

MyETF DOW JONES ISLAMIC MARKET MALAYSIA TITANS 25

STATEMENT OF ASSETS AND LIABILITIES (unaudited) As at 31 MARCH 2008

	Note	(RM)
ASSETS		
Quoted Investments	4	718,060,250
Dividends Receivable	5	1,864,539
Cash At Bank	15	77,455
Short Term Placements	15	1,560,000
TOTAL ASSETS		721,562,244
LIABILITIES		
Amount due to Manager	6	591,256
Amount due to Trustee	7	73,907
Amount due to Index Licensor	8	59,126
Other Accrued Expenses	11	73,907
Sundry Payables		-
TOTAL LIABILITIES EXCLUDING NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS		798,195
NET ASSET VALUE AS AT 31 MARCH 2008	9	720,764,049
UNITS IN CIRCULATION	9(a)	826,000,000
NET ASSET VALUE PER UNIT	10	0.8726

MyETF DOW JONES ISLAMIC MARKET MALAYSIA TITANS 25

STATEMENT OF INCOME AND EXPENDITURE (unaudited)

For the period 22 January 2008 (Date of Commencement) to 31 March 2008

	Note	TOTAL (RM)
INVESTMENT INCOME		
Dividend Income		3,506,299
Profit (Short Term Placement)		386
Net Realised Loss on sale of quoted investments		(909,210)
Net Unrealised Loss on change in value of quoted investments		(98,353,461)
Direct Costs		-
Gross Income/(Loss)		(95,755,986)
EXPENDITURE		
Manager's Fee	6	591,256
Trustees Fee	7	73,907
License Fee	8	59,126
Other Expenses	11	73,907
Bank Charges		45
TOTAL EXPENDITURE		798,241
NET INCOME/(LOSS) BEFORE INCOME TAX		(96,554,227)
<i>Less: Income Tax Expense</i>	12	-
NET INCOME/(LOSS) AFTER INCOME TAX		(96,554,227)
DISTRIBUTION / LOSS EQUALISATION	13	(258,911)
UNDISTRIBUTED NET INCOME (LOSS) AT END OF PERIOD		(96,813,137)
Net Income after Income Tax comprises the following		
Realised Income		1,799,234
Unrealised Loss		(98,353,461)
		(96,554,227)

MyETF DOW JONES ISLAMIC MARKET MALAYSIA TITANS 25

STATEMENT OF CHANGES IN NET ASSET VALUE *(unaudited)* **For the period 22 January 2008 (Date of Commencement) to 31 March 2008**

	<u>RM</u>
Net Asset Value at commencement	628,862,561
Net Income / (Loss) for the period	(96,554,227)
Distribution / Loss Equalisation	(258,911)
Amount received from units created net of equalisation	202,568,219
Amount Paid for units redeemed net of equalisation	(13,853,594)
Net Asset Value at end of Period	<u><u>720,764,048.60</u></u>

MyETF DOW JONES ISLAMIC MARKET MALAYSIA TITANS 25

CASH FLOW STATEMENT *(unaudited)*

For the period 22 January 2008 (Date of Commencement) to 31 March 2008

Proceeds from sale of investments	-
Dividend Received	1,641,760
Profit from Short Term Placements Received	385
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Net Cash Used In Operating And Investing Activities	1,642,145
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from creation of units	4,797
Payments for release of units	(9,441)
Bank Charges	(45)
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Net Cash Generated From Financing Activities	(4,689)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,637,455
CASH AND CASH EQUIVALENTS AT COMMENCEMENT	-
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CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>1,637,455</u>

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

MyETF Dow Jones Islamic Market Malaysia Titans 25 (“the Fund”) was established pursuant to a Deed dated 17 January 2008 (“the Deed”), between *i*-VCAP Management Sdn Bhd as the Manager and Deutsche Trustees Malaysia Berhad as the Trustee.

The Fund is an exchange traded fund that is designed to provide investment results that closely correspond to the performance of the Dow Jones Islamic Market Malaysia Titans 25 Index (“Benchmark Index”) as provided by Dow Jones & Company Inc. The Benchmark Index is a free float-adjusted, market capitalization weighted index representing securities of 25 leading Shariah-compliant Malaysian companies listed on Bursa Malaysia Securities Berhad. As provided in the Deed, the financial year shall end on 31 December and the units in the Fund were first offered for sale on 22 January 2008.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention modified by the revaluation of investments in accordance with applicable Financial Reporting Standards in Malaysia and the Securities Commission’s Guidelines on Exchange Traded Funds.

3. SIGNIFICANT ACCOUNTING POLICIES

Investments

Investments in quoted securities are stated at lower of Costs and Market Value on a portfolio basis in accordance with the provisions of the Deed. For investments in listed securities, market value is determined based on the closing price quoted on Bursa Malaysia Securities Berhad. The difference between the adjusted cost and market value is treated as unrealized gain or loss and is recognized in the statement of income and expenditure. Unrealized gains or losses recognized in the statement of income and expenditure is not distributable in nature.

On disposal of investments, the net realized gain or loss on disposal is measured as the difference between the net disposal proceeds and the carrying amount of the investments. The net realized gain or loss is recognized in the statement of income and expenditure.

Income Recognition

Dividend Income from quoted investments is recognized based on the ex-date of the dividend declared.

Profit from money market placements on Islamic financial instruments is recognized on maturity date. Islamic accounting principles practice on the notion that income can only be recognized once the certainty elements have been realized. As profit from money market placements in Islamic financial instruments can only be ascertained on the maturity date, the income would also then be recognized on that date.

Cash Flow Statement

The Fund adopts the direct method in the preparation of the cash flow statement.

Cash equivalents are short-term, highly liquid investments with maturity of one month or less from the date of acquisition and are readily convertible to cash with insignificant risk of changes in value.

Payables

The amounts are stated at cost which is the fair value of the consideration to be paid for services received.

Receivables

Sundry receivables are carried at ascertained realizable values.

Financial Assets and Liabilities

Financial assets and financial liabilities carried on the statement of assets and liabilities include cash at banks, investments, including deposits and placements with licensed financial institutions, receivables and payables. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies.

Financial instruments are classified as assets or liabilities in accordance with the substance of the contractual arrangement. The accounting policies on the recognition of dividends, gains and losses relating to the financial instruments classified as assets, are disclosed in the respective accounting policies.

4. QUOTED INVESTMENTS

	RM
At cost	
Shares quoted in Malaysia	<u>816,413,711</u>
At valuation	
Shares quoted in Malaysia	<u>718,060,250</u>

5. DIVIDENDS RECEIVABLE

Dividends Receivable represents dividends declared by the Fund's stock components at the Ex-Date and not yet received at the end of the financial period.

Dividends declared will be recognized on the Ex-Date and will be reversed out from the receivables on the payment date.

6. AMOUNT DUE TO MANAGER / MANAGER'S FEE

Manager's Fee was charged at a rate of 0.40% per annum of the Net Asset Value (NAV) of the Fund, calculated on a daily basis, as provided under Clause 14.1 of the Deed.

The Manager's Fee was accrued daily at the end of the day and as at 31 March 2008, no Manager's Fee has been paid out from the Fund Assets.

7. AMOUNT DUE TO TRUSTEE / TRUSTEE'S FEE

Trustee's Fee was charged at a rate of 0.05% per annum of the Net Asset Value (NAV) of the Fund, calculated on a daily basis, as provided under Clause 14.2 of the Deed.

The Trustee's Fee was accrued daily at the end of the day and as at 31 March 2008, no Trustee's Fee has been paid out from the Fund Assets.

8. AMOUNT DUE TO INDEX LICENSOR / LICENSE FEE

Included in the amount due to Index Licensor is the license fee payable to Dow Jones & Company Inc., the Benchmark Index provider.

License Fee was charged at a rate of 0.04% per annum of the Net Asset Value (NAV) of the Fund, calculated on a daily basis.

The License Fee was accrued daily at the end of the day and as at 31 March 2008, no License Fee has been paid out from the Fund Assets.

9. NET ASSET VALUE (NAV) ATTRIBUTABLE TO UNIT HOLDERS

Net Asset Value (NAV) attributable to unit holders is represented by:

	Note	RM
Unit holders' contribution	(a)	817,577,186
Undistributed net income		(96,813,137)
		<u>720,764,049</u>

(a) UNIT HOLDERS' CONTRIBUTION/UNITS IN CIRCULATION

	No. of Units	RM
At commencement	628,869,000	628,862,561
Created during the period	211,131,000	202,568,219
Redeemed during the period	(14,000,000)	(13,853,594)
At end of period	<u>826,000,000</u>	<u>817,577,186</u>

As provided in the Prospectus dated 21 January 2008, the initial size of the Fund shall not exceed 10 billion Units.

The Manager, *i*-VCAP Management Sdn. Bhd., did not hold any units in the Fund as at 31 March 2008.

10. NET ASSET VALUE (NAV) PER UNIT

The Net Asset Value (NAV) per unit is calculated by dividing the net assets of RM720,764,049 by the 826,000,000 units in issue as at 31 March 2008.

11. OTHER ACCRUED EXPENSES

Included in Other Expenses are fees, other than Manager's, Trustee's and License Fees, or expenses incurred by the Fund such as professional fees, printing and stationery, bank charges, fees payable to the independent members of the Investment Committee, lodgment fees and other expenses as permitted by the Deed.

The Other Expenses are provided for at the rate of 0.05% per annum of the Net Asset Value (NAV) of the Fund, calculated and accrued on a daily basis.

As at 31 March 2008, no payment for Other Expenses has been made from the Fund's assets.

12. INCOME TAX EXPENSE

Income tax payable is calculated on investment income less deduction for permitted expenses as provided for under Section 63B of the Income Tax Act, 1967.

Dividend Income:

The Fund may receive Malaysian dividends which are tax exempt. The exempt dividends may be received from investments in companies which had previously enjoyed or are currently enjoying the various tax incentives provided under the law.

With effect from 1 January 2008, dividends received from companies under the single tier tax system would also be exempted from tax.

In some situations, where the Fund has received tax franked dividends, some portion of the tax credits attached to those dividends can be refunded to the Fund.

Profit (from Money Market Investments):

Pursuant to Paragraph 35A of Schedule 6 of the Income Tax Act, 1967 ("the Act"), profits paid or credited by any bank or financial institution licensed under the Banking and Financial Institutions Act 1989 or the Islamic Banking Act 1983 are exempt from tax.

The Fund may also be making Zakat payments. Section 44 (11A) of the Act provides that:

"There shall be deducted from the aggregate income of a person (other than an offshore company), an amount equal to the payment of *zakat perniagaan* which is paid in the basis period for that relevant year to an appropriate religious authority established under any written law or any person authorized by such religious authority. Provided that the amount to be deducted pursuant to this subsection shall not exceed one-fortieth (2.5%) of the aggregate income of that person in the relevant year."

For the period from 22 January 2008 to 31 March 2008, there is no income tax payable by the Fund as the Fund has incurred a Net Loss before Tax of RM96,554,227.

13. DISTRIBUTION / LOSS EQUALISATION

Distribution / Loss equalization represents the average amount of undistributed net income / (accumulated loss) included in the creation or redemption price of units. This amount is either refunded to unit holders by way of distribution and / or adjusted accordingly when units are redeemed back to the Trustee.

14. INCOME DISTRIBUTION

No income distribution was declared by the Fund during the financial period 22 January 2008 (date of launch) to 31 March 2008

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following amounts:

	RM
Short-term money market placements in Islamic financial instruments with licensed banks	1,560,000
Cash at Bank	77,455
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	1,637,455
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16. PERFORMANCE REVIEW

The Fund is designed to provide investment results that closely correspond to the performance of the Dow Jones Islamic Market Malaysia Titans 25 Index (“Benchmark Index”), regardless of its performance. During the period under review, the NAV of the Fund fell by 12.74% while the Benchmark Index was down by 13.05%.

The overall Malaysian stock market posted a decline during the period due to domestic and external factors. The rising crude oil price and concerns over the health of the US economy, partly owing to the sub-prime crisis, combined with the unexpected outcome of the Malaysian general elections in March contributed to the generally weak market performance.

17. PROSPECTS

The future performance of the Fund, which is reflected through its NAV, is dependent on the future performance of the securities held in the Fund which in turn are the components of the Benchmark Index. As the sector representation of the Benchmark Index is fairly broad-based, its prospects are largely dependent on the performance of the Malaysian stock market in general.