

Commitment Par Excellence



FAYSAL
BALANCED
GROWTH FUND

Faysal
Income &
Growth Fund

FAYSAL
SAVINGS
GROWTH FUND

Managed by

Faysal Asset Management Limited



FAYSAL
SAVINGS
GROWTH FUND



Faysal Savings Growth Fund

Faysal Savings Growth Fund (FSGF) an open-ended mutual fund, seeks maximum preservation of capital and a reasonable rate of return via investing primarily in money market and debt securities having good credit rating and liquidity.

Contents

Fund Information	1
Mission Statement	2
Report of the Directors of the Management Company	3
Fund Manager's Report	6
Trustee Report to the Unit Holders	8
Statement of Compliance with the Code of Corporate Governance	9
Review Report to the Unit Holders on Statement of Compliance with the Best Practices of the Code of Corporate Governance	11
Independent Auditors' Report to the Unit Holders	12
Statement of Assets and Liabilities	13
Income Statement	14
Distribution Statement	15
Cash Flow Statement	16
Statement of Movement in Unit Holders' Funds	17
Notes to the Financial Statements	18



Fund Information

Management Company
Faysal Asset Management Limited

Board of Directors of the Management Company
Mr. Khalid Siddiq Tirmizey, Chairman
Mr. Salman Haider Sheikh, Chief Executive Officer
Mr. Sanaullah Qureshi, Director
Mr. Feroz Rizvi, Director
Syed Majid Ali Esq., Director

CFO of the Management Company
Mr. Abdul Razzak Usman
Mr. Shakeel Musani (Resigned w.e.f July 7, 2008)

Company Secretary of the Management Company
Mr. M. Siddique Memon

Audit Committee
Mr. Feroz Rizvi, Chairman
Mr. Sanaullah Qureshi, Member
Syed Majid Ali Esq., Member

Trustee
Central Depository Company of Pakistan
Suite # M 13, 16, Mezzanine Floor, Progressive Plaza,
Beaumont Road, Near PIDC House, Karachi.

Bankers to the Fund
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
The Bank of Punjab

Auditors
Ford Rhodes Sidat Hyder & Co., Chartered Accountants

Legal Advisor
Mohsin Tayebaly & Co.
2nd Floor, Dime Centre,
BC-4, Block-9, KDA-5,
Clifton, Karachi.

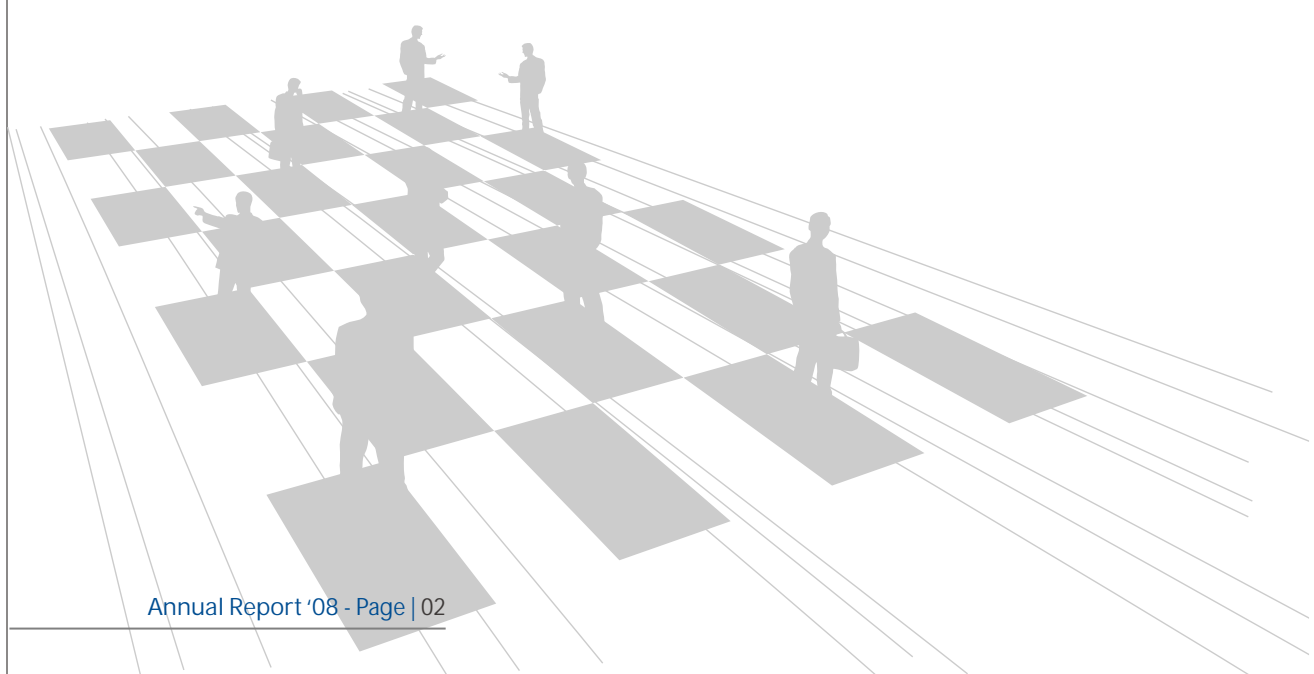
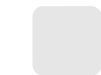
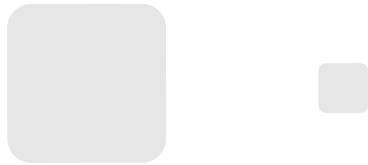
Registrar
Gangjees Registrar Services (Pvt) Limited
Room # 506, 5th Floor, Clifton Centre,
Kehkashan Clifton – Karachi.

Distributors
Alfalah Securities (Pvt) Limited
Faysal Asset Management Limited
Faysal Bank Limited
Flow (Pvt) Limited
IGI Investment Bank Limited
JS Global Capital Limited
Pak Oman Investment Bank Limited
Reliance Financial Products (Pvt) Limited



Mission Statement

FSGF seeks to provide investors a consistent income stream with maximum preservation of capital.



Report of the Directors of the Management Company



The Directors of the Faysal Asset Management Limited, the Management Company of Faysal Savings Growth Fund (FSGF), are pleased to present the Second Annual Report on the operations of FSGF along with the audited accounts, Reports of the Trustee and Auditors to the Unit Holders for the year ended June 30, 2008.

Sale and Redemption of Units

During the year, units worth Rupees 9,783 million were issued and units with a value of Rupees 7,033 million were redeemed. FSGF being a pure money market fund favoured by retail and institutional investors during uncertain economic environment for the purpose of safety. It is also utilised by corporate customers for their cash management needs.

Unit Holders

As of June 30, 2008, total unit outstanding were increased by 250% and the value of net assets increased by 257%. As of June 30, 2008, 39,049,200 units with a value of Rs. 4,045 million were outstanding (June 30, 2007: 11,173,825 units with a value of Rs. 1,133 million). The fund witnessed an increase of over 232% in the total quantity of investors during the year. This clearly indicates investor confidence in the fund's performance.

Unit Prices

Unit prices are being announced on a daily basis based on the NAV of the underlying portfolio. The highest and lowest offer/redemption prices during the year as well as the prices prevailing as of June 30, 2008 were as below:

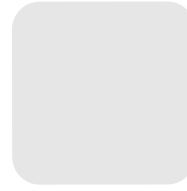
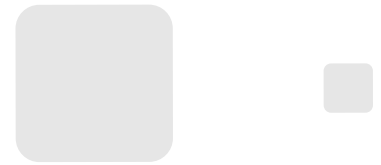
	Offer Price	Redemption Price
Highest	107.53	107.53
Lowest	100.44	100.44
As of June 30, 2008	103.58	103.58

Performance

Faysal Savings Growth Fund (FSGF) by the grace of Almighty Allah performed well during the year. FSGF achieved an annualised yield of 9.97%. The fund achieved one of the highest yields in the money market category with low average portfolio duration. The average return of money market funds remained around 9.60% for the same period. This clearly indicates out-performance of the fund during the year. Being a money market fund, the fund's emphasis is on managing interest rate risk and duration risk by maintaining a short to medium-term investment portfolio. The emphasis was also given to the credit quality of the financial instruments in the overall asset allocation to provide stable long-term returns while minimising portfolio risk.

Market Overview & Future Outlook

On the economic front, the real GDP was recorded at 5.8% in FY08 as compared to 6.8% in FY07. The average rate of growth in the country has been around 6.6% in the past five years. Going forward, the economic conditions have been deteriorating resulting from high oil import bill and political uncertainty. The rise in the international oil prices fuelled inflationary pressure in the economy. The headline CPI inflation remained high with pressure on food inflation indicating the highest inflationary numbers in a long time. The central bank remained its strict monetary policy tightening stance throughout the fiscal year to control inflation. The sharp rising interest rate scenario slowed the overall economic output. The devaluation of rupee versus dollar is expected to further impact the worsening situation.



Report of the Directors of the Management Company

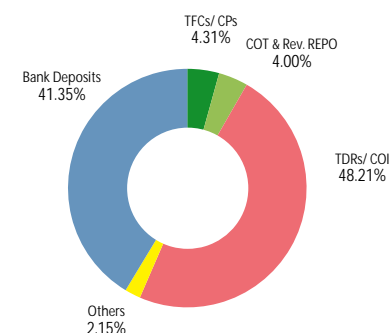


The rising trend of commodity prices in the international market, higher demand for furnace oil by thermal power plants, higher oil import bill due to increase in oil prices, and anticipated increase in the import of power generating machinery may put upward pressures on the import bill. These factors along with the political uncertainty have impacted the foreign direct investment and foreign portfolio investment negatively. The flight of local and foreign capital from the economy has posted serious economic challenges for economic managers.

Sustained efforts and vigilance are required by the economic managers along with political stability to address the existing and emerging new challenges of the macroeconomic environment. Inflationary pressures have to be further contained by addressing deeper issues than that of supply side economics. Similarly, the long-term health of the economy requires a lower sustainable current account deficit, concurrent with a rise in the domestic savings rate and a gradual reduction in the fiscal deficit. A graduated increase in the tax-to-GDP ratio is also required to finance the development spending required to raise in the long-term growth potential of the economy.

Asset Allocation

The Asset Allocation of the fund as on June 30, 2008 was under:



Due to rising international oil prices, we are witnessing an increasing inflationary pressure in the economy, resulting in further extension of the tight monetary policy stance by the policy makers. This aggressive tightening stance has compelled the fund managers to manage the liquidity required in short term deposits with "A" or better rated financial instruments at attractive yields.

Income Distribution

The Board has approved fund distribution at the rate of 10% (Interim 6.61% and final 3.39%) (i.e. Rs. 10 per unit).

Mutual Fund Rating

JCR-VIS has awarded the fund stability rating of "A (f)" for Faysal Savings Growth Fund (FSGF). This rating denotes a high level

of stability in the asset allocation mix of the portfolio. The credit rating also signifies the strength of the credit quality of financial instruments in the portfolio. It also denotes low portfolio risk, duration risk and interest rate risk.

Meetings of the Directors

The details relating to the meetings of directors are given as part of this Annual Report.

Corporate Governance

1. A prescribed statement by the management along with the auditors' report thereon for the year ended June 30, 2008 forms part of this annual report.

2. Statements under clause xix of the Code:

- The financial Statements, prepared by the Management presents fairly the state of affairs of the Fund and result of its operations, cash flows and movement in unit holder's fund.
- Proper books of accounts of the Fund have been maintained.
- Appropriate accounting policies have been applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgement.
- International Accounting Standards have been followed in the preparation of financial statements without any material departure.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no significant doubt upon Fund's ability to continue as going concern.
- There has been no material departure from the Best Practices of the Code of Corporate Governance, as detailed in the Listing Regulations.
- Outstanding statutory payments on account of taxes, if any, have been fully disclosed in the accounts.
- The details of Board Meetings held and attended by the directors forms part of this Annual Report.
- The prescribed pattern of shareholding is given as part of this Annual Report.

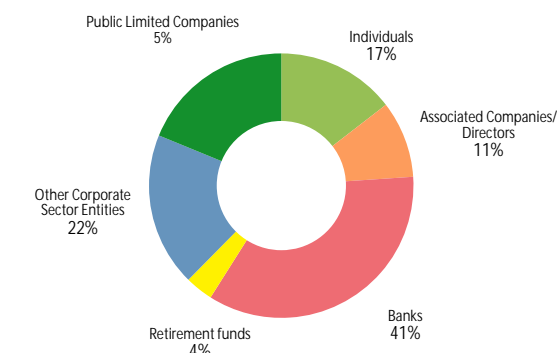
Report of the Directors of the Management Company



The sale and repurchase of units of the Fund carried out by the Directors, CEO, CFO, Company Secretary of the Management Company including their spouse and minor children are as under:

Trades By:	Investment ------(No. of Units)-----	Redemption -----
Mr. Khalid S. Tirmizey (Director)	195,618	50,624
Mr. Mohammad Iqbal (Director)	78	98
Mr. Farook Bengali (Director)	5,898,775	4,737,062
Mr. Shahid Waqar Mehmood (Director)	2,322	-
Mr. Salman Haider Sheikh (CEO)	48,725	-

Pattern of Holding



Auditors

The present auditors Messers Ford Rhodes Sidat Hyder & Co. Chartered Accountants retire and, being eligible, offer themselves for re-appointment. The Board endorses the recommendation of the Audit Committee for re-appointment of Messers Ford Rhodes Sidat Hyder & Co. Chartered Accountants as the auditors for the financial year 2009.

Acknowledgement

The Board of Directors of the Management Company is thankful to unit holders for their confidence in the Management, the Securities and Exchange Commission of Pakistan and the management of Karachi Stock Exchange for their valuable support, assistance and guidance. The Board also thanks the employees of the Management Company and the Trustee for their dedication and hard work.

For and on behalf of the Board

Salman Haider Sheikh

Karachi:
September 24, 2008

Chief Executive

Fund Manager's Report



Investment Objective

FSGF seeks maximum possible preservation of capital and a reasonable rate of return via investing primarily in money market & debt securities having good credit rating and liquidity.

Fund Information

Fund Type	Open Ended-Money Market Fund	Registrar	Gangjees Registrar Services (Pvt.) Ltd.
Fund Launch Date	7th May 2007	Trustees	Central Depository Company of Pakistan
Performance Benchmark	1 Month KIBOR	Auditors	Ford Rhodes Sidat Hyder & Co. Chartered Accountants
Rating	A(f) by JCR-VIS		

Returns

Portfolio Characteristics

	Returns	Portfolio Characteristics			
Month On Month	10.67%	KIBOR		T-BILLS	
Year to Date	9.97%	3M	13.88%	3M	11.41%
Since Inception	10.27%	6M	14.19%	6M	11.49%
MoM Avg Mkt Return	9.08%	12M	14.47%	12M	11.73%

Money Market Review

This month observed a liquidity crunch even though the inter-bank money market closed on the average of 10.68%. Banks, DFIs and investment banks were eager for borrowing over the period of 3 months at higher rate. The exacerbated impact of rising yield is mainly due to the DR (Discount rate) adjustment to the tune of 150 bps. Heavy redemptions were observed in mutual funds across the board whose role remains instrumental in trading of money market investments as of today.

The situation alerted the mutual funds industry to build a firewall for their portfolio mix to meet the challenge of the upward interest rate momentum. The dilemma of managing their financial book on short-term basis and having more liquidity on one hand, and on the other hand continuing to provide a hedging mechanism to their investors from any unanticipated losses.

On July 2, 2008 the State Bank of Pakistan sold treasury bills worth Rs. 76.844 billion for the roll over as well as to mop up any surplus liquidity in the market. At the same time, the SBP siphoned off more liquidity through open market operation (OMO) to keep the banks on a tight rope. The SBP had announced to sell T-bills worth Rs. 80 billion and succeeded to sell Rs. 76.8 billion. However, most of the T-bill bids were made for three months duration only, signalling a rising yield curve.

The SBP did not receive offers for benchmark 6-month T-bills which was an indication that banks were not in a mood to engage their money for a longer period. The central bank sold only Rs. 1.989 billion for 12-month T-bills.

Fund Manager's Report



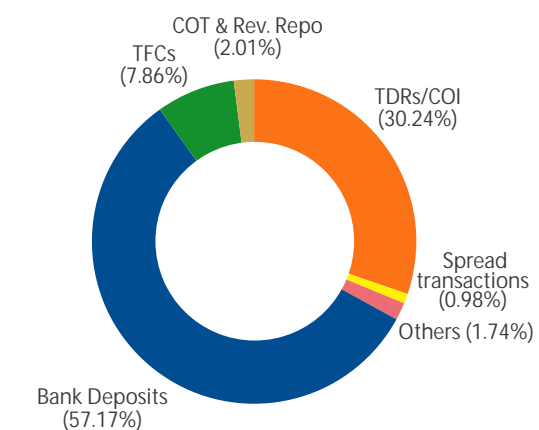
Following withdrawals of subsidies and the recent record surge in the prices of petrol, diesel, gas and electricity, the food inflation has touched the highest ever mark in Pakistan, taking a leap from 11.3% in May last year to above 30% in June, 2008. The delay in wheat import will further push the food prices upward. This situation is dampening investor sentiment by raising possibility of further rate hikes to counter inflationary pressures.

Hence, further hike in interest rate is expected in the near future, mainly due to nominal currency depreciation and highest ever inflation (WO - CHG%) statistics in the economic history of the country. The oil price has already touched its all time high level at \$146 a barrel due to long positions taken by hedge fund investors on CBOT (Chicago Board of Trade) and other global commodity derivative counters, not withstanding the possibility of occurrence of certain exogenous shocks that are already getting priced into the value of this precious commodity. Notable is the possibility of US allied forces making any military posturing towards Iran. The impact of such international political policies may take oil prices to unprecedented price levels. Last but not the least impact of such negative externalities may not go untold against the broader world financial market; which includes both developed and emerging market economies.

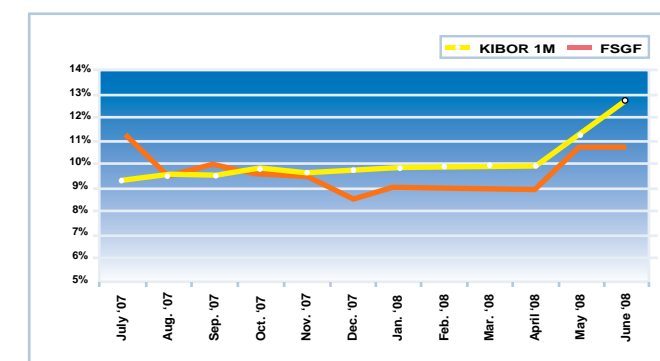
Performance

FSGF performance was well above its contemporaries as FY'08 returns were 9.97% as compared to peers' average annualised return of 9.60%, a clear out performance by 37 bps in the last year. FSGF also performed well during the last month and by attaining 10.67% annualised return on MoM (month-to-month) basis, its since inception annualised return stood at 10.27%. This month FSGF started at Rs. 102.62-NAV, while closing at Rs. 103.55NAV. On the asset allocation side exposure in TDRs/ColS and Bank Deposits increased to 51.35% and 41.37% respectively while exposure in TFCs, COT & Rev. Repo and other as well as spread transaction decreased to 1.14%, 3.99%, 1.16% and 0.99% respectively.

Average Asset Allocation FY 07-08 (%)



Kibor (1 M) vs FSGF



Trustee Report to the Unit Holders



Report of the Trustee pursuant to Regulation 58(f) and Clause 9 of Schedule IV of the Non-Banking Finance Companies and Notified Entities Regulations, 2007

The Faysal Savings Growth Fund (Fund), an open-end fund was established under a trust deed dated December 28, 2006, executed between Faysal Asset Management Limited, as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee.

In our opinion, the Management Company has in all material respects managed the Fund during the year ended June 30, 2008 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2007 and the constitutive documents of the Fund.

Muhammad Hanif
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi:
October 9, 2008

Statement of Compliance with the Code of Corporate Governance



This statement is being presented by the Board of Directors of Faysal Asset Management Limited (FAML the company), the management company of Faysal Savings Growth Fund (the Fund) to comply with the Code of Corporate Governance contained in Regulation No. 37 of Listing Regulations of Karachi Stock Exchange for the purpose of establishing a framework of good governance, whereby listed company is managed in compliance with the Best Practices of the Code of Corporate Governance.

FAML, the Management Company is not listed and hence, the Code is not applicable to it. However, the fund, being listed on Karachi Stock Exchange, comes under the ambit of the code. The fund being a unit trust scheme does not have its own Board. The Board of Directors of the management company manages the affairs of the fund.

The Management Company has applied the principles contained in the code in the following manner:

1. The Management Company encourages representation of independent non-executive Directors. At present the Board includes two independent non-executive Directors.
2. The Directors have confirmed that none of them is serving as a Director in more than ten listed companies, including the Management Company.
3. All the resident Directors of the Management Company are registered as tax payers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBF or, being a member of a stock exchange, has been declared as a defaulter by the stock exchange.
4. A casual vacancy had occurred in the Board subsequent to June 30, 2008, which was filled up by the directors within 1 day thereof.
5. The Management Company has prepared a "Statement of Ethics and Business Practices" which has been signed by all the directors and employees of the management company.
6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the fund. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment of remuneration and terms and conditions of employment of the CEO have been taken by the Board. There is no other executive director of the company besides the CEO.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose and the Board met at least once in every quarter during the periods. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meeting. The minutes of the meetings were appropriately recorded and circulated to all concerned.
9. The Directors of Faysal Asset Management Limited are professionally qualified persons with rich experience in the financial sector and are well aware of their duties and responsibilities under the Companies Ordinance 1984, the NBFC (Establishment and Regulation) Rules 2003, NBFC's and Notified Entities Regulations, and Memorandum and Articles of FAML.
10. The Board has approved the appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment, as determined by the CEO.
11. The Directors' report for this period has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Fund were duly endorsed by CEO and CFO of the Management Company before approval of the Board.
13. The Directors, CEO and Executive do not hold any interest in the units of the fund other than that disclosed in the pattern of the share holdings (units).
14. The Fund has complied with all the corporate and financial reporting requirements of the Code.

Statement of Compliance with the Code of Corporate Governance



15. The Board has formed an Audit Committee. It comprises of three members, all of whom are non-executive directors including the Chairman of the Committee. During the year, the Chairman of the Audit Committee resigned w.e.f June 03, 2008, and one of the members of the Audit Committee was nominated as Chairman.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Fund and as required by the Code. The terms of reference of the committee has been formed and advised to the committee for compliance.
17. The Management Company has outsourced its internal audit function to M. Yousuf Adil Saleem & Co., Chartered Accountants, who are considered suitably qualified and experienced for the purpose and are conversant with policies and procedures of the fund and they (or their representatives) are involved in the internal audit function on a full time basis.
18. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold units of the Fund and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Listing Regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. We confirm that all other material principles contained in the Code have been complied with.

Karachi:
September 24, 2008

Salman Haider Sheikh
Chief Executive Officer

Review Report to the Members on Statement of Compliance with the Best Practices of the Code of Corporate Governance



We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Faysal Asset Management Limited (the Management Company) of the Faysal Savings Growth Fund (the Fund) to comply with the Listing Regulation No. 37 (Chapter XI) of the Karachi Stock Exchange where the Fund is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Fund's compliance with the provisions of the Code and report if it does not. A review is limited primarily to inquiries of the Fund's personnel and review of various documents prepared by the Fund to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control systems to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the best practices contained in the Code, as applicable to the Fund for the year ended 30 June 2008.

Karachi:
September 24, 2008

Chartered Accountants

Independent Auditors' Report to the Unit Holders



We have audited the accompanying financial statements of Faysal Savings Growth Fund (the Fund), which comprise the statement of assets and liabilities as at 30 June 2008, and the related income statement, distribution statement, cash flow statement and statement of movement in unit holders' fund for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

The Management Company of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non Banking Finance Companies and Notified Entities Regulations, 2007 (the NBFC Regulations) and approved accounting standards as applicable in Pakistan. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Fund's affairs as at 30 June 2008 and of its financial performance, cash flows and transactions for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

Other matters

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Trust Deed, the NBFC Rules and the NBFC Regulations.

Karachi:
September 24, 2008

Feroz Rizvi & Co.

Chartered Accountants

Statement of Assets and Liabilities as at June 30, 2008



	Note	June 30, 2008	June 30, 2007
		----- (Rupees) -----	
Assets			
Bank balances and term deposit receipts	7	3,622,365,674	645,437,823
Receivables	8	209,085,995	13,115,098
Preliminary expenses and flotation costs	9	3,088,220	3,890,411
Investments	10	218,156,959	480,725,494
Total assets		4,052,696,848	1,143,168,826
Liabilities			
Payable to the Management Company	11	4,181,451	1,420,254
Remuneration payable to the Trustee	12	360,955	176,875
Accrued and other liabilities	13	3,303,095	8,544,532
Total liabilities		7,845,501	10,141,661
Net assets		4,044,851,347	1,133,027,165
Unit holders' fund		4,044,851,347	1,133,027,165
		----- Number of units -----	
Number of units in issue		39,049,200	11,173,825
Net asset value per unit		103.58	101.40
		----- (Rupees) -----	

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Salman Haider Sheikh

Salman Haider Sheikh
Chief Executive Officer

Feroz Rizvi

Feroz Rizvi
Director

Syed Majid Ali

Syed Majid Ali
Director

Income Statement for the Year Ended June 30, 2008



	Note	For the period	
		June 30, 2008	May 12 to June 30, 2007
		----- (Rupees) -----	
Income			
Net capital gain on sale of investments 'at fair value through profit or loss'		3,430,540	-
Income from reverse repurchase transactions of listed securities		5,657,770	-
Profit earned on debt securities		31,855,875	2,270,971
Return on bank balances and term deposit receipts		277,293,618	16,204,873
Other		1,667	2,852
Unrealised gain on derivative financial instruments		-	755,000
Unrealised gain on investments 'at fair value through profit or loss' - net	10.6	6,250,421	725,586
		324,489,891	19,959,282
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed		78,032,437	(834,276)
Total Income		402,522,328	19,125,006
Expenses			
Remuneration of the Management Company	11	42,415,867	2,334,560
Remuneration of the Trustee	12	3,829,972	292,624
Brokerage charges		612,161	218,500
Bank charges and guarantee commission		1,110,161	2,875
Auditors' remuneration	14	315,264	150,000
SECP annual fee		2,827,724	155,637
Legal and professional charges		240,000	2,500
Fees and subscriptions		35,000	160,000
Settlement charges and capital value tax		277,620	56,875
Amortization of preliminary expenses and floatation costs		802,191	109,589
Total Expenses		52,465,960	3,483,160
Net income for the year / period before taxation		350,056,368	15,641,846
Taxation	15	-	-
Net income for the year / period after taxation		350,056,368	15,641,846
Earnings per unit at the close of the year / period	16	8.96	1.40

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Salman Haider Sheikh
Chief Executive Officer

Feroz Rizvi
Director

Syed Majid Ali
Director

Distribution Statement for the Year Ended June 30, 2008



	For the period	
	June 30, 2008	May 12 to June 30, 2007
		----- (Rupees) -----
Undistributed income brought forward	15,641,846	-
Final bonus distribution for the year ended June 30, 2007 @ Rs. 1.25 per unit (2006: Rs. Nil per unit) declared for distribution on July 07, 2007	(13,967,281)	-
Interim bonus distribution for the year ended June 30, 2008 @ Rs. 6.61 per unit (2007: Rs. Nil per unit) declared for distribution on April 16, 2008	(101,947,410)	-
Interim cash dividend for the year ended June 30, 2008 @ Rs. 6.61 per unit (2007: Rs. Nil per unit) declared for distribution on April 16, 2008	(109,855,031)	-
Net income for the year / period after taxation	350,056,368	15,641,846
Undistributed income carried forward	139,928,492	15,641,846

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Salman Haider Sheikh
Chief Executive Officer

Feroz Rizvi
Director

Syed Majid Ali
Director

Cash Flow Statement for the Year Ended June 30, 2008



Note	For the period	
	June 30, 2008	May 12 to June 30, 2007
	----- (Rupees) -----	
Cash Flows From Operating Activities		
Net income for the year / period before taxation	350,056,368	15,641,846
Adjustments for non-cash and other items		
Net capital gain on sale of investments 'at fair value through profit or loss'	(3,430,540)	-
Income from reverse repurchase transactions of listed securities	(5,657,770)	-
Profit earned on debt securities	(31,855,875)	(2,270,971)
Return on bank balances and term deposit receipts	(277,293,618)	(16,204,873)
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed	(78,032,437)	834,276
Unrealised gain on derivative financial instruments	-	(755,000)
Unrealised gain on investments 'at fair value through		
Profit or loss - net	(6,250,421)	(725,586)
Amortisation of preliminary expenses and floatation costs	802,191	109,589
	(51,662,102)	(3,370,719)
Increase in Assets		
Receivables	(2,524,854)	(1,100,000)
(Decrease) / Increase in Liabilities		
Payable to the Management Company	2,761,197	1,420,254
Remuneration payable to the Trustee	184,080	176,875
Accrued and other liabilities	(5,241,437)	8,544,532
	(2,296,160)	10,141,661
	(56,483,116)	5,670,942
Amounts received against sale / redemption of investment	702,699,728	-
Payments made against purchase of investment	(587,421,320)	(479,848,429)
Investment in term deposit receipts	(1,150,000,000)	(200,000,000)
Profit received on debt securities	24,140,124	-
Profit received on commercial papers	2,307,500	-
Return received on bank balances and term deposit receipts	246,417,959	7,064,267
Income received on reverse repurchase transactions of listed securities	5,466,725	-
Preliminary expenses and floatation costs incurred	-	(4,000,000)
Net cash used in operating activities	(812,872,400)	(671,113,220)
Cash Flows From Financing Activities		
Amounts received on issue of units	9,782,533,948	1,675,791,807
Payments made against redemption of units	(7,032,878,666)	(559,240,764)
Dividend paid	(109,855,031)	-
Net cash from Financing Activities	2,639,800,251	1,116,551,043
Net increase in cash and cash equivalents during the year / period	1,826,927,851	445,437,823
Cash & cash equivalents at the beginning of the year / period	445,437,823	-
Cash & cash equivalents at the end of the year / period	2,272,365,674	445,437,823

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Salman Haider Sheikh
Chief Executive Officer

Feroz Rizvi
Director

Syed Majid Ali
Director

Statement of Movement in Unit Holders' Funds for the Year Ended June 30, 2008



	For the period	
	June 30, 2008	May 12 to June 30, 2007
	----- (Rupees) -----	
Net asset value per unit at the beginning of the year	101.40	-
Net asset value per unit at the end of the year	103.58	101.40
Net Assets at the beginning of the year / period	1,133,027,165	-
Amount received on issue of units *	9,782,533,948	1,675,791,807
Amount paid on redemption of units **	(7,032,878,666)	(559,240,764)
	2,749,655,282	1,116,551,043
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed	(78,032,437)	834,276
Interim distribution @ Rs. 6.61 per unit (Declared for distribution on April 16, 2008)	(109,855,031)	-
Net income for the year / period after taxation	350,056,368	15,641,846
Net assets at the end of the year / period	4,044,851,347	1,133,027,165
	----- Number of units -----	
* Number of units issued [including 139,464 bonus units issued during the year ended June 30, 2008 (June 30, 2007: Nil)]	95,109,775	16,703,354
** Number of units redeemed	67,234,399	5,529,529

The annexed notes form 1 to 25 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Salman Haider Sheikh
Chief Executive Officer

Feroz Rizvi
Director

Syed Majid Ali
Director

Notes to the Financial Statements for the Year Ended June 30, 2008



1. Legal Status and Nature of Business

Faysal Savings Growth Fund (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and has been authorised as a unit trust scheme by the Securities and Exchange Commission of Pakistan (SECP) on April 12, 2007. It has been constituted under a Trust Deed, dated December 28, 2006 between Faysal Asset Management Limited (the Management Company), a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee, also incorporated under the Companies Ordinance, 1984.

The Fund is an open ended money market mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Karachi Stock Exchange (Guarantee) Limited. The fund was launched on May 07, 2007.

The principal activity of the Fund is to make investments in fixed income securities including money market instruments.

2. Statement of Compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, 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 Regulation, 2007 (the NBFC Regulations) and directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

3. Basis of Measurement

3.1 These financial statements have been prepared under the historical cost convention except for investments and derivatives which are accounted for as stated in notes 4.1 and 4.2 below.

3.2 The financial statements are presented in Pak Rupees, which is the Fund's functional and presentational currency.

4. Significant Accounting Policies

4.1 Investments and other financial assets:

The Management Company determines the appropriate classification of the Fund's investments in accordance with the requirements of International Accounting Standard (IAS) 39: 'Financial Instruments: Recognition and Measurement', at the time of purchase and re-evaluates this classification on a regular basis.

All regular way purchases and sales of securities that require delivery within the time frame established by regulation of market convention are recognised at the trade date. Trade date is the date upon which the Fund commits to the purchase or sale of assets. Regular way purchases and sales are purchases or sales of investments that require delivery of assets within the period generally established by regulation or market convention such as "T+2".

The fair value of investments that are actively traded in organised financial market is determined by reference to quoted market bid prices at the close of business on the statement of assets and liabilities date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arms length market transactions; reference to the current market value of another instrument, which is substantially the same; discounted cash flow analysis and option pricing models.

Investments of the Fund are categorised as follows:

At fair value through profit or loss

Investments at fair value through profit or loss includes investments held for trading and investments designated upon initial recognition as at fair value through profit or loss.

Investments that are acquired principally for the purpose of generating profit from short-term fluctuations in prices are classified as held for trading.

Notes to the Financial Statements for the Year Ended June 30, 2008



Investments may be designated at initial recognition as at fair value through profit or loss if:

- (i) The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; or
- (ii) The assets are part of a group of investments which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or
- (iii) the investments contains an embedded derivative that would need to be separately recorded.

These values are initially recognised at fair value and the transaction cost associated with the investments are taken directly to income statement.

Subsequent to the initial recognition, these investments are carried in the statement of assets and liabilities at fair value. Net gain and losses arising on changes in fair values of these investments are taken to income statement in the period in which they arise.

Held-to-maturity investments

Investment securities with fixed maturities and fixed or determinable payments are classified as held-to-maturity investments when management has both the intention and ability to hold to maturity. After initial measurement, such investments are carried at amortised cost less any provision for impairment except for in case of debt securities (listed but not regularly traded on a stock exchange) and government securities, which are carried at fair value in accordance with the requirements of the NBFC Regulations.

Loans and receivables

Loans and receivables are non-derivative investments with fixed or determinable payments that are not quoted on the active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in income when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Available-for-sale investments

Available-for-sale investments are those non-derivative investments that are designated as available-for-sale or are not classified in any of the three preceding categories. After initial recognition available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement.

4.2 Derivatives

Derivative instruments held by the Fund generally comprise of futures contracts in the capital market. These are initially recognised at cost and are subsequently remeasured at their fair value. The fair value of futures contracts is calculated as being the net difference between the contract price and the closing price reported on the primary exchange of the futures contract. Derivatives with positive market values (unrealised gains) are included in other assets and derivatives with negative market values (unrealised losses) are included in other liabilities in the statement of assets and liabilities. The resultant gains and losses are included in the income currently.

Derivative financial instruments entered into by the Fund do not meet the hedging criteria as defined by International Accounting Standard - 39, Financial Instruments: Recognition and Measurement, consequently hedge accounting is not used by the Fund.

4.3 Securities under repurchase / resale agreements

Transactions of purchase under resale (reverse-repo) of marketable and government securities are entered into at contracted rates for specified periods of time. Securities purchased with a corresponding commitment to resell at a specified future date (reverse-repos) are not recognised in the statement of assets and liabilities. Amounts paid under these agreements are included in receivables in respect of reverse repurchase transactions. The difference between purchase and resale price is treated as income from reverse repurchase transactions and accrued over the life of the reverse-repo agreement.

Notes to the Financial Statements for the Year Ended June 30, 2008



Transactions of sale under repurchase (repo) of marketable and government securities are entered into at contracted rates for specified periods of time. Securities sold with a simultaneous commitment to repurchase at a specified future date (repos) continue to be recognised in the statement of assets and liabilities and are measured in accordance with accounting policies for investment securities. The counterparty liabilities for amounts received under these transactions are recorded as liabilities. The difference between sale and repurchase price is treated as borrowing charges and accrued over the life of the repo agreement.

4.4 Impairment of financial assets

An assessment is made at each statement of assets and liabilities date to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss is recognised in the income statement.

Impairment is determined as follows:

- (a) for assets carried at amortised cost, impairment is based on estimated cash flows discounted at the original effective interest rate.
- (b) for assets carried at fair value, impairment is the difference between cost and fair value.
- (c) for assets carried at cost, impairment is present value of future cash flows discounted at the current market rate of return for a similar financial asset.

For available for sale equity investments, reversal of impairment losses are recorded as increases in cumulative changes in fair value through equity.

In addition, a provision is made to cover impairment for specific groups of assets where there is a measurable decrease in estimated future cash flows.

4.5 Provisions

Provisions are recognised when the fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.6 Issue and redemption of units

Units issued are recorded at the offer price prevalent on the day the investment form, complete in all respects, is received. The offer price represents the net asset value of units at the end of the day plus the allowable sales load. The sales load is payable to the Management Company as processing fee. Issue of units is recorded on acceptance of application from investor.

Units redeemed are recorded at the redemption price, prevalent on the day the redemption form, complete in all respects, is received. The redemption price represents the net asset value at the end of the day. Redemption of units is recorded on acceptance of application for redemption.

4.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and short-term deposits with an original maturity of three months or less. Cash and cash equivalents are carried in the statement of assets and liabilities at cost.

4.8 Revenue recognition

Gain or loss on sale of marketable and government securities is accounted for in the year in which it arises.

Dividend income on equity securities are recognised in income statement when the right to receive dividend is established.

Gains or losses on sale of securities and unrealised gains or losses arising on revaluation of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.

Mark-up on government securities, debt securities, return on certificates of investment, and return on bank balances and income from reverse repurchase agreements are recognised on a time proportion basis.

Notes to the Financial Statements for the Year Ended June 30, 2008



4.9 Element of income / loss and capital gains / losses included in prices of units sold less those in units redeemed
To prevent the dilution of per unit income and distribution of income already paid out on redemption, as dividend, an equalisation account called "element of income / loss and capital gains / losses included in prices of units sold less those in units redeemed" is created.

The "element of income / loss and capital gains / losses included in prices of units sold less those in units redeemed" account is credited with the amount representing net income / loss and capital gains / losses accounted for in the last announced net asset value and included in the sale proceeds of units. Upon redemption of units, the "element of income / loss and capital gains / losses included in prices of units sold less those in units redeemed" account is debited with the amount representing net income / loss and capital gains / losses accounted for in the last announced net asset value and included in the redemption price.

The net "element of income / loss and capital gains / losses included in prices of units sold less those in units redeemed" during an accounting period is transferred to the income statement.

4.10 Taxation

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates, if any. The Fund is exempt from taxation under Clause 99 of Part I of the 2nd Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income excluding realised and unrealised capital gains for the year is distributed amongst the Fund unit holders. The Fund intends to avail this exemption for current and future periods. Accordingly, no provision is made for current and deferred taxation in these financial statements.

4.11 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amount and the Fund intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.12 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the year / period end.

4.13 Proposed dividend and transfer between reserves

Dividends declared and transfers between reserves, made subsequent to the statement of assets and liabilities date are considered as non-adjusting events and are recognised in the financial statements in the period in which such dividends are declared / transfers are made.

4.14 Preliminary expenses and flotation costs

Preliminary expenses and flotation costs represent expenditure incurred till the close of the Initial Public Offering Period. These costs are to be amortised over a period not exceeding sixty months commencing from May 12, 2007.

4.15 Financial assets and financial liabilities

Financial assets carried in the statement of assets and liabilities include bank balances, TDRs, dividend and other receivables and investments.

Financial liabilities carried in the statement of assets and liabilities include payable to Management Company, remuneration payable to the Trustee and accrued and other liabilities.

At the time of initial recognition, all financial assets and financial liabilities are measured at fair value. The particular recognition methods adopted for subsequent remeasurement of significant financial assets and financial liabilities are disclosed in the individual policy statements associated with each item.

5. Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and

Notes to the Financial Statements for the Year Ended June 30, 2008



associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

Judgements made by management in the application of accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment are explained in the relevant accounting policies / notes to the financial statements.

6. Accounting Standards and Interpretations Not Yet Effective

The following revised standards and interpretations with respect to approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretations.

Standard or Interpretation	Effective date (accounting periods beginning on or after)
IAS- 1 Presentation of Financial Statements (Revised)	January 01, 2009
IAS- 23 Borrowing Costs (Revised)	January 01, 2009
IAS- 27 Consolidated and Separate Financial Statements (Revised)	January 01, 2009
IFRS- 3 Business Combinations	January 01, 2009
IFRS- 7 Financial Instruments : Disclosures	July 01, 2008
IFRS- 8 Operating Segments	January 01, 2009
IFRIC- 12 Service Concession Arrangements	January 01, 2009
IFRIC- 13 Customer Loyalty Programs	July 01, 2008
IFRIC- 14 The Limit on the Defined Benefit Asset, Minimum Funding Requirements and their Interactions	January 01, 2008

The Fund expects that the adoption of the above standards and interpretations will have no material impact on the Fund's financial statements in the period of initial application other than to the extent of certain changes on enhancement in the presentation and disclosure in the financial statements.

	Note	June 30, 2008	June 30, 2007
----- (Rupees) -----			
7. Bank Balances and Term Deposit Receipts			
Cash at bank - PLS Saving Accounts	7.1	1,672,365,674	445,437,823
Term deposit receipts	7.2	1,950,000,000	200,000,000
		<u>3,622,365,674</u>	<u>645,437,823</u>

7.1 These carry mark-up ranging from 3 % to 13.50 % (2007: 2.50% to 11.35%) per annum and include balance of Rs. 59,754,138 (2007: Rs. 50,000) with Faysal Bank Limited (a related party).

7.2 These have tenor from one month to one year (June 30, 2007: one year) and carry mark-up ranging from 11% to 15% (June 30, 2007: 11.25%) per annum.

8. Receivables - Considered Good

Receivable in respect of reverse repurchase transactions of listed securities - net	8.1	161,641,046	-
Fair value of derivative financial instruments		-	755,000
Security deposit		3,600,000	1,100,000
Profit receivable on debt securities		3,612,784	2,119,492
Return receivable on bank balances and term deposit receipts		40,016,265	9,140,606
Income receivable on reverse repurchase transactions		191,046	-
Prepaid guarantee commission		24,854	-
		<u>209,085,995</u>	<u>13,115,098</u>

Notes to the Financial Statements for the Year Ended June 30, 2008



8.1 The market value of securities held in respect of reverse repurchase transactions of listed securities was Rs. 158,423,644 million as of June 30, 2008 (2007: Rs. Nil). The rates of return range from 8.1% to 24% (2007: Nil) per annum with maturities ranging from overnight to thirty working days.

9. Preliminary Expenses and Flotation Costs

Preliminary expenses and flotation cost		3,890,411	4,000,000
Amortised during the year / period		(802,191)	(109,589)
		<u>3,088,220</u>	<u>3,890,411</u>

10. Investments

At fair value through profit or loss			
Listed equity securities	10.1	39,893,540	263,780,500
Unlisted debt securities	10.2	46,281,937	191,793,515
		<u>86,175,477</u>	<u>455,574,015</u>
Held-to-maturity			
Musharika certificate	10.4	-	25,151,479
Commercial papers	10.5	131,981,482	-
		<u>218,156,959</u>	<u>480,725,494</u>

Notes to the Financial Statements for the Year Ended June 30, 2008



Name of the investee company	----- Number of shares / units -----				----- Investments as % of -----			
	As at July 01, 2007	Purchased during the year	Bonus / right received during the year 2008	Disposed off during the year	As at June 30, 2008	Market value as at June 30, 2008 (Rupees)	Net Assets	Total Investments
Commercial Banks								
Askari Bank Limited	200,000	3,000	-	203,000	-	-	-	-
Bank Alfalah Limited	280,000	1,379,800	-	1,659,800	-	-	-	-
National Bank of Pakistan	375,000	375,000	-	750,000	-	-	-	-
PICIC Commercial Bank Limited	100,000	13,000	-	113,000	-	-	-	-
Cement								
DG Khan Cement Ltd	100,000	9,500	-	109,500	-	-	-	-
Lucky Cement Limited	25,000	-	-	25,000	-	-	-	-
Development Financial Institutions								
Pakistan Industrial Credit and Investment Corporation Limited	100,000	-	-	100,000	-	-	-	-
Oil & Gas Exploration								
Pakistan Petroleum Limited	375,000	-	-	375,000	-	-	-	-
	<u>1,555,000</u>	<u>1,780,300</u>	<u>-</u>	<u>3,335,300</u>				
Preference Shares								
Pakistan International Container Terminal Limited	-	4,199,320	-	-	4,199,320	39,893,540	0.99%	18.29%
	<u>-</u>	<u>4,199,320</u>	<u>-</u>	<u>-</u>	<u>4,199,320</u>	<u>39,893,540</u>	<u>0.99%</u>	<u>18.29%</u>
	<u>1,555,000</u>	<u>5,979,620</u>	<u>-</u>	<u>3,335,300</u>	<u>4,199,320</u>	<u>39,893,540</u>	<u>0.99%</u>	<u>18.29%</u>

Name of the investee company	----- Number of shares / units -----				----- Investments as % of -----		
	As at July 01, 2007	Purchased during the year	Disposed off during the year	As at June 30, 2008	Market value as at June 30, 2008 (Rupees)	Net Assets	Total Investments
10.2 Unlisted debt securities These consist of term finance certificates (TFCs) and commercial papers							
Cement (TFC)							
Three Star Cement (Private) Limited	1,000	-	1,000	-	-	-	-
Textile Composite (TFC)							
Azgard Nine Limited-I	1	-	1	-	-	-	-
Azgard Nine Limited-II	1	-	1	-	-	-	-
Cable and Electrical (Commercial Paper)							
Pak Elektron Limited	-	1	1	-	-	-	-
Fertilizer (Commercial Paper)							
Pak American Fertilizer Limited	-	1	-	1	46,281,937	1.14%	21.21%
	<u>1,002</u>	<u>2</u>	<u>1,003</u>	<u>1</u>	<u>46,281,937</u>	<u>1.14%</u>	<u>21.21%</u>

10.3 Significant terms and conditions of commercial paper are as follows:						
Name of security	Face value (Rupees)	Mark-up rate (per annum)	Maturity	Secured / unsecured	Rating	
Pak American Fertilizer Limited	50,000,000	11.250%	July, 2008	Unsecured	A+	

Notes to the Financial Statements for the Year Ended June 30, 2008



Name of the investee company	Note	June 30, 2008	June 30, 2007	----- Investment as % of -----	
		(Rupees)	(Rupees)	Net Assets	Total Investment
10.4 Musharika certificate					
First Punjab Modaraba		-	25,151,479	-	-
10.5 Commercial papers					
Azgard Nine Limited - I	10.5.1	48,193,962	-	1.19%	22.09%
Azgard Nine Limited - II	10.5.2	47,988,795	-	1.19%	22.00%
Pak American Fertilizer Limited	10.5.3	35,798,725	-	0.89%	16.41%
		<u>131,981,482</u>	<u>25,151,479</u>	<u>3.27%</u>	<u>60.50%</u>
10.5.1	It has face value of Rs. 50 million and carries mark-up at the rate of 11.54% per annum and will mature on November 02, 2008.				
10.5.2	It has face value of Rs. 50 million and carries mark-up at the rate of 11.46% per annum and will mature on November 17, 2008.				
10.5.3	It has face value of Rs. 40 million and carries mark-up at the rate of 11.25% per annum and will mature on July 05, 2008.				
10.5.4	Cost of commercial papers as at June 30, 2008 amounted to Rs. 127,915,044 (June 30, 2007: Rs. Nil).				
10.6 Unrealised gain on investment 'at fair value through profit and loss'					
				June 30, 2008	June 30, 2007
				(Rupees)	(Rupees)
Market value of investments 'at fair value through profit or loss'				86,175,477	455,574,014
Cost of investment 'at fair value through profit or loss'				(79,925,056)	(454,848,428)
				<u>6,250,421</u>	<u>725,586</u>
Net unrealised loss on investment 'at fair value through profit or loss' at the beginning of the year				(725,586)	-
Realised on disposal during the year				725,586	-
				<u>6,250,421</u>	<u>725,586</u>

11. Payable to the Management Company

The Management Company is entitled to a remuneration for services rendered to the Fund under the provisions of the NBFC Regulations 2007 during the first five years of a Fund's existence, of an amount not exceeding three percent of the average annual net assets of the Fund and thereafter of an amount equal to two percent of such assets. During the current year, the Management Company has claimed its remuneration at the rate of 1.5 percent of the average daily net assets of the Fund.

12. Remuneration Payable to the Trustee

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets value of the Fund.

13. Accrued and Other Liabilities

Profit payable on Pre-IPO subscriptions		-	8,235,785
SECP annual fee payable	13.1	2,827,724	155,637
Accrued liabilities		446,331	153,110
Settlement charges payable		19,995	-
Withholding taxes payable		9,045	-
		<u>3,303,095</u>	<u>8,544,532</u>

13.1 This represents annual fee payable to the SECP in accordance with the NBFC Regulations, whereby the Fund is to pay SECP annually an amount equal to one tenth of 1% of the average annual net assets of the Fund.

Notes to the Financial Statements for the Year Ended June 30, 2008



	June 30, 2008	For the period May 12 to June 30, 2007
	----- (Rupees) -----	
14. Auditors' Remuneration		
Audit fee	143,750	125,000
Half yearly review fee	57,500	-
Review of statement of compliance with Code of Corporate Governance	28,750	25,000
Other certification	63,140	-
Out of pocket expenses	22,124	-
	<u>315,264</u>	<u>150,000</u>
15. Taxation		
The income of the Fund for the year is exempt from tax under clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, as the Fund intends to distribute more than 90% of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, among its unit holders.		
16. Earnings Per Unit		
Earnings per unit (EPU) is calculated by dividing the net income after tax for the year by the number of units outstanding as at the end of the year.		
EPU based on cumulative weighted average units for the whole year has not been disclosed as in the opinion of the Management Company determination of the same is not practicable.		
	June 30, 2008	June 30, 2007
	----- (Rupees) -----	
17. Cash and Cash Equivalents		
Cash at banks - PLS Saving Accounts	1,672,365,674	445,437,823
Term deposit receipts	600,000,000	-
	<u>2,272,365,674</u>	<u>445,437,823</u>
	June 30, 2008	May 12 to June 30, 2007
	----- (Rupees) -----	
18. Transactions With Connected Persons / Related Parties		
18.1 Transactions during the year / period		
Faysal Asset Management Limited (Management Company)		
Remuneration of Management Company	42,415,867	2,334,500
Issue of 547,491 units (2007: 300,000 units)	155,760,000	30,000,000
Issue of 39,347 bonus units (2007: Nil units)	3,969,168	-
Redemption of 483,094 units (2007: Nil units)	49,332,037	-
Faysal Asset Management Limited - Staff Provident Fund		
Issue of Nil units (2007: 2,250 units)	-	225,000
Issue of 177 bonus units (2007: Nil units)	17,870	-

Notes to the Financial Statements for the Year Ended June 30, 2008



	June 30, 2008	June 30, 2007
	----- (Rupees) -----	
Faysal Asset Management Limited - Staff Gratuity Fund		
Issue of Nil units (2007: 1,200 units)	-	120,000
Issue of 95 bonus units (2007: Nil units)	9,535	-
Faysal Balanced Growth Fund (common management)		
Issue of Nil units (2007: 500,000 units)	-	50,000,000
Issue of 6,241 bonus units (2007: Nil units)	625,000	-
Redemption of 506,241 units (2007: Nil units)	50,846,810	-
Faysal Bank Limited (group company)		
Profit on deposit account	218,233	-
Issue of Nil units (2007: 2,500,000)	-	250,000,000
Redemption of 431,203 units (2007: Nil units)	43,894,673	-
Cash dividend	13,881,000	-
Faysal Bank Limited - Staff Provident Fund		
Issue of Nil units (2007: 198,236 units)	-	20,000,000
Issue of 15,616 bonus units (2007: Nil units)	1,574,487	-
Faysal Bank Limited - Staff Gratuity Fund		
Issue of Nil units (2007: 198,236 units)	-	20,000,000
Issue of 15,616 bonus units (2007: Nil units)	1,574,487	-
Mybank Limited (group company)		
Issue of 2,414,293 units (2007: Nil units)	250,000,000	-
Directors of the Management Company		
Salman Haider Sheikh (Chief Executive Officer)		
Issue of 46,795 units (2007: 250 units)	4,895,000	25,000
Issue of 1,930 bonus units (2007: Nil units)	194,812	-
Mr. Mohammad Iqbal (Director)		
Issue of Nil units (2007: 1,000 units)	-	100,000
Issue of 78 bonus units (2007: Nil units)	7,835	-
Redemption of 98 units (2007: 14 units)	10,197	1,370
Mr. Khalid Siddiq Tirmizey (Director)		
Issue of 194,994 units (2007: 50,000 units)	20,064,000	5,000,000
Issue of 624 bonus units (2007: Nil units)	62,500	-
Redemption of 50,624 units (2007: Nil units)	5,216,553	-
Mir Shahid Waqar Mahmood (Director)		
Issue of 1,934 units (2007: 4,921 units)	200,000	492,107
Issue of 388 bonus units (2007: Nil units)	39,085	-
Mr. Farook Bengali (Director - retired w.e.f. September 26, 2007)		
Issue of 5,782,600 units (2007: Nil units)	593,668,323	-
Issue of 116,175 bonus units (2007: Nil units)	11,727,870	-
Redemption of 4,737,062 units (2007: Nil units)	490,366,565	-

Notes to the Financial Statements for the Year Ended June 30, 2008



	June 30, 2008	June 30, 2007
	----- (Rupees) -----	
Central Depository Company of Pakistan Limited (Trustee of the Fund)		
Remuneration of the Trustee	3,829,972	292,624
Settlement charges	235,852	-
18.2 Outstanding balances		
Faysal Asset Management Limited (Management Company)		
Remuneration of Management Company	4,181,451	1,420,254
Profit payable on Pre-IPO Subscription	-	146,912
Investment - Units - 543,747 (2007: 300,000)	141,931,203	30,420,000
Faysal Asset Management Limited - Staff Provident Fund		
Investment - Units - 2,278 (June 30, 2007: 2,250)	251,422	228,150
Faysal Asset Management Limited - Staff Gratuity Fund		
Investment - Units - 1,215 (June 30, 2007: 1,200)	134,092	121,680
Faysal Bank Limited (group company)		
Balance in PLS Saving account	59,754,138	50,000
Profit payable on Pre-IPO Subscription	-	3,902,339
Investment - Units - 2,100,000 (2007: 2,500,000)	217,524,734	253,500,000
Faysal Bank Limited - Staff Provident Fund		
Investment - Units - 213,852 (2007: 198,236)	22,151,477	20,101,100
Faysal Bank Limited - Staff Gratuity Fund		
Investment - Units - 213,852 (2007: 198,236)	22,151,477	20,101,100
Directors of the Management Company		
Salman Haider Sheikh (Chief Executive Officer)		
Investment - Units - 48,975 (2007: 250)	5,072,831	25,350
Mir Shahid Waqar Mahmood (Director)		
Investment - Units - 7,242 (2007: 4,921)	750,193	498,997
Mr. Mohammad Iqbal (Director)		
Investment - Units - 966 (2007: 987)	100,032	100,030
Mr. Khalid Siddiq Tirmizey (Director)		
Investment - Units - 194,996 (2007: 50,000)	20,198,347	5,070,000
Faysal Balanced Growth Fund (common management)		
Profit payable on Pre-IPO subscription	-	107,123
Investment - Units - Nil (2007: 500,000)	-	50,700,000
Central Depository Company of Pakistan Limited (Trustee of the Fund)		
Remuneration of the Trustee	360,955	176,875
Settlement charges	19,995	-

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

Notes to the Financial Statements for the Year Ended June 30, 2008



19. Financial Risk Management Policies

19.1 Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The Management Company manages market risk by monitoring exposure on marketable securities by following the internal guidelines of the Investment Committee and regulations laid down by the SECP.

19.2 Yield / interest rate risk

Yield risk is the risk of decline in earnings due to adverse movement of the yield curve.

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market interest rates. Sensitivity to interest / mark-up rate risk arises from mismatches in the amount of interest / mark-up based financial assets, liabilities and off-balance sheet financial instruments that mature or reprice in a given period. The Management Company manages these mismatches through risk management strategies where significant changes in gap positions can be adjusted.

The Fund is not materially exposed to yield / interest rate risk as there are no interest bearing financial liabilities giving rise to mismatches of financial assets and financial liabilities.

19.3 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in while raising funds to meet commitment associated with financial instruments. The Management Company manages liquidity risk by following internal guidelines of the Investment Committee such as monitoring maturities of financial assets and financial liabilities and investing in highly liquid financial assets.

The Fund is not materially exposed to liquidity risk as significant obligations / commitments of the Fund are short term in nature and significant assets of the Fund are easily realisable / convertible into cash on the Stock Exchanges and over-the-counter market.

19.4 Credit risk

Credit risk arising from the inability of the counter parties to meet the terms of the Fund's financial instrument contracts is generally limited to the amounts, if any, by which the counter party obligations exceed the obligations of the Fund. The Fund's policy is to enter into financial instrument contracts by following internal guidelines duly approved by the Investment Committee such as approving counter parties, approving credit limits and obtaining adequate collateral and by following strict credit evaluation criteria laid down by the management.

Concentration of credit risk exist when changes in economic or industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse creditworthy counter parties thereby mitigating any significant concentrations of credit risk.

20. Fair Value of Financial Instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value as the items are short term in nature.

Notes to the Financial Statements for the Year Ended June 30, 2008



21. Non-adjusting Event After the Balance Sheet Date

The Board of Directors of the Management Company in their meeting held on July 05, 2008 have declared a bonus issue at the rate of 3.39% (i.e. Rs. 3.39 per unit). The financial statements of the Fund for the year ended June 30, 2008 do not include the effect of the bonus issue which will be accounted for in the financial statements of the Fund subsequent to the year end.

22. Supplementary Non Financial Information

The information regarding unit holding pattern, top brokers, members of the Investment Committee, fund manager, meetings of the Board of Directors of the Management Company and rating of the Fund and the Management Company has been disclosed in Annexure I to the financial statements.

23. Corresponding Figures

Prior year's figures have been reclassified wherever necessary, for the purposes of comparison and better presentation. Significant reclassifications are as follows:

Statement	Component	Reclassification from	Reclassification to	Amount (Rupees)
Income Statement	Income	Return on bank balances, term deposits receipts and musharika certificate	Profit earned on debt securities	151,479
Income Statement	Expenses	Brokerage, capital value tax and settlement charges	Settlement charges and capital value tax	56,875

24. General

Figures are rounded off to the nearest rupee.

25. Date of Authorisation for Issue

These financial statements were authorised for issue on September 24, 2008 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Management Company)

Salman Haider Sheikh
Chief Executive Officer

Feroz Rizvi
Director

Syed Majid Ali
Director

Supplementary Non Financial Information as Required Under Section 6(D), (G), (H), (I), (J) & (K) of the 4th Schedule of the NBFC and Notified Entities Regulations, 2007



(i) Pattern of Unit Holding

	Units Held	Amount (Rupees)	%
Associated Companies			
Faysal Asset Management Limited (Management Company)	1,370,214	141,931,203	3.51%
Faysal Bank Limited (group company)	2,100,000	217,524,734	5.38%
Faysal Bank Limited - Employees Provident Fund	213,852	22,151,477	0.55%
Faysal Bank Limited - Staff Gratuity Fund	213,852	22,151,477	0.55%
Faysal Asset Management Limited - Staff Gratuity Fund	1,295	134,092	0.00%
Faysal Asset Management Limited - Employees Provident Fund	2,427	251,422	0.01%
	<u>3,901,640</u>	<u>404,144,405</u>	<u>10.00%</u>
Directors			
Mr. Salman Haider Sheikh (Chief Executive Officer)	48,975	5,072,831	0.13%
Mr. Mohammad Iqbal	966	100,032	0.00%
Mr. Khalid S. Tirmizey	194,996	20,198,347	0.50%
Mr. Mir Shahid Waqar Mahmood	7,242	750,193	0.02%
Banks	16,402,250	1,698,997,643	42.00%
Insurance Companies	61,120	6,330,976	0.16%
Retirement Funds	1,601,884	165,928,253	4.10%
Public Limited Companies	1,754,596	181,746,699	4.49%
Other Corporate Sector Entities	8,664,411	897,487,495	22.19%
Individuals	6,411,120	664,094,473	16.42%
	<u>39,049,200</u>	<u>4,044,851,347</u>	<u>100%</u>

(ii) List of the Brokers by Percentage of Commission Paid

Name	Percentage
Dosslani Securities (Private) Limited	21.85%
Escort Investment Bank	21.68%
Ismail Iqbal Securities	19.81%
Noman Abid & Company Ltd.	18.90%
Akhai Capital Management Limited	9.59%
Atlas Capital Markets	8.17%

(iii) The Members of the Investment Committee

Following are the members of the Investment Committee of the Fund:

Mr. Salman Haider Sheikh
Mr. Tahir Sohail
Mr. Shakeel Musani (resigned w.e.f. July 07, 2008)
Mr. Muhammad Taha Hamdani (resigned w.e.f. May 16, 2008)
Mr. Omar Ehtisham Anwar
Syed Aamir Hussain Rizvi
Mr. Teerath Mal Bhowani (resigned w.e.f. May 13, 2008)
Mr. Adeel Hussain

Supplementary Non Financial Information as Required Under Section 6(D), (G), (H), (I), (J) & (K) of the 4th Schedule of the NBFC and Notified Entities Regulations, 2007



Mr. Salman Haider Sheikh

Mr. Haider has over 12 years of international experience of asset management and investment banking. He has held various securities licenses including Series-7 (General Securities Representative) and Series-63 (Uniform Securities Agent Law) issued by the National Association of Securities Dealers, (NASD) New York. He has also passed course examinations for Series-3 (Futures & Commodities) and Series-24 (General Securities Principal) and Life & Health Insurance licenses. He has participated in a six-month course on financial systems, risk management, analysis of financial products, marketing strategy and compliance at Wachovia Bank, USA.

Mr. Haider has managed large investment portfolios for both retail and institutional clients on the equity and fixed income side. Mr. Haider participated as a team member in venture capital / Private equity and investment banking transactions of over \$1 billion. His work experience includes positions in the USA at Merrill Lynch, Janney Montgomery & Scott and Wachovia Bank. Mr. Haider holds a post-graduate certificate in "Executive Leadership" from CORNELL UNIVERSITY. He holds an MBA from RUTGERS UNIVERSITY with major concentration in Finance. He also holds Bachelors in Finance from the same institution.

Mr. Tahir Sohail

Mr. Tahir Sohail is a senior banker with over 22 years of broad based banking experience with leading multinational banks like Citibank N.A. and Deutsche Bank. He has worked in increasingly responsible positions within corporate, consumer and private banking businesses both within and outside Pakistan and was instrumental in implementing a credit scoring model for credit cards acquisition in Pakistan during his Citibank tenure. In Deutsche Bank, Mr. Tahir was actively involved in developing wealth management products at Asia Pacific regional level. Mr. Tahir holds a Bachelors degree.

Mr. Shakeel Musani

Mr. Shakeel Musani is a qualified Chartered Accountant. Previously, Mr. Musani held the position of Assistant Manager in A. F. Ferguson & Co. Chartered Accountants. His responsibilities included strategic audit planning, system evaluation, documentation and risk management, corporate business and financial reporting, and taxation and allied matters. His responsibilities also included representing major companies of oil & gas and financial sectors before the Income Tax and Sales Tax assessing and appellate authorities. He was also responsible for advising to national and multinational clients on local and international taxation. He was a member of the team making recommendations to the Central Board of Revenue on the Income Tax Ordinance, 2001. (resigned w.e.f. July 07, 2008)

Mr. Mohammad Taha Hamdani

Mr. Mohammad Taha Hamdani has qualified his Chartered Accountancy in July 2001 and was associated with Ford Rhodes Sidat Hyder & Co., Chartered Accountants. Mr. Hamdani enjoys a diversified exposure. He was associated with PTCL, the largest telecommunication network in the country as Deputy Director. He also carries the experience of working as Group Internal Auditor for one of the leading Five Star International Hotels in Pakistan, and as a Group Finance Manager for an international trading & manufacturing group based in Saudi Arabia. (resigned w.e.f. May 16, 2008)

Mr. Omar Ehtisham Anwar

Mr. Omar Ehtisham Anwar has almost three years of experience in equity markets. He is a graduate of Lahore University of Management Sciences (LUMS) and holds a BSC (Honors) degree in Computer Science. Previously, Mr. Anwar was working for Alfalah Securities a subsidiary of Bank Alfalah in the Institutional Sales Group. His responsibilities included dealing with individual, institutional and foreign clients, guiding clients on their investment options by keeping abreast with market conditions, meeting market deadlines and risk assessment. He was also responsible for providing business and technical support and initiating new product ideas.

Syed Aamir Hussain Rizvi

Mr. Rizvi holds a Masters degree (MBA) from Adamson University –Philippines. Mr. Rizvi has over 10 years of professional experience in the money and capital market out of which six years were spent in money market brokerage and portfolio management. Mr. Rizvi was a fund manager at BMA Asset Management Company Limited, managing the fixed income portfolio of BMA Principal Guaranteed and discretionary funds, including retirement funds of multinational companies. He has been associated with the Faysal Asset Management Limited since the last eight months as Fund Manager for both Faysal Income & Growth Fund and Faysal Savings Growth Fund.

Supplementary Non Financial Information as Required Under Section 6(D), (G), (H), (I), (J) & (K) of the 4th Schedule of the NBFC and Notified Entities Regulations, 2007



Mr. Teerath Mal Bhojwani

Mr. Bhojwani is an MBA with a majors in finance from the Institute of Business Administration Karachi. He also possesses the degree of BE from Mehran University of Engineering and Technology, Jamshoro. Before joining Faysal Asset Management Limited, he was associated with Arif Habib Limited as an Investment Analyst. He started his professional career as a Research Analyst at Noman Abid & Company. Apart from having capital markets exposure, he carries an experience of managing the operations of a rice processing enterprise and commodity trading for eight years. Currently he is visiting faculty as PAF- KIET. (resigned w.e.f. May 13, 2008)

Mr. Adeel Hussain

Mr. Hussain holds a postgraduate degree in Finance (MBA) from Coventry University, West Midlands United Kingdom. Mr. Hussain has over 4 years of specialised professional experience in the field of Investment Risk Management. He has worked across various arms of the financial services industry as a risk manager, which includes conventional & Islamic banks and AMCs. Before joining Faysal Asset Management Limited he was heading the Risk Management Department at Dawood Islamic Bank Limited (DIBL). Apart from professional expertise in the area of financial risk management, he has also taught Microeconomics, Portfolio Management & Derivatives at various leading universities of the country at the post graduate level such as SZABIST & MAJU as a member of the adjunct faculty.

(iv) Particulars of Fund Managers

Mr. Omar Ehtisham Anwar

Mr. Omar Ehtisham Anwar has almost three years of experience in equity markets. He is a graduate of Lahore University of Management Sciences (LUMS) and holds a BSC (Honors) degree in Computer Science. Previously, Mr. Anwar was working for Alfalah Securities, a subsidiary of Bank Alfalah in the Institutional Sales Group. His responsibilities included dealing with individual, institutional and foreign clients, guiding clients on their investment options by keeping abreast of market conditions, meeting market deadlines and risk assessment. He was also responsible for providing business and technical support and initiating new product ideas.

Presently Mr. Omar is also looking after Equity area of Faysal Balanced Growth Fund and Faysal Income & Growth Fund.

Syed Aamir Hussain Rizvi

Mr. Rizvi holds a Masters degree (MBA) from Adamson University –Philippines. Mr. Rizvi has over 10 years of professional experience in the money and capital market out of which six years were spent in money market brokerage and portfolio management. Mr. Rizvi was a fund manager at BMA Asset Management Company Limited, managing fixed income portfolio of BMA Principal Guaranteed and discretionary funds, including retirement funds of multinational companies. He has been associated with the Faysal Asset Management Limited since the last eight months as Fund Manager for both Faysal Income & Growth Fund and Faysal Savings Growth Fund.

Presently Mr. Rizvi is also looking after Fixed Income Investment area of Faysal Balanced Growth Fund and Faysal Income & Growth Fund.

Supplementary Non Financial Information as Required Under Section 6(D), (G), (H), (I), (J) & (K) of the 4th Schedule of the NBFC and Notified Entities Regulations, 2007



(v) Meetings of the Board of Directors

Following is the analysis of the attendance in the meetings of the Board of Directors of the Management Company during the year:

Name of Directors	Meetings Attended	Meeting held on						
		07 July, 2007	13 August, 2007	23 October, 2007	26 October, 2007	11 February, 2008	16 April, 2008	03 June, 2008
Mr. Khalid Tirmizey (elected) w.e.f. September 26, 2007	4	-	-	1	1	1	-	1
Mr. Farook Bengali (retired w.e.f. September 26, 2007)	2	1	1	-	-	-	-	-
Salman Haider Sheikh	7	1	1	1	1	1	1	1
Mr. Hassan Mohamed Mahmood (retired w.e.f. September 26, 2007)	-	-	-	-	-	-	-	-
Mr. Feroz Rizvi	3	-	-	-	-	1	1	1
Mr. Iqbal Alimohamed (resigned w.e.f. June 03, 2008)	4	1	1	-	1	1	-	-
Mr. Aqeel Karim Dhedhi (retired w.e.f. September 26, 2007)	-	-	-	-	-	-	-	-
Mr. Mohammad Iqbal (resigned w.e.f. July 23, 2008)	7	1	1	1	1	1	1	1
Mr. Shahid Waqar Mahmood (retired w.e.f. September 26, 2007)	2	1	1	-	-	-	-	-
Mr. Sanullah Qureshi (elected w.e.f. September 26, 2007)	2	-	-	-	-	1	1	-
Mr. Muhammad Farid Alam (elected w.e.f. September 26, 2007 and resigned w.e.f. January 02, 2008)	2	-	-	1	1	-	-	-

(vi) Rating of the Fund and the Management Company

The JCR - VIS Credit Rating Company Limited (JCR - VIS) has assigned a "A (f)" fund rating to Faysal Savings Growth Fund.

JCR - VIS has awarded an "AM3+" asset manager rating to the Management Company.





Faysal Bank

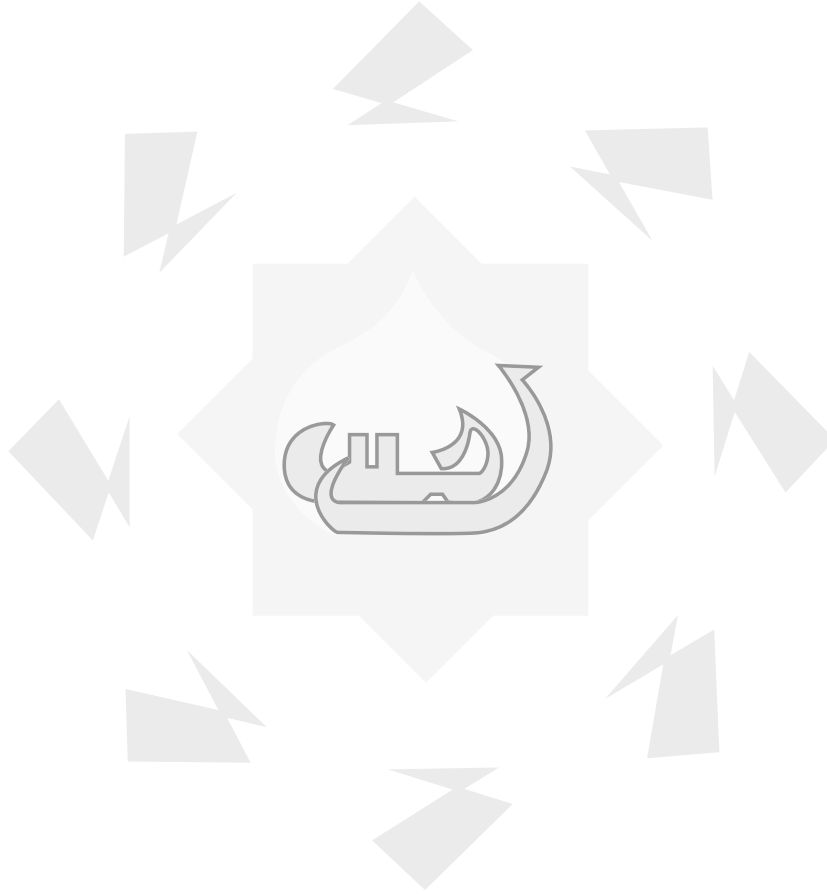


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