

**FIRST SUPPLEMENT TO THE OFFERING DOCUMENT
OF FIRST HABIB INCOME FUND DATED 18th MARCH, 2008**

Habib Asset Management Limited, an Asset Management Company incorporated under the Companies Ordinance, 1984 and licensed by the Securities and Exchange Commission of Pakistan to undertake asset management services under the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003.

First Habib Income Fund has been established in Pakistan by a Trust Deed dated 6th September, 2006, registered under the Trusts Act 1882 (11 of 1882) between Habib Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee and authorised under the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003.

Effective 18th March, 2008 the Offering Document of First Habib Income Fund has been amended as under:

1) In Clause 1.6.2 and 4.2, after sub-clause (c), the following new sub-clause (d) has been added:

d) Class 'C' Units shall be offered and issued after the expiry of the Initial Public Offering (IPO). Class 'C' Units will be entitled to cash dividend only even if the distribution to other classes is in the form of Bonus Units. The Units will be issued with/without Sales Load and/or back end load. An investor shall, at the time of opening an account, select the Class of Units in which he wishes to invest i.e. Class 'B' and or Class 'C'. The investors may convert the Units from one class of Units to another class without any fee. However, if Class 'A' Units (restricted/core Units) issued to the core investors are converted to Class 'C' Units, such Units can not be redeemed for a period of two (2) years from the date of closure of Initial Offer. However such Units are transferable. All the existing Unit holders shall have the option to switch to this class of Units by applying the management company.

2) The existing clause 4.9.3 to be read as follows:

The Offer Price shall be equal to the sum of the Net Asset Value (NAV) as of the close of the Business Day (in the event there are closed days, for any reason, following that Business Day) the NAV so determined shall be adjusted for the accrual of income or losses if any for such closed days, Transaction Costs or Duties and Charges as defined in clause 14.18, any Front-end Load (Load) not exceeding three percent (3.00%) of the Net Asset Value (Please refer to Annexure B for the current level of load). The Offer Price so determined shall apply to purchase requests, complete in all respects, received by the Distributor on the Business Day during the business hours.