Quarter Ended	
	31 March		31 March	
	2012	2011	2012	2011
----- Rupees -----				
Net income for the period	68,614,614	116,825,615	53,947,054	25,400,502
Other comprehensive income				
Net unrealised gain on revaluation of available-for-sale investments arising during the period	-	2,440,893	-	714,232
Reclassification adjustment for gains included in income statement upon disposal of investments	-	(3,361,843)	-	(2,098,795)
	-	(920,950)	-	(1,384,563)
Total comprehensive income for the period	68,614,614	115,904,665	53,947,054	24,015,939

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Fund of Funds

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2012

	For the Nine Months Ended	
	31 March 2012	31 March 2011
	----- Rupees -----	
Accumulated loss brought forward	(52,053,988)	(176,194,093)
Cash dividend @ Rs.1.50 per certificate declared on 20 September 2011 (2010: Re.0.22 per certificate declared on 12 October 2010)	(66,958,737)	(10,700,615)
Net income for the period	68,614,614	116,825,615
Accumulated loss carried forward	<u>(50,398,111)</u>	<u>(70,069,093)</u>

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Third Quarter Report 2011-12

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2012

	Note	For the Nine Months Ended	
		31 March 2012	31 March 2011
		----- Rupees -----	
Cash flows from operating activities			
Net income for the period		68,614,614	116,825,615
Adjustments for:			
Dividend income		(32,055,351)	(33,993,308)
Interest income		(2,382,538)	(3,998,133)
Net gain on sale of investments		(14,515,409)	(26,396,774)
Net unrealised gain on revaluation of investments		(29,498,682)	(58,451,420)
Net gain on sale of available for sale investments		-	(3,361,843)
		(78,451,980)	(126,201,478)
(Increase)/decrease in assets			
Security deposits, prepayments and other receivable		(60,117)	2,661,578
(Decrease)/increase in liabilities			
Payable against purchase of securities		(3,312,271)	(1,337,532)
Payable to the management company		(71,275)	(93,878)
Payable to the trustee		(724)	15,955
Payable to the SECP		(93,698)	(41,060)
Accrued and other liabilities		1,499,121	2,384,687
		(1,978,847)	928,172
		(11,876,330)	(5,786,113)
Dividend received		32,055,351	26,508,166
Interest received		2,695,004	3,640,819
Investments made during the period		(284,936,923)	(261,482,846)
Investments sold / redeemed during the period		319,354,364	253,092,690
Net cash inflow from operating activities		57,291,466	15,972,716
Cash flows from financing activities			
Dividend paid		(66,429,711)	(10,656,236)
Repurchase of own certificates		-	(5,147,500)
Net cash used in financing activities		(66,429,711)	(15,803,736)
Net (decrease)/increase in cash and cash equivalents		(9,138,245)	168,980
Cash and cash equivalents at the beginning of the period		16,086,920	34,071,782
Cash and cash equivalents at the end of the period	4	6,948,675	34,240,762

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Fund of Funds

CONDENSED INTERIM STATEMENT OF MOVEMENT IN CERTIFICATE HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2012

	Fund	Repurchased certificates	(Accumulated losses) Rupees	Unrealised gain on revaluation of available-for-sale investment	Total
Net assets as at 30 June 2010 [Rs.7.03 per certificate]	525,000,000	(10,113,886)	(176,194,093)	6,737,313	345,429,334
Cash dividend @ Re.0.22 per certificate declared on 12 October 2010	-	-	(10,700,615)	-	(10,700,615)
Repurchase of own certificates	-	(5,147,500)	-	-	(5,147,500)
Net income for the period	-	-	116,825,615	-	116,825,615
Other comprehensive income	-	-	-	(920,950)	(920,950)
Total comprehensive income for the period	-	-	116,825,615	(920,950)	115,904,665
Net assets as at 31 March 2011 [Rs.9.24 per certificate]	525,000,000	(15,261,386)	(70,069,093)	5,816,363	445,485,884
Repurchase of own certificates	-	(23,152,960)	-	-	(23,152,960)
Net income for the period	-	-	18,015,105	-	18,015,105
Other comprehensive loss	-	-	-	(5,816,363)	(5,816,363)
Total comprehensive income / (loss) for the period	-	-	18,015,105	(5,816,363)	12,198,742
Net assets as at 30 June 2011 [Rs.9.73 per certificate]	525,000,000	(38,414,346)	(52,053,988)	-	434,531,666
Cash dividend @ Rs.1.50 per certificate declared on 20 September 2011	-	-	(66,958,737)	-	(66,958,737)
Net income for the period	-	-	68,614,614	-	68,614,614
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	68,614,614	-	68,614,614
Net assets as at 31 March 2012 [Rs.9.77 per certificate]	525,000,000	(38,414,346)	(50,398,111)	-	436,187,543

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Third Quarter Report 2011-12

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2012

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Fund of Funds (the Fund), is a closed end mutual fund established under a Trust Deed executed between Atlas Asset Management Limited (AAML) as management company and Central Depository Company of Pakistan Limited (CDC) as trustee on 29 May 2004. CDC voluntarily resigned on 23 February 2007 as trustee and MCB Financial Services Limited (MCBFSL) was appointed as the trustee with effect from that date. The Trust Deed was revised through the Deed of Change of Trustee and First Supplemental Trust Deed dated 23 February 2007 with the approval of SECP. The investment activities and administration of the Fund are managed by Atlas Asset Management Limited situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 The certificates of the Fund were offered for public subscription in December 2004. The certificates of the Fund are listed on the Karachi Stock Exchange (Guarantee) Limited.
- 1.3 According to the Trust Deed, the objective of the Fund is to provide investors one window facility to invest in a diversified portfolio of securities offering consistent return and growth. The Fund aims to deliver this objective mainly by investing in closed end mutual funds to take advantage of availability of such securities at discount to Net Asset Value (NAV). Depending upon the market opportunity, the management company may defer investment in closed end mutual funds and invest in open ended mutual funds, cash and/or near cash instruments including cash in bank accounts (excluding Term Deposit Receipts), and treasury bills not exceeding ninety days maturity. The investment objectives and policies are more fully defined in the Fund's offering document.
- 1.4 As per clause 65 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, an Asset Management Company managing a closed end fund shall, from the expiry of every five years from 21 November 2007 or the date of launch of the fund whichever is later, hold within one month of such period a meeting of the certificate holders to seek their approval (by special resolution) to convert the closed end fund into an open end scheme or revoke the closed end scheme. Accordingly, the Fund is required to hold such meeting of certificate holders within the time frame specified under the above regulation.

The future operations of the Fund are dependent on the above referred approval from the Certificate holders of the Fund, who may decide in favour of conversion to open end fund, or revocation of the Fund. The Management Company believes that the revocation of the Fund will not have any material impact on the carrying amounts of assets and liabilities for the reason that such values are not materially different from the expected realizable / settlement amounts of the assets and liabilities of the Fund. Accordingly, these condensed interim financial statements have been prepared on a going concern basis.

2. BASIS OF PREPARATION

- 2.1 These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting", the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.
- 2.2 These condensed interim 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 2011.

Atlas Fund of Funds

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those of the previous financial year except as follows:

New and amended standards and interpretations

The Fund has adopted the following amended IFRS and IFRIC interpretation which became effective during the period:

- IFRS 7 - Financial Instruments: Disclosures
- IAS 24 - Related Party Disclosures (Revised)
- IFRIC 14 - Prepayments of a Minimum Funding Requirement (Amendment)

In May 2010, International Accounting Standards Board (IASB) issued amendments to various standards primarily with a view to removing inconsistencies and clarifying wording. These improvements are listed below:

- IFRS 7 - Financial Instruments Disclosures - Clarification of disclosures
- IAS 1 - Presentation of Financial Statements - Clarification of statement of changes in equity
- IAS 34 - Interim Financial Reporting - Significant events and transactions
- IFRIC 13 - Customer Loyalty Programmes - Fair value of award credits

The adoption of the above standards, amendments, interpretations and improvements did not have any effect on the condensed interim financial statements.

	Note	31 March 2012 Un-audited	30 June 2011 Audited
		Rupees -----	
4. BANK BALANCES			
In current accounts - dividend accounts		984,308	455,282
In PLS saving accounts	4.1	5,964,367	15,631,638
		<u>6,948,675</u>	<u>16,086,920</u>

4.1 The rate of return on these accounts ranges between 5% and 11% (30 June 2011: 5% and 11.50%) per annum.

5. INVESTMENTS

At fair value through income statement (held-for-trading)	5.1	<u>429,511,161</u>	<u>419,914,511</u>
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5.1 Investments - at fair value through income statement (held-for-trading)

Number of shares / certificates / units					Rupees	Percentage of		
At the beginning of the period	Acquired during the period	Bonus during the period	Disposed/ Redeemed during the period	At the end of the period	Market Value	Total investment	Net assets	Paid-up Capital/ Net asset value of Investee company

5.1.1 CLOSED - ENDED MUTUAL FUNDS

EQUITY INVESTMENT INSTRUMENTS

(Face value of Rs. 10/- each unless stated otherwise)

Managed by AKD Investment Management Limited

Golden Arrow Selected Stocks

Fund Limited	3,000,000	-	-	-	3,000,000	12,180,000	2.84	2.78	1.97
(Face value Rs. 5/- per share)									

Third Quarter Report 2011-12

Number of shares / certificates / units					Rupees		Percentage of		
At the beginning of the period	Acquired during the period	Bonus during the period	Disposed/ Redeemed during the period	At the end of the period	Market Value	Total investment	Net assets	Paid-up Capital/ Net asset value of Investee company	

5.1.1 CLOSED - ENDED MUTUAL FUNDS (Continued...)

EQUITY INVESTMENT INSTRUMENTS

(Face value of Rs. 10/- each unless stated otherwise)

Managed by Al-Meezan Investment Management Limited

Meezan Balanced Fund	3,650,000	517,903	-	-	4,167,903	41,262,240	9.61	9.46	3.47
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Managed by JS Investments Limited

JS Value Fund Limited	1,325,000	334,782	-	-	1,659,782	10,971,159	2.55	2.52	1.40
JS Growth Fund	4,788,976	37,272	-	-	4,826,248	35,714,235	8.31	8.19	1.52
	6,113,976	372,054	-	-	6,486,030	46,685,394	10.86	10.71	

Managed by PICIC Asset Management Company Limited

PICIC Energy Fund	2,425,974	2,664,112	-	-	5,090,086	39,193,662	9.13	8.99	5.09
PICIC Growth Fund	1,313,550	536,450	-	-	1,850,000	24,494,000	5.70	5.62	0.65
PICIC Investment Fund	4,000,000	300,000	-	-	4,300,000	26,875,000	6.26	6.16	1.51
	7,739,524	3,500,562	-	-	11,240,086	90,562,662	21.09	20.77	

190,690,296 44.40 43.72

OPEN-ENDED MUTUAL FUNDS

(Face value of Rs. 10/- each unless stated otherwise)

Managed by Al-Meezan Investment Management Limited

Al-Meezan Mutual Fund Limited	2,948,995	200,000	-	-	3,148,995	37,035,330	8.62	8.49	1.96
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Managed By Atlas Asset Management Limited

(Related party)

Atlas Income Fund (Related party) (Face value Rs. 500/- per unit)	-	20,523	-	-	20,523	10,551,462	2.46	2.42	1.17
Atlas Islamic Income Fund (Related party) (Face value Rs. 500/- per unit)	-	48,678	934	20,336	29,275	15,064,698	3.51	3.45	3.27
Atlas Islamic Stock Fund (Related party) (Face value Rs. 500/- per unit)	19,904	235,313	6,873	164,945	97,144	36,310,472	8.45	8.32	9.44
Atlas Money Market Fund (Related party) (Face value Rs. 500/- per unit)	48,403	59,683	1,450	109,536	-	-	-	-	-
Atlas Stock Market Fund (Related party) (Face value Rs. 500/- per unit)	70,317	182,550	23,140	229,075	46,932	18,636,404	4.34	4.27	3.45
	138,624	546,747	32,397	523,892	193,875	80,563,036	18.76	18.46	

Managed By Habib Asset Management Limited

First Habib Cash Fund (Face value Rs. 100/- per unit)	329,985	97,314	12,608	339,882	100,025	10,275,297	2.39	2.36	0.89
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Managed By HBL Asset Management Limited

HBL Islamic Stock Fund (Face value Rs. 100/- per unit)	50,095	45,433	769	96,297	-	-	-	-	-
HBL Money Market Fund (Face value Rs. 100/- per unit)	242,881	-	7,408	250,288	-	-	-	-	-
HBL Stock Fund (Face value Rs. 100/- per unit)	183,006	-	19,813	202,820	-	-	-	-	-
	475,982	45,433	27,990	549,405	-	-	-	-	-

Atlas Fund of Funds

Note	Number of shares / certificates / units				Rupees		Percentage of		
	At the beginning of the period	Acquired during the period	Bonus during the period	Disposed/ Redeemed during the period	At the end of the period	Market Value	Total investment	Net assets	Paid-up Capital/ Net asset value of Investee company
OPEN-ENDED MUTUAL FUNDS (Continued...)									
(Face value of Rs. 10/- each unless stated otherwise)									
Managed By JS Investments Limited									
JS Cash Fund (Face value Rs. 100/- per unit)	210,175	288,878	24,865	227,918	296,000	30,041,084	6.99	6.89	1.85
Managed By Lakson Investments Limited									
Lakson Income Fund (Face value Rs. 100/- per unit)	370,400	-	34,192	29,690	374,902	37,606,311	8.76	8.62	3.01
Lakson Money Market Fund (Face value Rs. 100/- per unit)	356,570	-	33,149	19,857	369,862	36,996,209	8.61	8.48	0.63
	726,970	-	67,341	49,547	744,764	74,602,520	17.37	17.10	
Managed By National Investment Trust Limited									
NT Government Bond Fund	529,256	-	53,472	-	582,728	6,303,598	1.47	1.45	0.22
						238,820,865	55.60	54.75	
5.1.2						429,511,161	100.00	98.47	

5.1.2 The cost of above investments is Rs.497,778,936 (30 June 2011: Rs.504,517,709).

Note	31 March 2012 Un-audited	30 June 2011 Audited
	Rupees	
6. ACCRUED AND OTHER LIABILITIES		
Auditors' remuneration payable	143,171	191,707
Printing charges payable	285,250	233,175
Settlement charges	18,000	20,000
Rating fee payable	200,000	200,000
Sindh Sales Tax payable on Remuneration of the Management Company	97,284	-
Provision for Workers' Welfare Fund	5,498,889	4,098,591
	<u>6,242,594</u>	<u>4,743,473</u>

6.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / Mutual Funds (CISs) / Pension Funds whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a Constitutional Petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs / Pension Funds, which is pending adjudication. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements for the year ended 30 June 2010.

Third Quarter Report 2011-12

6.1 Subsequent to the year ended 30 June 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. In December 2010 the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the same, whereafter, show cause notices were issued by Federal Board of Revenue (FBR) to several Mutual Funds (CISs) / Pension Funds for the collection of WWF. In respect of such show cause notices, certain Mutual Funds (CISs)/ Pension Funds have been granted stay by Honorable SHC on the basis of the pending Constitutional Petition as referred above.

Subsequent to the year ended 30 June 2011, the Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional. The Management Company is hopeful that the decision of the LHC, will lend further support to the Constitutional Petition which is pending in the SHC. However, pending the decision of the said Constitutional Petition, the Management Company, as a matter of abundant caution, has decided to continue to maintain the provision for WWF amounting to Rs.5,498,889 (30 June 2011: Rs.4,098,591) in these financial statements.

7. REPURCHASE OF OWN CERTIFICATES

This represents investment made by the Fund in its own certificates, as permitted under Regulation 55(11) of the NBFC Regulations, read with SECP's Circular 14 of 2009 dated 04 May 2009, and as approved by the SECP vide their letter no. NBFC/MF-RS/AFOF/221/2009 dated 13 February 2009. These certificates shall be available for resale subsequently, in accordance with the requirements prescribed under Circular 14 of 2009, with the approval of Board of Directors of the Management Company.

For the Nine Months Ended		For the Quarter Ended	
31 March		31 March	
2012	2011	2012	2011
Un-audited		Un-audited	
----- Rupees -----			

8 EARNINGS PER CERTIFICATE - basic and diluted

Net income for the period (Rupees)	68,614,614	116,825,615	53,947,054	25,400,502
Weighted average number of certificates outstanding during the period (number of certificates)	44,639,158	48,635,143	44,639,158	48,626,936
Earnings per certificate (Rupees) - basic and diluted	1.54	2.40	1.21	0.52

For the Nine Months Ended	
31 March	
2012	2011
Un-audited	Un-audited
----- Rupees -----	

9. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

9.1 Transactions for the period

Atlas Asset Management Limited (Management Company)		
Remuneration charged	5,413,775	5,086,377
Sindh Sales Tax on Remuneration of the Management Company	866,204	-
Remuneration paid	5,485,050	5,180,255
Dividend paid	9,228,788	1,353,556

Atlas Fund of Funds

For the Nine Months Ended
31 March

	2012	2011
	Un-audited	Un-audited
	----- Rupees -----	

9.1 Transactions for the period (Continued...)

MCB Financial Services Limited (Trustee)		
Trustee fee	561,414	539,954
Atlas Income Fund (Fund under common management)		
Investment 20,523 (2011: Nil) units	10,000,000	-
Atlas Islamic Income Fund (Fund under common management)		
Investment 48,678 (2011: Nil) units	25,000,000	-
Redemption 20,336 (2011: 33,296) units	10,263,531	16,810,153
Bonus 934 (2011: 4,917) units	471,182	2,465,454
Atlas Islamic Stock Fund (Fund under common management)		
Investment 235,313 (2011: Nil) units	78,000,000	-
Redemption 164,945 (2011: Nil) units	56,543,202	-
Bonus 6,873 (2011: Nil) units	2,089,916	-
Atlas Money Market Fund (Fund under common management)		
Investment 59,683 (2011: 58,214) units	30,000,000	30,000,000
Redemption 109,536 (2011: Nil) units	55,196,594	-
Bonus 1,450 (2011: 1,590) units	728,041	800,442
Atlas Stock Market Fund (Fund under common management)		
Investment 182,550 (2011: 50,439) units	60,393,476	18,121,706
Redemption 229,075 (2011: 50,439) units	76,813,328	18,121,706
Bonus 23,140 (2011: 19,878) units	7,734,852	6,304,869
	31 March	30 June
	2012	2011
	Un-audited	Audited
	----- Rupees -----	

9.2 Outstanding balances as at period/ year end

Atlas Asset Management Limited (Management Company)		
Payable to the management company	608,022	679,297
Sindh Sales Tax payable on Remuneration of the Management Company	97,284	-
Certificates held 6,632,565 (30 June 2011: 6,152,525) at market value	46,427,955	39,991,413
MCB Financial Services Limited (Trustee)		
Trustee fee payable	64,909	65,633
<u>Key Management Personnel of Management Company</u>		
Certificates held 336,176 (30 June 2011: 321,676) at market value	2,353,232	2,090,894

9.3 The transactions with related parties/connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

9.4 The investment in related parties is shown in Note 5 to the condensed interim financial statements.

Third Quarter Report 2011-12

10. GENERAL

Figures have been rounded off to the nearest Rupee.

11. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the management company on 24 April 2012.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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