

LAKSON INCOME FUND

Half Yearly Report (December 31, 2012)



LAKSON INVESTMENTS

WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN

CONTENTS

Fund's Information	1
Review Report of the Directors of the Management Company	3
Trustee Report to the Unit Holders	6
Auditors' report to the Unit Holders on review of Interim Financial Information	7
Condensed Interim Statement of Assets and Liabilities	8
Condensed Interim Income Statement	9
Condensed Interim Statement of Comprehensive Income	10
Condensed Interim Distribution Statement	11
Condensed Interim Statement of Movement in Unit Holders' Fund	12
Condensed Interim Cash Flow Statement	13
Notes to the Condensed Interim Financial Information	14

Fund's Information

Management Company

Lakson Investments Limited
Head Office
Lakson Square, Building No.2,
Sarwar Shaheed Road,
Karachi-74200, Pakistan.
Phone: (9221) 3569.8000
Fax: (9221) 3568.1653
Web site: www.li.com.pk
E-mail: info@li.com.pk

Board of Directors of the Management Company

Mr. Iqbal Ali Lakhani - Chairman
Mr. Babar Ali Lakhani - Chief Executive Officer
Mr. A. Aziz H. Ebrahim
Mr. Mahomed J. Jaffer
Mr. Amin Mohammed Lakhani (from February 15, 2013)*
Mr. Sher Afgan Malik
Mr. Muhammad Abdul Qadir (upto February 15,2013)
Mr. Daniel Scott Smaller
Mr. Zahid Zakiuddin

Chief Financial Officer & Company Secretary of the Management Company

Mr. Amir Mobin

Audit Committee

Mr. Zahid Zakiuddin - Chairman
Mr. A. Aziz H. Ebrahim
Mr. Iqbal Ali Lakhani
Mr. Sher Afgan Malik

Human Resource and Remuneration Committee

Mr. Iqbal Ali Lakhani - Chairman
Mr. Babar Ali Lakhani
Mr. Daniel Scott Smaller

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block-B, S.M.C.H.S.,
Main Shahra-e-Faisal,
Karachi, Pakistan.

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.2,
Beaumont Road,
Karachi - 75530, Pakistan

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Bank Al-Falah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
National Bank of Pakistan
NIB Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Tameer Microfinance Bank Limited
United Bank Limited

* Subject to the approval of SECP.

Legal Adviser

Fazleghani Advocates
F-72/1, Block 8, KDA-5,
Kehkashan, Clifton,
Karachi, Pakistan.

Registrar

Lakson Investments Limited
Lakson Square, Building No.2,
Sarwar Shaheed Road,
Karachi-74200, Pakistan

Distributors

Shajar Capital Pakistan (Pvt.) Limited (formerly
Burj Capital Pakistan (Pvt.) Limited)
Foundation Securities (Pvt.) Limited
Metro Securities (Pvt.) Limited
Topline Securities (Pvt.) Limited
Mr. Amir Noorani
Adam Securities (Pvt.) Limited
Alfalah Securities (Pvt.) Limited
Cyan Limited
Elixir Securities (Pvt.) Limited
Vector Capital (Pvt.) Limited

Rating by PACRA

A+(f) : Fund Stability Rating
AM3 + : Management Company Quality Rating

Review Report of the Directors of the Management Company For the half year ended December 31, 2012

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Income Fund ("LIF") is pleased to submit its review report together with Condensed Interim Financial Statements for the half year ended December 31, 2012.

Fund Objective

The investment objective of the Scheme is to provide competitive total returns through investment in a diversified portfolio of fixed income securities. The Scheme shall invest in various fixed income securities with a mix of short term, medium term, and longer term maturities depending on the assessment by the Management Company of interest rate trends and prospective returns.

Fund Profile

LIF is an open end income fund which invests in Investment-grade Debt Securities, Government Securities, Certificate of Investments, Clean Placements, Term Deposit Receipts, and other fixed income instruments. The overall duration of the portfolio is kept below 4 years while at least 25% of Net Assets are kept in the form of cash or Treasury Bills of maximum 90 days maturity. LIF is managed through a team-driven, top-down process utilizing active sector rotation, duration and yield curve management. Economic conditions are constantly monitored to forecast interest rate changes. The added value for LIF comes from identifying opportunities to shift investments between various maturities and between different instruments. LIF is allowed to borrow up to 15% of Net Assets to meet redemptions however LIF did not utilize this facility during the period under review.

Fund performance

During the 1HFY13, the assets under management of the LIF increased by 27.29% from PKR 1,414 million to PKR 1,800 million. The LIF yielded an annualized return of 10.16% in the half year compared to the Benchmark (average return of all income funds) return of 9.15% p.a. The LIF outperformed the average income fund by 101bps. As of December 31, 2012, the LIF portfolio is invested 37% in T-Bills, 22% in TDRs, 14% in short term sukuk, 19% in TFCs and 6% in MTS while the weighted average maturity of the LIF portfolio stands at 352 days. The Standard Deviation, a measure of the volatility of the fund's performance, of monthly returns of the LIF since inception is just 1.57% compared to 4.95% for the Benchmark.

Income Distribution

The Chief Executive Officer of the management company under the authority of the Board of Directors has announced interim distributions of PKR 4.7987 per unit (4.7987% of face value of PKR 100/-) during the half year ended December 31, 2012 amounting to PKR 77.55 million (PKR 77.54 million of Bonus distribution and PKR 0.01 million of cash distribution).

Earning per Unit (EPU)

EPU has not been disclosed as we feel the determination of weighted average units for calculating EPU is not practicable for open end funds.

Economic Review

Pakistan continued to face tough economic environment during the 1HFY13 due to depleting foreign exchange reserves, acute energy shortages and a poor law and order situation. The Large Scale Manufacturing ("LSM") posted marginal improvement during the 5MFY13. Major sectors that witnessed significant growth during the 5MFY13 were 'Food, Beverages and Tobacco' that grew by 8.0% YoY, 'Paper and Board' by 33.7% YoY and 'Coke and Petroleum Products' by 9.9%. The sectors that suffered a set-back during the 5MFY13 included Automobiles sector which posted a decline of 8.7% YoY and Fertilizer sector which witnessed a YoY decline of 14.5%.

The headline Consumer Price Index ("CPI") inflation for the 1HFY13 averaged 8.3% which enabled the State Bank of Pakistan ("SBP") to reduce the benchmark discount rate by 250bps to 9.5%, the lowest since mid 2007. The central bank was of the view that the rate cut would incentivize 'investments' by the private sector wherein the credit off-take was previously hampered due to higher interest rates.

During the 1HFY13, the Current Account ("CA") posted a surplus of USD 250 million. The sizeable improvement in the current account position was underpinned by a 61% YoY jump in the incoming services account payments on the back of Coalition Support Fund ("CSF") reimbursements of USD 1.8 billion. During the 1HFY13, Foreign Direct Investment ("FDI") improved by 6% YoY to reach USD 563 million while the Foreign Portfolio Investment ("FPI") recorded a net inflow of USD 124 million, compared to the net outflow of USD 162 million in the same period last year. The remittances stood at USD 7.1 billion in the 1HFY13 (up 12.5% YoY) to provide significant support to the current account.

The foreign exchange reserves of the country however fell to USD 13.9 billion by the end of Dec '12, compared to USD 15.3 billion recorded at the end of Jun '12; a massive decline of 9.4%. This was primarily a factor of repayments made to the IMF, which stood at USD 1.2 billion during the 1HFY13. Resultantly, Pak Rupee ("PKR") remained under pressure during the period under review and depreciated by 2.7% against the greenback during the 1HFY13.

Fixed Income Market Review

The money supply (M2) recorded a growth of 7.2% during Jul '12 - Jan '13 to stand at PKR 8.2 trillion. The stock of net government borrowings for budgetary support grew by 16.7% to PKR 4.4 trillion. Out of this, the net government borrowings from the SBP (cash basis) stood at PKR 1.5 trillion (down by 11.4%) while net government borrowings from the scheduled banks reached PKR 2.9 trillion (up 39.5%). Resultantly, the government managed to retire part of its debt taken from the SBP while accelerating the pace of borrowing from the scheduled banks.

Higher government borrowing from the commercial banks kept the money market liquidity tight during the 1HFY13. However declining interest rate environment eased the overnight repo rates to an average of 9.7% during the 1HFY13 compared to an average of 11.2% witnessed during the 2HFY12.

The SBP supported the market liquidity through frequent Open Market Operations ("OMO's") wherein the monthly amount of injection averaged PKR 448 billion during the 1HFY13.

The SBP conducted twelve Treasury Bills ("T-bill") auctions during the 1HFY13 and accepted PKR 3.0 trillion worth of bids, substantially exceeding its target and maturities of PKR 2.6 trillion. The yields for the 3, 6 and 12 month T-bills, nevertheless, adjusted downwards by 164 bps, 168 bps and 168 bps respectively as they incorporated the impact of 250 bps cut in the discount rate during the period. Similarly, the benchmark 6-month KIBOR also declined by 161 bps to average at 10.4% during the 1HFY13. The banking sector recorded a growth of PKR 280 billion in its deposits during the 1HFY13, to reach PKR 6.7 trillion by the end of Dec '12.

Future Outlook

As per the latest statements issued by the IMF, Pakistan continues to face difficult macroeconomic challenges as growth remains insufficient, underlying inflation is high, and the external position is weakening. The situation is compounded by an uncertain global environment and a difficult domestic situation.

The IMF believes that the country is expected to record a fiscal deficit of 7.5% for FY13, against budgetary estimate of 4.7%. It expects GDP growth to clock in at around 3.5% against the target of 4.2% for FY13. Furthermore, it expects that the current account deficit would remain at 0.7% of GDP during FY13; the credit for which largely goes to the CSF reimbursements.

Given these challenges and the looming repayments to the IMF, it is essential that the political transition takes place through a smooth and democratic process and the incumbent government is able to negotiate a re-entry into the IMF program before the end of FY13. Any deadlock in the negotiation process for re-entry into another IMF program may lead to a severe pressure on the Balance of Payments and resultantly on the PKR.

Acknowledgement

The Board is thankful to its valued investors, the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan, the Trustee of the Fund-Central Depository Company of Pakistan Limited and the management of the Lahore Stock Exchange for their continued cooperation and support. The Directors of the Management Company also acknowledge the efforts put in by the team of the Management Company for the growth and the prudent management of the Fund.

For and on Behalf of the Board

Dated: February 15, 2013

Babar Ali Lakhani
Chief Executive Officer

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahr-e-Faisal
Karachi - 74400, Pakistan.
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TRUSTEE REPORT TO THE UNIT HOLDERS

LAKSON INCOME FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Lakson Income Fund (the Fund) are of the opinion that Lakson Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2012 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, 2008 and the constitutive documents of the Fund.


Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 22, 2013





KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2
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Karachi, 75530 Pakistan

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Auditors' report to the Unit Holders on review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Lakson Income Fund** ("the Fund") as at 31 December 2012 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the condensed interim financial information for the six months period then ended (here-in-after referred to as the "condensed interim financial information"). Management Company is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting.

Other matters

The figures for the three months ended 31 December 2012 in the interim financial information have not been reviewed and we do not express a conclusion on them.

Date: 15 February 2013

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants
Amin Pirani

**Condensed Interim Statement of Assets and Liabilities
As at December 31, 2012**

Assets	Note	December 31, 2012 (Unaudited)	June 30, 2012 (Audited)
		(Rupees)	
Bank balances	6	428,258,573	302,015,205
Investments	7	1,248,588,571	1,107,938,327
Receivable against Margin Trading System	8	115,029,867	-
Profit receivable on bank balances, investments and balance receivable under the margin trading system		17,376,275	11,329,747
Deposits and prepayments		647,842	100,000
Deferred formation cost		683,242	867,577
Total assets		<u>1,810,584,370</u>	<u>1,422,250,856</u>
Liabilities			
Payable to the Management Company	9	2,686,645	2,002,852
Remuneration payable to the Trustee		203,306	167,512
Annual fee payable to Securities and Exchange Commission of Pakistan		613,368	922,349
Accrued expenses and other liabilities	10	7,206,302	5,541,458
Total liabilities		10,709,621	8,634,171
Net assets		<u>1,799,874,749</u>	<u>1,413,616,685</u>
Unit holders' funds		<u>1,799,874,749</u>	<u>1,413,616,685</u>
		(Number)	
Number of units in issue		<u>17,903,446</u>	<u>13,947,794</u>
		(Rupees)	
Net assets value per unit		<u>100.5323</u>	<u>101.3505</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

**For Lakson Investments Limited
(Management Company)**

Chief Executive Officer

Director

**Condensed Interim Income Statement (Unaudited)
For the half year ended December 31, 2012**

	Note	Half year ended		Quarter ended	
		December 31, 2012	2011	December 31, 2012	2011
----- (Rupees) -----					
Income					
Mark-up income		90,695,876	72,389,432	46,566,794	38,263,898
Income from Margin Trading System		2,433,615	-	2,433,615	-
Gain on sale of 'held for trading' investments - net		2,662,193	1,848,313	1,765,486	1,746,236
Unrealised appreciation / (diminution) in the fair value of investments - 'held for trading' - net		1,476,791	2,521,685	(1,365,491)	706,638
Element of income and capital gains in prices of units sold less those in units redeemed - net		2,598,774	2,344,286	560,778	2,416,939
		<u>99,867,249</u>	<u>79,103,716</u>	<u>49,961,182</u>	<u>43,133,711</u>

Expenses

Remuneration to the Management Company	9	14,230,130	9,692,209	7,840,535	5,274,812
Remuneration to the Trustee		1,123,643	900,784	597,261	471,339
Annual fee to the Securities and Exchange Commission of Pakistan		613,368	417,768	337,954	227,363
Auditors' remuneration		127,320	113,832	73,128	63,559
Fees and subscription		120,987	120,656	55,453	60,328
Printing charges		30,246	30,163	15,123	15,081
Brokerage expenses		14,803	19,510	8,001	12,591
Amortisation of deferred formation cost		184,335	183,831	92,168	91,916
Workers' Welfare Fund	10.1	1,660,067	1,350,299	811,764	737,253
Bank and settlement charges		419,077	110,033	353,384	54,102
		<u>18,523,976</u>	<u>12,939,085</u>	<u>10,184,771</u>	<u>7,008,344</u>
Net income for the period		<u>81,343,273</u>	<u>66,164,631</u>	<u>39,776,411</u>	<u>36,125,367</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

**For Lakson Investments Limited
(Management Company)**

Chief Executive Officer

Director

**Condensed Interim Statement of Comprehensive Income (Unaudited)
 For the half year ended December 31, 2012**

	Half year ended December 31, 2012	2011	Quarter ended December 31, 2012	2011
	------(Rupees)-----			
Net income for the period	81,343,273	66,164,631	39,776,411	36,125,367
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>81,343,273</u>	<u>66,164,631</u>	<u>39,776,411</u>	<u>36,125,367</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Lakson Investments Limited
 (Management Company)

 Chief Executive Officer

 Director

**Condensed Interim Distribution Statement (Unaudited)
For the half year ended December 31, 2012**

	Half year ended December 31,		Quarter ended December 31,	
	2012	2011	2012	2011
Note	------(Rupees)-----			
Undistributed income at beginning of the period - realised	13,787,808	11,292,694	8,705,185	2,255,789
Undistributed income at beginning of the period - unrealised	5,049,453	250,666	2,842,282	1,815,047
Undistributed income at beginning of the period	18,837,261	11,543,360	11,547,467	4,070,836
Final distribution at the rate of Re 0.9391 (2011: Re 0.9979) per unit approved on July 04, 2012 (2011: July 04, 2011)				
- Cash distribution	(1,839)	(980,437)	-	-
- Issue of bonus units	(13,096,535)	(8,945,241)	-	-
	(13,098,374)	(9,925,678)	-	-
Total comprehensive income for the period	81,343,273	66,164,631	39,776,411	36,125,367
Interim distributions during the period 11				
- Cash distribution	(9,394)	(5,565,366)	(4,615)	(2,850,524)
- Issue of bonus units	(77,542,603)	(57,315,121)	(41,789,100)	(32,443,853)
	3,791,276	3,284,144	(2,017,304)	830,990
	9,530,163	4,901,826	9,530,163	4,901,826
Undistributed income at the end of the period - realised	8,053,372	2,380,141	8,053,372	2,380,141
Undistributed income / (accumulated loss) at the end of the period - unrealised	1,476,791	2,521,685	1,476,791	2,521,685
Undistributed income at the end of the period	9,530,163	4,901,826	9,530,163	4,901,826

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For Lakson Investments Limited
(Management Company)

Chief Executive Officer

Director

**Condensed Interim Statement of Movement in Unit Holders' Fund (Unaudited)
For the half year ended December 31, 2012**

Note	Half year ended December 31,		Quarter ended December 31,	
	2012	2011	2012	2011
	------(Rupees)-----			
Net assets at the beginning of the period	1,413,616,685	1,006,199,775	1,719,005,986	1,017,644,094
Cash received on issue of 4,406,016 (2011: 2,592,806) units and 1,665,407 (2011: 2,590,718) units for the half year and quarter respectively	444,126,052	262,020,117	168,169,999	261,810,496
Cash paid on redemption of 1,352,892 (2011: 513,219) units and 1,252,765 (2011: 362,896) units for the half year and quarter respectively	(136,601,254)	(51,942,892)	(126,512,254)	(36,760,952)
	307,524,798	210,077,225	41,657,745	225,049,544
Element of income and capital gains in prices of units sold less those in units redeemed - net	(2,598,774)	(2,344,286)	(560,778)	(2,416,939)
Final distribution at the rate of Re 0.9391 (2011: Re 0.9979) per unit approved on July 04, 2012 (2011: July 04, 2011) - Cash distribution - Issue of bonus units	(1,839) (13,096,535) (13,098,374)	(980,437) (8,945,241) (9,925,678)	- - -	- - -
Issue of 130,429 (2011: 89,307) bonus units as final distribution	13,096,535	8,945,241	-	-
Total comprehensive income for the period	81,343,273	66,164,631	39,776,411	36,125,367
Interim distributions during the period 11 - Cash distribution - Issue of bonus units	(9,394) (77,542,603)	(5,565,366) (57,315,121)	(4,615) (41,789,100)	(2,850,524) (32,443,853)
Net income for the period less distribution	3,791,276	3,284,144	(2,017,304)	830,990
Issue of 772,099 (2011: 571,038) bonus units and 416,219 (2011: 322,942) bonus units as for the half year and quarter respectively	77,542,603	57,315,121	41,789,100	32,443,853
Net assets as at end of the period	1,799,874,749	1,273,551,542	1,799,874,749	1,273,551,542
Net assets value per unit at the beginning of the period	101.3505	101.1605	100.6762	100.4016
Net assets value per unit at the end of the period	100.5323	100.3863	100.5323	100.3863

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

**For Lakson Investments Limited
(Management Company)**

Chief Executive Officer

Director

**Condensed Interim Cash Flow Statement (Unaudited)
For the half year ended December 31, 2012**

Note	Half year ended December 31,		Quarter ended December 31,	
	2012	2011	2012	2011
	----- (Rupees) -----			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period	81,343,273	66,164,631	39,776,411	36,125,367
Adjustments for non-cash and others items:				
Amortisation of formation cost	184,335	183,831	92,168	91,916
Unrealised (appreciation) / diminution in the fair value of investments - 'held for trading' - net	(1,476,791)	(2,521,685)	1,365,491	(706,638)
Element of income and capital gains in prices of units sold less those in units redeemed - net	(2,598,774)	(2,344,286)	(560,778)	(2,416,939)
	77,452,043	61,482,491	40,673,292	33,093,706
(Increase) / decrease in assets				
Investments	(139,173,453)	(57,896,866)	126,668,089	(8,606,143)
Receivable against Margin Trading System	(115,029,867)	-	(115,029,867)	-
Profit receivable on bank balances, investments and balance receivable under margin trading system	(6,046,528)	(6,127,782)	(6,462,273)	(4,877,118)
Deposits and prepayments	(547,842)	(103,451)	(517,924)	60,329
	(260,797,690)	(64,128,099)	4,658,025	(13,422,932)
Increase / (decrease) in liabilities				
Payable to the Management Company	683,793	612,510	522,129	420,499
Remuneration payable to the Trustee	35,794	22,228	27,706	22,859
Annual fee payable to Securities and Exchange Commission of Pakistan	(308,981)	(178,365)	337,954	227,363
Accrued expenses and other liabilities	1,664,844	1,297,125	661,386	631,245
	2,075,450	1,753,498	1,549,175	1,301,966
Net cash (used in) / generated from operating activities	(181,270,197)	(892,110)	46,880,492	20,972,740
CASH FLOWS FROM FINANCING ACTIVITIES				
Received on issuance of units	444,126,052	262,020,117	168,169,999	261,810,496
Paid against redemption of units	(136,601,254)	(51,942,892)	(126,512,254)	(36,760,952)
Cash dividend paid	(11,233)	(5,621,958)	(6,154)	(2,857,204)
Net cash from financing activities	307,513,565	204,455,267	41,651,591	222,192,340
Net increase in cash and cash equivalents during the period	126,243,368	203,563,157	88,532,083	243,165,080
Cash and cash equivalents at beginning of the period	302,015,205	103,217,486	339,726,490	63,615,563
Cash and cash equivalents at end of the period	428,258,573	306,780,643	428,258,573	306,780,643

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

**For Lakson Investments Limited
(Management Company)**

Chief Executive Officer

Director

Notes to the Condensed Interim Financial Information (Unaudited) For the half year ended December 31, 2012

1. LEGAL STATUS AND NATURE OF BUSINESS

The Lakson Income Fund (the "Fund") was established under the Trust Deed executed on 18 August 2009 between the Lakson Investments Limited as its Management Company and the Central Depository Company of Pakistan Limited (CDC) as its Trustee. The Fund has been registered as a Notified Entity on 18 September 2009 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company of the Fund has been licensed by SECP to undertake Asset Management and Investment Advisory Services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is located at 14 - Ali Block, New Garden Town, Lahore.

The Fund is an open end mutual fund and is listed on Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The Fund is categorised as "Income Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and it primarily invests in Government Securities, Certificates of Investment, Certificates of Deposits, Term Deposit Receipts, Commercial Papers, Reverse Repo, Preference Shares, Spread Transactions and Corporate Debt Securities etc. subject to the guidelines issued by SECP from time to time.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

The Pakistan Credit Agency Limited (PACRA) has assigned A+ (f) (Fund stability rating) to the Fund and 'AM3+' (Management Company quality rating) to the Management Company.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information for the six months period ended has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the Trust Deed, the NBFC Rules and the NBFC Regulations have been followed.

2.2 This condensed interim financial information comprises of condensed interim statement of assets and liabilities as at December 31, 2012 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund condensed interim cash flow statement, and notes thereto, for the half year ended December 31, 2012.

2.3 The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund as at and for the year ended June 30, 2012.

2.4 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (g) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations). However, a limited scope review has been carried out by the auditors in accordance with the requirements of clause (xix) of the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest of rupees.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the published financial statements of the Fund for the year ended June 30, 2012. Following accounting policy has been adopted in respect of securities purchased under margin trading system by the Fund during the period:

"Securities purchased under margin financing are included as 'receivable against margin trading' at the fair value of the consideration given. All margin trading transactions are accounted for on the settlement date. Income on margin trading is calculated on outstanding balance at agreed rates and recorded in profit and loss account."

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund.

4. ACCOUNTING ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to financial statements as at and for the year ended June 30, 2012.

5. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2012.

		December 31, 2012 (Unaudited)	June 30, 2012 (Audited)
	Note	(Rupees)	
6. BANK BALANCES - local currency			
In profit and loss sharing accounts	6.1	28,258,573	22,015,205
In term deposits	6.2	400,000,000	280,000,000
		<u>428,258,573</u>	<u>302,015,205</u>

6.1 These accounts carry profit rates ranging between 6.00% to 9.25% (June 30, 2012: 6.00% to 11.25%) per annum.

6.2 These term deposits carry profit rates ranging between 9.80% to 11.25% (June 30, 2012: 12.20% to 12.25%) per annum maturing between February 12, 2013 to March 26, 2013.

	Note	December 31, 2012 (Unaudited)	June 30, 2012 (Audited)
		(Rupees)	
7. INVESTMENTS			
Held for trading			
Government Securities	7.1	665,071,226	718,204,123
Term Finance Certificate - Listed	7.2	72,014,187	86,547,712
Term Finance Certificate - Unlisted	7.3	181,503,158	183,186,492
Pre - IPO investment	7.5	90,000,000	-
Available-for-sale			
Short term sukuk certificates	7.6	240,000,000	120,000,000
		<u>1,248,588,571</u>	<u>1,107,938,327</u>

7.1 Held for trading investments - Government Securities

Government Securities	Note	Number of holdings at beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at end of the period	Carrying value as at December 31, 2012	Market value as at December 31, 2012	Unrealized appreciation/ (diminution)	Market value as percentage of net assets	Market value as percentage of total investment
						(Rupees)		Percentage (%)		
- Treasury Bills - 3 months (face value of Rs. 100,000 each)	7.1.1	4,450	11,695	14,645	1,500	149,139,185	149,161,650	22,465	8.29	11.95
- Treasury Bills - 6 months (face value of Rs. 100,000 each)	7.1.2	2,875	12,100	9,725	5,250	515,413,855	515,909,576	495,721	28.66	41.32
- Treasury Bills - 12 months (face value of Rs. 100,000 each)		-	2,235	2,235	-	-	-	-	-	-
						<u>664,553,040</u>	<u>665,071,226</u>	<u>518,186</u>	<u>36.95</u>	<u>53.27</u>
Total as at June 30, 2012						<u>718,339,837</u>	<u>718,204,123</u>	<u>(135,714)</u>	<u>50.81</u>	<u>64.82</u>

7.1.1 These represent 3 months Treasury bills of Government carrying a fixed mark-up rate 9.2301% (June 30, 2012: 11.8742%) and will mature on January 24, 2013. The face value of Treasury bills held as at December 31, 2012 amounted to Rs.150 million.

7.1.2 These represent 6 months Treasury bills of Government carrying a fixed mark-up rate ranging from 9.2303% to 11.8520% (June 30, 2012: 11.6272% to 11.9420%) and maturing between January 24, 2013 to May 02, 2013. The face value of Treasury bills held as at December 31, 2012 amounted to Rs. 525 million.

7.2 Held for trading investments - Term Finance Certificates (listed debt securities)

Name of Securities	Note	Number of holdings at beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at end of the period	Carrying value as at December 31, 2012	Market value as at December 31, 2012	Unrealized appreciation/ (diminution)	Market value as percentage of net assets	Market value as percentage of total investment	Face value as percentage of size of the issue
						(Rupees)		Percentage (%)			
Commercial Banks											
United Bank Limited - IV (face value of Rs.5,000 each)	7.2.1	3,000	-	-	3,000	15,184,407	15,302,855	118,448	0.85	1.23	0.25
NIB Bank Limited (face value of Rs.5,000 each)	7.2.2	3,000	-	-	3,000	15,049,308	15,010,582	(38,726)	0.83	1.20	0.38
Leasing											
Orix Leasing Pakistan Limited - III privately placed (face value of Rs.100,000 each)	7.2.3	700	-	-	700	42,441,468	41,700,750	(740,718)	2.32	3.34	2.33
						<u>72,875,183</u>	<u>72,014,187</u>	<u>(660,996)</u>	<u>4.00</u>	<u>5.77</u>	<u>2.96</u>
Total as at June 30, 2012						<u>85,746,460</u>	<u>86,547,712</u>	<u>801,252</u>	<u>6.12</u>	<u>7.81</u>	<u>2.96</u>

7.2.1 These represent listed term finance certificates and carry a rate of mark-up equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum (plus margin of 0.85% for the first five periods and 1.35% for the remaining period) receivable semi-annually in arrears with no floor or cap and will mature in February 2018. These term finance certificates are unsecured. The rating of the instrument is AA.

7.2.2 These represent listed term finance certificates and carry a rate of mark-up equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum plus margin of 1.15% receivable semi-annually in arrears with no floor or cap and will mature in March 2016. These term finance certificates are unsecured. The rating of the instrument is A+.

7.2.3 This represents listed term finance certificates and carry a rate of mark-up equal to the base rate of 3 months Karachi Inter Bank Offer Rate (KIBOR) per annum plus margin of 2.15% receivable quarterly in arrears with no floor or cap and will mature in June 2014. These term finance certificates are secured. The rating of the instrument is AA+.

7.3 Held for trading investments - Term Finance Certificates (un-listed debt securities)

Name of Securities	Number of holdings at beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at end of the period	Carrying value as at December 31, 2012	Market value as at December 31, 2012	Unrealized appreciation/ (diminution)	Market value as percentage of net assets	Market value as percentage of total investment	Face value as percentage of size of the issue
Commercial Banks										
Bank Al-Habib Limited - IV (face value of Rs. 5,000 each)	7.3.1	4,000	-	4,000	21,275,145	22,700,332	1,425,187	1.26	1.82	0.67
Askari Bank Limited - IV (face value of Rs. 1,000,000 each)	7.3.2	68	-	68	70,111,602	73,148,861	3,037,259	4.06	5.86	6.80
Standard Chartered Bank Limited - IV (face Value of Rs. 5,000 each)	7.3.3	5,000	-	5,000	25,000,000	25,275,000	275,000	1.40	2.02	1.00
Telecommunication										
Pakistan Mobile Communication Limited (face value of Rs. 100,000 each)	7.3.4	650	-	650	63,496,810	60,378,965	(3,117,845)	3.35	4.84	3.25
					<u>179,883,557</u>	<u>181,503,158</u>	<u>1,619,601</u>	<u>10.07</u>	<u>14.54</u>	<u>11.72</u>
				Total as at June 30, 2012	<u>178,802,577</u>	<u>183,186,492</u>	<u>4,383,915</u>	<u>12.96</u>	<u>16.53</u>	<u>11.72</u>

7.3.1 These represent un-listed term finance certificates and carry a mark-up rate of 15.00% for the first five years and 15.50% for the remaining period receivable semi-annually in arrears with no floor or cap and will mature in June 2021. These term finance certificates are unsecured. The rating of the instrument is AA.

7.3.2 These represent un-listed term finance certificates and carry a mark-up rate equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum plus margin of 1.75% for the first five periods and 2.20% for the remaining period receivable semi-annually in arrears with no floor or cap and will mature in December 2021. These term finance certificates are unsecured. The rating of the instrument is AA-.

7.3.3 These represent un-listed term finance certificates and carry a mark-up rate equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum plus margin of 0.75% receivable quarterly in arrears with no floor or cap and will mature in June 2022. These term finance certificates are unsecured. The rating of the instrument is AAA.

7.3.4 These represent un-listed term finance certificates and carry a mark-up rate equal to the base rate of 3 months Karachi Inter Bank Offer Rate (KIBOR) per annum plus margin of 2.65% receivable quarterly in arrears with no floor or cap and will mature in April 2016. These term finance certificates are unsecured. The rating of the instrument is AA-.

7.4 The term "listed" indicated in note 7.2 refer to listing in the stock exchange. However their rates are quoted by MUFAP.

7.5 Pre - IPO Investment

Name of Securities	Invested Amount	Percentage of net assets	Percentage of total investment
Commercial Banks			
Bank Alfalah Limited - V - privately placed	7.5.1	90,000,000	5.00
			7.21

7.5.1 This represent amount paid against IPO subscription of listed term finance certificates and carry a rate of mark-up equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum plus margin of 1.25% .These term finance certificates are unsecured and the rating of the instrument is AA-.

7.6 Available for sale - Short term Sukuk Certificates

Name of Securities	Number of holdings at beginning of the period	Acquired during the period	Matured/ disposed during the period	As at December 31, 2012	Carrying value as at December 31, 2012	Market value as at December 31, 2012	Unrealized appreciation/ (diminution)	Market value as percentage of net assets	Market value as percentage of total investment	Face value as percentage of the issue	
Note	(Rupees)						Percentage (%)				
Hub Power Co. Limited - Sukuk	7.6.1	24,000	28,000	24,000	28,000	140,000,000	140,000,000	-	7.78	11.21	7.00
Kot Addu Power Co. Limited - Sukuk	7.6.2	-	20,000	-	20,000	100,000,000	100,000,000	-	5.56	8.01	3.33
						<u>240,000,000</u>	<u>240,000,000</u>	<u>-</u>	<u>13.34</u>	<u>19.22</u>	<u>10.33</u>
						<u>120,000,000</u>	<u>120,000,000</u>	<u>-</u>	<u>8.49</u>	<u>10.83</u>	<u>3.94</u>
				Total as at June 30, 2012							

7.6.1 These represent short term sukuk certificates having a face value of Rs. 5,000 each and carry a rate of mark-up equal to the base rate of 6 months of Karachi Inter Bank Offer Rate (KIBOR) plus margin of 1.25%. These sukuk certificates will mature on February 03, 2013. The rating of the entity is AA+.

7.6.2 These represent short term sukuk certificates having a face value of Rs. 5,000 each and carry a rate of mark-up equal to the base rate of 6 months of Karachi Inter Bank Offer Rate (KIBOR) plus margin of 1.1%. These sukuk certificates will mature on June 11, 2013. The rating of the entity is AA+.

8. Receivable Against Margin Trading System

This represents the amount receivable under the margin trading of eligible listed equity securities which are to be settled within maximum 45 working days. The balance carries mark-up ranging from 12% to 14.5%. At December 31, 2012, the market value of listed shares under margin trading amounted to Rs. 117.67 million.

9. REMUNERATION TO THE MANAGEMENT COMPANY

The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, of an amount not exceeding three percent per annum of the average daily net assets of the Fund during first five years of the Fund's existence and thereafter an amount equal to two percent per annum of such assets of the Fund. Currently, the Management Fee is charged at the rate 1.50% of the average daily net assets of the Fund. Effective from July 01, 2011, through The Sindh Sales Tax on Services Act, 2011, sales tax at the rate 16% is imposed on the fund management services. Remuneration to the management company charged to the Fund during the period includes the imposed tax.

10. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31,	June 30,
		2012 (Unaudited)	2012 (Audited)
		(Rupees)	
Auditors' remuneration		113,425	140,000
Payable to Workers' Welfare Fund	10.1	7,008,242	5,348,175
Brokerage payable		4,212	-
NCCPL payable		53,780	15,000
Other liabilities		26,643	38,283
		<u>7,206,302</u>	<u>5,541,458</u>

10.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it is alleged that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh, challenging the applicability of WWF to the CISs, which is pending adjudication.

Subsequent to the year end June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. This clarification was forwarded by Federal Board of Revenue (FBR) (being the collecting agency of WWF on behalf of the Ministry) vide its letter dated October 06, 2010 to its members for necessary action. Based on this clarification, the FBR also withdrew notice of demand which it had earlier issued to one of the mutual funds for collection of WWF. However, the FBR vide its letter dated January 04, 2011 has cancelled its earlier letter dated October 06, 2010 ab initio and issued show cause notices to certain mutual funds for collecting WWF. In respect of such show cause notices, certain mutual funds have been granted stay by Honourable High Court of Sindh on the basis of the pending constitutional petition in the said court as referred above.

Subsequent to the year end June 30, 2011, the Honourable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. However a constitutional petition is pending in the Sindh High Court (SHC).

In view of above stated facts and considering the vagaries of litigation. The management company as a matter of abundant caution has decided to continue to maintain the provision for WWF amounting to Rs 7.008 million upto December 31, 2012. If the same had not been so recorded, the net assets value per unit of the scheme would have been higher by Rs. 0.39 / 0.39%.

11. INTERIM DISTRIBUTIONS DURING THE PERIOD

Date of distributions	----- For the half year ended December 31, 2012 -----			
	Distribution per unit	No. of Bonus Units Issued	Bonus ----- (Rupees) -----	Cash -----
July 30, 2012	0.8020	112,601	11,313,798	1,570
August 30, 2012	0.8529	120,619	12,128,780	1,670
September 26, 2012	0.7863	122,660	12,310,925	1,539
October 24, 2012	0.7687	134,368	13,503,314	1,505
November 28, 2012	0.8767	155,777	15,627,913	1,716
December 27, 2012	0.7121	126,074	12,657,873	1,394
	4.7987	772,099	77,542,603	9,394

Date of distributions	----- For the half year ended December 31, 2011 -----			
	Distribution per unit	No. of Bonus Units Issued	Bonus ----- (Rupees) -----	Cash -----
July 30, 2011	0.8598	76,609	7,673,417	844,751
August 29, 2011	0.9563	85,876	8,609,905	939,564
September 29, 2011	0.9471	85,610	8,587,946	930,525
October 28, 2011	1.0151	106,855	10,747,680	997,335
November 28, 2011	0.9459	107,415	10,793,089	929,346
December 30, 2011	0.9403	108,673	10,903,084	923,845
	5.6645	571,038	57,315,121	5,565,366

12. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders. The management intends to distribute at least 90% of the income earned by the year end by this

Fund to the unit holders, if it earns profit by then. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Accordingly, no provision has been made in this condensed interim financial information.

13. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Related parties include Lakson Investments Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, Siza Services (Private) Limited being holding company of the Management Company, associated companies of the Management Company, Key Management personnel and other funds being managed by the Management Company and also includes entities having holding more than 10% in the units of the Fund as at December 31, 2012.

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of Non-Banking Finance Companies and Notified Entities Regulations, 2008, and the Trust Deed respectively. Other transactions are in normal course of business, at contracted rates and terms determined in accordance with the market rates.

Transactions and balances with related parties other than those disclosed elsewhere are as follows:

	December 31, 2012 (Unaudited)	June 30, 2012 (Audited)
13.1 Balance as at period / year end	(Rupees)	
Lakson Investments Limited - Management Company of the Fund		
Remuneration payable	<u>2,686,645</u>	<u>2,002,852</u>
Units held as at the period / year end 822,856 (June 2012: 777,345) units	<u>82,723,627</u>	<u>78,784,260</u>
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration payable	<u>203,306</u>	<u>167,512</u>
Security deposit	<u>100,000</u>	<u>100,000</u>
Directors of the Management Company		
Babar Ali Lakhani - Chief Executive Officer		
Units held as at the period / year end *17,079 (June 2012: 10,841) units	<u>1,717,028</u>	<u>1,098,777</u>
*11,223 (June 30, 2012: nil) units held in joint account with spouse Mrs. Zil Lakhani and represents 5,462 (June 30, 2012: nil) units held by Mr Hassan Lakhani (minor son).		
Key management personnel and Employees of the Management Company		
Units held as at the period / year end 1,372 (June 2012: 2,567) units	<u>137,902</u>	<u>260,128</u>

	December 31, 2012 (Unaudited)	June 30, 2012 (Audited)
	(Rupees)	
Associated Companies / Undertaking of the Management Company		
Siza (Private) Limited		
Units held as at the period / year end 8,337,430 (June 2012: 7,109,138) units	<u>838,181,012</u>	<u>720,514,714</u>
Clover (Pakistan) Limited - Employees' Contributory Provident Fund		
Units held as at the period / year end 20,729 (June 2012: 19,582) units	<u>2,083,906</u>	<u>1,984,668</u>
Colgate Palmolive (Pakistan) Limited - Employees' Contributory Provident Fund		
186,558 (June 2012: 176,240) units	<u>18,755,152</u>	<u>17,862,016</u>
Colgate Palmolive (Pakistan) Limited - Employees' Gratuity Fund		
Units held as at the period / year end 103,644 (June 2012: 97,911) units	<u>10,419,529</u>	<u>9,923,342</u>
Accuray Surgical Limited - Employees' Contributory Provident Fund		
Units held as at the period / year end 13,819 (June 2012: 13,055) units	<u>1,389,270</u>	<u>1,323,112</u>
Cyber Internet Services (Private) Limited - Employees' Contributory Provident Fund		
Units held as at the period / year end 145,073 (June 2012: 137,049) units	<u>14,584,529</u>	<u>13,890,002</u>
GAM Corporation (Private) Limited - Employees' Contributory Provident Fund		
41,440 (June 2012: 39,148) units	<u>4,166,102</u>	<u>3,967,709</u>
Princeton Travels (Private) Limited - Employees' Contributory Provident Fund		
Units held as at the period / year end 16,583 (June 2012: 15,666) units	<u>1,667,125</u>	<u>1,587,735</u>
Siza Foods (Private) Limited - Employees' Contributory Provident Fund		
Units held as at the period / year end 89,824 (June 2012: 84,856) units	<u>9,030,258</u>	<u>8,600,230</u>
Century Insurance Company Limited		
Units held as at the period / year end 2,275,196 (June 2012: 1,596,636) units	<u>228,730,698</u>	<u>161,819,867</u>
Century Insurance Company Limited - Employees' Contributory Provident Fund		
Units held as at the period / year end 20,729 (June 2012: 19,582) units	<u>2,083,906</u>	<u>1,984,668</u>

Half year ended
 December 31,
 2012 2011
 (Unaudited)
 (Rupees)

13.2 Transactions during the period
**Lakson Investments Limited - Management
 Company of the Fund**

Bonus - 45,512 (2011: 50,949) units	<u>4,570,795</u>	<u>5,111,858</u>
Redemption - Nil (2011: 59,281) units	<u>-</u>	<u>6,000,000</u>

**Directors of the Management Company
 Chief Executive Officer**

Issue of units - 5,431 (2011: 10) units	<u>545,875</u>	<u>1,044</u>
Bonus - 807 (2011: 356) units	<u>81,033</u>	<u>35,768</u>

**Key management personnel and Employees
 of the Management Company**

Issue of units - Nil (2011: 2,027) units	<u>-</u>	<u>204,759</u>
Bonus - 141 (2011: 40) units	<u>14,141</u>	<u>907</u>
Redemption - 1,336 (2011: 99) units	<u>135,000</u>	<u>10,000</u>

**Associated Companies / Undertaking
 of the Management Company**
Siza (Private) Limited

Issue of units - 794,036 (2011: 3,765) units	<u>80,110,878</u>	<u>384,827</u>
Bonus - 434,256 (2011: 446,047) units	<u>43,612,113</u>	<u>44,751,776</u>
Redemption - Nil (2011: 375,400) units	<u>-</u>	<u>38,000,000</u>

**Clover (Pakistan) Limited - Employees'
 Contributory Provident Fund**

Bonus - 1,146 (2011: 1,201) units	<u>115,143</u>	<u>120,506</u>
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**Colgate Palmolive (Pakistan) Limited - Employees'
 Contributory Provident Fund**

Bonus - 10,318 (2011: 10,810) units	<u>1,036,293</u>	<u>1,084,552</u>
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**Colgate Palmolive (Pakistan) Limited -
 Employees' Gratuity Fund**

Bonus - 5,732 (2011: 6,005) units	<u>575,719</u>	<u>602,529</u>
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**Accuray Surgical Limited - Employees'
 Contributory Provident Fund**

Bonus - 764 (2011: 801) units	<u>76,762</u>	<u>80,337</u>
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**Cyber Internet Services (Private) Limited -
 Employees' Contributory Provident Fund**

Bonus - 8,024 (2011: 8,406) units	<u>805,850</u>	<u>843,378</u>
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**GAM Corporation (Private) Limited - Employees'
 Contributory Provident Fund**

Bonus - 2,292 (2011: 2,401) units	<u>230,193</u>	<u>240,913</u>
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Half year ended
December 31,
2012 2011
(Unaudited)
(Rupees)

Princeton Travels (Private) Limited - Employees'

Contributory Provident Fund

Bonus - 917 (2011: 961) units	<u>92,115</u>	<u>96,405</u>
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Siza Foods (Pvt) Limited - Employees'

Contributory Provident Fund

Bonus - 4,968 (2011: 5,205) units	<u>498,956</u>	<u>522,192</u>
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Century Insurance Company Limited

Issue of units - 624,445 (2011: 973,653) units	<u>63,000,000</u>	<u>100,000,000</u>
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Bonus -105,028 (2011: 79,737) units	<u>10,547,545</u>	<u>6,538,517</u>
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Redemption - 50,913 (2011: 48,747) units	<u>5,147,478</u>	<u>4,932,892</u>
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Century Insurance Company Limited -

Employees' Contributory Provident Fund

Bonus - 1,146 (2011: 1,201) units	<u>115,143</u>	<u>120,506</u>
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Half year ended		Quarter ended	
December 31,		December 31,	
2012	2011	2012	2011
----- (Unaudited) -----			
----- (Rupees) -----			

13.3 Other transactions during the period

Lakson Investments Limited -

Management Company of the Fund

Remuneration for the period	<u>14,230,130</u>	<u>9,692,209</u>	<u>7,840,535</u>	<u>5,274,812</u>
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Sales Load for the period	<u>-</u>	<u>513</u>	<u>-</u>	<u>513</u>
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Central Depository Company of Pakistan

Limited - Trustee of the Fund

Remuneration for the period	<u>1,123,643</u>	<u>900,784</u>	<u>597,261</u>	<u>471,339</u>
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Settlement charges	<u>13,686</u>	<u>3,024</u>	<u>12,186</u>	<u>1,500</u>
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14. GENERAL

14.1 This condensed interim financial information is unaudited and have been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2011 and December 31, 2012 in this condensed interim financial information where ever appeared have not been reviewed by the auditors.

14.2 This condensed interim financial information was authorised for issue on February 15, 2013 by the Board of Directors of the Management Company.

**For Lakson Investments Limited
(Management Company)**

Chief Executive Officer

Director



A Lakson Group Company

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