

Valuation of Debt Securities by MUFAP

as required under the Non Banking Finance Companies and Notified Entities Regulations, 2008.

Valuation Rationale

MUFAP is happy to announce the new prices as calculated by its "Pricing Committee" in consultation with the SECP. The calculation of prices with this new mechanism is the first step towards valuation of debt securities based on traded prices and use of traded prices to value similar non traded debt securities. This step would be followed by several initiatives for the development of the bond market. The very next step is to build a trading platform for these securities, which as per SECP agreement with MUFAP will be available in a reasonably short period of time.

The need for this new mechanism was felt due to the poor liquidity conditions in the financial markets and bilateral transactions taking place between parties without a proper trading platform where proper price discovery can take place amongst buyers and sellers. Thus it was of utmost importance to evolve prices which were true reflection of the market dynamics. These prices incorporate all the pertinent variables that are required for a true and reflective price of a fixed income instrument. These include duration, maturity, credit spreads, ratings, coupon rates and trading details.

Investors should note that the prices of debt securities can be volatile in changing interest rate and liquidity environment, and the prices can move in both directions. However, the interest rate volatility is mitigated for debt securities with floating rate coupons, which is true for most TFCs.

MUFAP is endeavoring to create the best possible environment for investing where there is proper price discovery, transparency and efficiency in trading of debt securities and is striving to address the concerns of all participants involved.

Rates of Debt Securities as of March 27, 2009

VALUATION OF RATED INVESTMENT GRADE DEBT SECURITIES

| S.No. | Code | TFCs and Sukuks | Traded / Non-Traded | Prices |
|------------------------------|----------------------|---|---------------------|----------|
| GOVERNMENT GUARANTEED | | | | |
| 1 | GIS/SUK/110309 | GOP IJARA SUKUK | Traded | 100.0000 |
| 2 | KSEW/SUK/021107 | KARACHI SHIPYARD & ENGINEERING WORKS LTD-SUKUK (02-11-07) | Non-Traded | 100.1717 |
| 3 | KSEW/SUK/040208 | KARACHI SHIPYARD & ENGINEERING WORKS LTD-SUKUK (04-02-08) | Non-Traded | 100.9279 |
| 4 | NIPC/SUK/110807 | NATIONAL INDUSTRIAL PARK DEVEL. & MANAGEMENT CO. | Non-Traded | 101.8939 |
| 5 | PIA/TFC/200203 | PAKISTAN INTERNATIONAL AIRLINE CORPORATION-TFC (20-02-03) | Non-Traded | 99.7857 |
| 6 | WAPDA/SUK/050106 | WAPDA-SUKUK (01-05-06) | Traded | 100.0000 |
| 7 | WAPDA/SUK/130707 | WAPDA-SUKUK (13-07-07) | Non-Traded | 96.2445 |
| RATED AA+ | | | | |
| 8 | JSCL/TFC/211204 | JAHANGIR SIDDIQUI & COMPANY LTD-TFC (21-12-04) | Traded | 91.5500 |
| 9 | JSCL/TFC/300905 | JAHANGIR SIDDIQUI & COMPANY LTD-TFC (30-09-05) | Non-Traded | 100.9548 |
| 10 | JSCL/TFC/211106 | JAHANGIR SIDDIQUI & COMPANY LTD-TFC (21-11-06) | Non-Traded | 92.9997 |
| 11 | JSCL/TFC/040707 | JAHANGIR SIDDIQUI & COMPANY LTD-TFC (04-07-07) | Traded | 88.5000 |
| 12 | OLPL/TFC/250507 | ORIX LEASING PAKISTAN LTD-TFC (25-05-07) | Traded | 101.4300 |
| 13 | PKIC/TFC/090805 | PAK KUWAIT INVESTMENT COMPANY LTD-TFC (09-08-05) | Non-Traded | 100.4183 |
| 14 | PKIC/TFC/230206 | PAK KUWAIT INVESTMENT COMPANY LTD-TFC (03-02-06) | Non-Traded | 100.4206 |
| 15 | PKIC/TFC/280306 | PAK KUWAIT INVESTMENT COMPANY LTD-TFC (28-03-06) | Non-Traded | 100.2179 |
| RATED AA | | | | |
| 16 | ENGRO/SUK/060907 | ENGRO CHEMICAL PAKISTAN LTD-SUKUK (06-09-07) | Traded | 101.4514 |
| 17 | ENGRO/TFC/301107 | ENGRO CHEMICAL PAKISTAN LTD-TFC (30-11-07) | Traded | 99.7310 |
| 18 | ENGRO/TFC(I)/180308 | ENGRO CHEMICAL PAKISTAN LTD-TFC (18-03-08) (PRP-I) | Traded | 88.0000 |
| 19 | ENGRO/TFC(II)/180308 | ENGRO CHEMICAL PAKISTAN LTD-TFC (18-03-08) (PRP-II) | Traded | 87.6667 |
| 20 | OLPL/SUK/300607 | ORIX LEASING PAKISTAN LTD-SUKUK (30-06-07) | Non-Traded | 99.6888 |
| 21 | OLPL/TFC/150108 | ORIX LEASING PAKISTAN LTD-TFC (15-01-08) | Traded | 100.1000 |
| 22 | PAFL/SUK/270907 | PAK ARAB FERTILIZERS (28-02-08) | Traded | 95.6813 |
| 23 | SCB/TFC/200104 | SCB (PAK) LTD-TFC (20-01-04) | Non-Traded | 95.8109 |
| 24 | SCB/TFC/010206 | SCB (PAK) LTD-TFC (01-02-06) | Traded | 100.0000 |
| 25 | SSGC/SUK/311207 | SUI SOUTHERN GAS COMPANY - SUKKUK (31-12-07) - I | Non-Traded | 95.4600 |
| 26 | UBL/TFC/100804 | UNITED BANK LTD-TFC (10-08-04) | Traded | 86.5800 |
| 27 | UBL/TFC/150305 | UNITED BANK LTD-TFC (15-03-05) | Non-Traded | 82.9025 |
| 28 | UBL/TFC/080906 | UNITED BANK LTD-TFC (08-09-06) | Traded | 100.0000 |
| 29 | UBL/TFC/140208 | UNITED BANK LTD-TFC (14-02-08) | Non-Traded | 91.9117 |

RATED AA-

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|----|---------------------|---|------------|----------|
| 30 | ABL/TFC/061206 | ALLIED BANK LTD-TFC (06-12-06) | Traded | 100.1855 |
| 31 | AKBL/TFC/040205 | ASKARI BANK LTD-TFC (04-02-05) | Traded | 98.5036 |
| 32 | AKBL/TFC/311005 | ASKARI BANK LTD-TFC (31-10-05) | Traded | 98.4063 |
| 33 | ANL/TFC/200905 | AZGARD NINE LTD- TFC (20-09-05) | Non-Traded | 85.5000 |
| 34 | ANL/TFC/041207 | AZGARD NINE LTD- TFC (04-12-07) PP | Non-Traded | 96.3334 |
| 35 | BAFL/TFC/231104 | BANK ALFALAH LTD-TFC (23-11-04) | Non-Traded | 94.5797 |
| 36 | BAFL/TFC/251105 | BANK ALFALAH LTD-TFC (25-11-05) | Non-Traded | 93.2254 |
| 37 | BAHL/TFC/150704 | BANK AL-HABIB LTD-TFC (15-07-04) 10% cap | Non-Traded | 85.2406 |
| 38 | BAHL/TFC/070207 | BANK AL-HABIB LTD-TFC (07-02-07) | Traded | 100.0000 |
| 39 | CPBM/SUK/250907 | CENTURY PAPER & BOARD MILLS LTD- SUKUK (25-09-07) | Traded | 92.5013 |
| 40 | FABL/TFC/121107 | FAYSAL BANK LTD (12-11-2007) | Traded | 98.4667 |
| 41 | FRSCL(A)/TFC/170107 | FINANCIAL REC'BLES SEC'ZATION CO. LTD-TFC CLASS "A" | Non-Traded | 97.0788 |
| 42 | FRSCL(B)/TFC/170107 | FINANCIAL REC'BLES SEC'ZATION CO. LTD-TFC CLASS "B" | Non-Traded | 95.9100 |
| 43 | KASBS/TFC/270607 | KASB SECURITIES LTD- TFC (27-06-07) | Non-Traded | 97.7343 |
| 44 | PACE/TFC/150208 | PACE (PAKISTAN) LTD-TFC (15-02-08) | Non-Traded | 96.0389 |
| 45 | PAFL/TFC/301107 | PAK AMERICAN FERTILIZER LTD-TFC (30-11-07) | Non-Traded | 95.0703 |
| 46 | PAFL/TFC/140108 | PAK AMERICAN FERTILIZER LTD-TFC (14-01-08) | Non-Traded | 95.2384 |
| 47 | PAFL/SUK/060808 | PAK AMERICAN FERTILIZER LTD-SUKUK (06-08-08) | Non-Traded | 94.0000 |
| 48 | PAFL/TFC/011208 | PAK AMERICAN FERTILIZER LTD-TFC (01-12-08) | Non-Traded | 98.2137 |
| 49 | PMCL/TFC/310506 | PAKISTAN MOBILE COMMUNICATION LTD-TFC (31-05-06) | Traded | 96.5000 |
| 50 | PMCL/TFC/011007 | PAKISTAN MOBILE COMMUNICATION LTD-TFC (01-10-07) | Traded | 91.8859 |
| 51 | PMCL/TFC/281008 | PAKISTAN MOBILE COMMUNICATION LTD-TFC (28-10-08) | Traded | 93.1000 |
| 52 | RBS/TFC/100205 | ROYAL BANK OF SCOTLAND - TFC (10-02-05) | Non-Traded | 97.3134 |
| 53 | SCIL/SUK/031206 | SITARA CHEMICALS LTD - SUKUK - II (03-12-06) | Non-Traded | 97.0525 |
| 54 | SCIL/SUK/020108 | SITARA CHEMICALS LTD - SUKUK - III (02-01-08) | Traded | 98.0000 |
| 55 | WTL/TFC/281106 | WORLDCALL TELECOM LTD.TFC (28-11-06) | Non-Traded | 99.4104 |
| 56 | WTL/TFC/071008 | WORLDCALL TELECOM LTD-TFC (07-10-08) | Non-Traded | 94.6273 |

RATED A+

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| 57 | AASML/TFC/211107 | AL ABBAS SUGAR MILLS LTD-TFC (21-11-07) | Non-Traded | 95.6893 |
| 58 | BRGM/TFC/070608 | BRR GUARDIAN MODARABA (07-06-08) | Non-Traded | 92.1172 |
| 59 | EIBL/TFC/150307 | ESCORTS INVESTMENT BANK LTD-TFC (15-03-07) | Non-Traded | 97.2112 |
| 60 | HBFC/SUK/070508 | HOUSE BUILDING FINANCE CORPORATION LTD - SUKUK (07-05-08) | Traded | 90.7143 |
| 61 | IGIBL/TFC/110706 | IGI INV. BANK LTD-TFC (FIRST INT'L INV. BANK LTD. - TFC) (11-07-06) | Non-Traded | 98.5380 |
| 62 | NIB/TFC/050308 | NIB BANK LTD-TFC (05-03-08) | Traded | 95.3000 |
| 63 | PEL/SUK/280907 | PEL-SUKUK (28-09-07) | Non-Traded | 95.4317 |
| 64 | PEL/SUK/300608 | PEL-SUKUK (30-06-08) | Non-Traded | 87.2740 |
| 65 | SNBL/TFC/050505 | SONERI BANK LTD-TFC (05-05-05) | Traded | 99.5000 |

RATED A

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|----|--------------------|--|------------|----------|
| 66 | AZLM/TFC/310505 | AL-ZAMIN LEASING MODARABA-TFC (31-05-05) | Non-Traded | 94.9178 |
| 67 | AML/SUK/050108 | AMTEX LTD.-SUKUK (05-01-08) | Non-Traded | 89.1773 |
| 68 | EBL/SUK/150608 | EDEN BUILDERS LTD.- SUKUK (15-06-08) | Non-Traded | 91.7821 |
| 69 | EHL/SUK/311207 | EDEN HOUSING LTD.- SUKUK (31-12-07) | Non-Traded | 96.1978 |
| 70 | EHL/SUK/310308 | EDEN HOUSING LTD.- SUKUK (31-03-08) | Non-Traded | 94.8622 |
| 71 | EIBL/TFC/270904 | ESCORT INVESTMENT BANK (27-09-04) (Cap @ 10%) | Non-Traded | 98.0451 |
| 72 | JDWS/SUK/190608 | JDW SUGAR MILLS LTD. SUKUK (19-06-08) | Non-Traded | 89.0591 |
| 73 | JDWS/TFC/230608 | JDW SUGAR MILLS LTD. SUKUK (23-06-08) | Non-Traded | 89.0758 |
| 74 | KASHF/TFC/051107 | KASHAF FOUNDATION - TFC (05-11-07) | Non-Traded | 99.0000 |
| 75 | OPTI/TFC/101007 | OPTIMUS LTD - TFC (10-10-07) | Non-Traded | 92.9633 |
| 76 | TRAKKER/TFC/150907 | TRAKKER (15-09-07) - PPTFC | Non-Traded | 97.4981 |
| 77 | TRIBL/TFC/170704 | TRUST INVESTMENT BANK LTD-TFC (17-07-04) 10% cap | Non-Traded | 100.0000 |
| 78 | TRIBL/TFC/151105 | TRUST INVESTMENT BANK LTD-TFC (15-11-05) | Non-Traded | 97.9692 |
| 79 | TRIBL/TFC/040708 | TRUST INVESTMENT BANK LTD-TFC (04-07-08) | Non-Traded | 93.9864 |

RATED A-

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|----|------------------|--|------------|---------|
| 80 | AZLC/TFC/050907 | ALZAMIN LEASING CORPORATION LTD-TFC (05-09-07) | Non-Traded | 95.3659 |
| 81 | AZLM/TFC/120508 | AL-ZAMIN LEASING MODARABA LTD-TFC (12-05-08) | Non-Traded | 93.5747 |
| 82 | AVH/TFC/011107 | AVARI HOTELS-TFC (01-11-07) | Non-Traded | 91.6548 |
| 83 | MLFC/SUK/031207 | MAPLE LEAF SUKUK-(3-12-07) | Traded | 92.0692 |
| 84 | QTML/SUK/260908 | QUETTA TEXTILE MILLS LTD-SUKUK (26-09-08) | Non-Traded | 84.3851 |
| 85 | SEARL/TFC/090306 | SEARLE PAKISTAN LTD-TFC (09-03-06) | Non-Traded | 95.8245 |

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|----|-----------------|--|------------|---------|
| 86 | SSML/SUK/270907 | SHAHMURAD SUGAR MILLS LTD-SUKUK (27-09-07) | Traded | 93.9300 |
| 87 | SGML/TFC/ | SHAKARGANJ MILLS LTD-TFC 2008 | Non-Traded | 89.7915 |
| 88 | SMEL/TFC/160708 | SME LEASING LTD-TFC (16-07-08) | Non-Traded | 94.7484 |

RATED BBB+

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|----|-----------------|---|------------|---------|
| 89 | SPLC/TFC/130308 | SAUDI PAK LEASING COMPANY LTD-TFC (13-03-08) | Traded | 74.0000 |
| 90 | SLCL/TFC/280306 | SECURITY LEASING CORPORATION LTD-PPTFC (28-03-06) | Non-Traded | 95.6488 |
| 91 | SLCL/SUK/010607 | SECURITY LEASING CORPORATION LTD-SUKKUK (01-06-07) - I | Non-Traded | 93.2480 |
| 92 | SLCL/SUK/190907 | SECURITY LEASING CORPORATION LTD-SUKKUK (19-09-07) - II | Non-Traded | 91.3310 |

RATED BBB

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|----|-----------------|---------------------------------|------------|---------|
| 93 | GCL/TFC/180108 | GHARIBWAL CEMENT-TFC (18-01-08) | Non-Traded | 90.3377 |
| 94 | TELE/TFC/270505 | TELECARD LTD-TFC (27-05-05) | Non-Traded | 95.6876 |

VALUATION OF RATED NON-INVESTMENT GRADE DEBT SECURITIES

| S.No. | Code | TFCs and Sukuks | Traded / Non-Traded | |
|-------|------------------|--|---------------------|---------|
| 1 | FDIBL/TFC/110907 | FIRST DAWOOD INVESTMENT BANK LTD. TFC (11-09-07) | Non-Traded | 75.0000 |
| 2 | KCCL/SUK/131207 | KOHAT CEMENT-SUKKUK (13-12-07) | Non-Traded | 75.0000 |
| 3 | TSH/TFC/260608 | THREE STAR HOSIERY (25-06-08) | Non-Traded | 75.0000 |

VALUATION OF NON-RATED DEBT SECURITIES

| S.No. | Code | TFCs and Sukuks | Traded / Non-Traded | |
|-------|------------------|--|---------------------|---------|
| 1 | AAHL/TFC/230806 | AL ABBAS HOLDINGS (PVT) LTD-TFC (23-08-06) | Non-Traded | 75.0000 |
| 2 | ATML/SUK/150408 | ARZOO TEXTILE MILLS LTD-SUKUK (15-04-08) | Non-Traded | 75.0000 |
| 3 | CTM/TFC/170604 | CRESCENT TEXTILE MILLS LTD-TFC (17-06-04) | Non-Traded | 75.0000 |
| 4 | DAWH/SUK | DAWOOD HERCULES-SUKUK | Non-Traded | 93.3111 |
| 5 | DFSML/TFC/201204 | DEWAN FAROOQUE SPINNING MILLS LTD-TFC (20-12-04) | Non-Traded | 75.0000 |
| 6 | DGKC/SUK | DGKC DIMINISHING MUSHARKAH | Non-Traded | 94.1553 |
| 7 | GHL/TFC/230806 | GHANI HOLDING (PVT) LTD-TFC (23-08-06) | Non-Traded | 75.0000 |
| 8 | JCL/TFC/101106 | JAVEDAN CEMENT LTD-TFC (10-11-06) | Non-Traded | 75.0000 |
| 9 | PHO/TFC/311208 | PAK HY-OILS LTD-TFC (31-12-08) | Non-Traded | 75.0000 |
| 10 | SPL/SUK/190808 | SITARA PEROXIDE LTD-SUK (19-08-08) | Non-Traded | 75.0000 |
| 11 | VDL/TFC/301108 | VISION DEVELOPERS (PVT) LTD (30-11-08) | Non-Traded | 75.0000 |

VALUATION OF NON-PERFORMING DEBT SECURITIES

| S.No. | Code | TFCs and Sukuks | Traded / Non-Traded | |
|-------|-----------------|--|---------------------|------------|
| 1 | DCL/TFC/ | DEWAN CEMENT LTD | Non-Traded | A/C to NPA |
| 2 | NAEL/TFC/150507 | NEW ALLIED ELECTRONIC (15-05-07) | Non-Traded | A/C to NPA |
| 3 | NAEL/SUK/270707 | NEW ALLIED ELECTRONIC - SUKUK (27-07-07) | Non-Traded | A/C to NPA |
| 4 | NAEL/SUK/031207 | NEW ALLIED ELECTRONIC - SUKUK (03-12-07) | Non-Traded | A/C to NPA |

Applicability for Traded Securities (Bold Highlighted):

March 27, 2009 (Prices will change on daily basis)

Applicability for Non-Traded Securities:

March 21, 2009 to April 3, 2009.

(Page updated on March 27, 2009 at 1:45 P. M.)