

LAKSON INCOME FUND
Quarterly Report (March 31, 2013)



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 |
| Condensed Interim Statement of Assets and Liabilities | 6 |
| Condensed Interim Income Statement | 7 |
| Condensed Interim Statement of Comprehensive Income | 8 |
| Condensed Interim Distribution Statement | 9 |
| Condensed Interim Statement of Movement in Unit Holders' Fund | 10 |
| Condensed Interim Cash Flow Statement | 11 |
| Notes to and forming part of the Condensed Interim Financial Information | 12 |

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
Mr. Sher Afgan Malik
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

Legal Adviser

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

Registrar

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

Distributors

Adam Securities (Pvt.) Limited
Amir Noorani
Concordia Securities (Pvt.) Limited
Elixir Securities (Pvt.) Limited
Metro Securities (Pvt.) Limited
Pearl Securities (Pvt.) Limited
Topline 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 nine months period ended March 31, 2013

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 nine months period ended March 31, 2013.

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 9MFY13, the assets under management of the LIF increased by 35.22% from PKR 1,414 million to PKR 1,912 million. The LIF yielded an annualized return of 9.44% in the 9MFY13 compared to the Benchmark (average return of all income funds) return of 9.16% p.a. The LIF outperformed the average income fund by 28bps. As of March 31, 2013, the LIF portfolio is invested 46% in T-Bills, 15% in TDRs, 13% in short term sukukuks, 18% in TFCs, 4% in MTS and has 4% in cash while the weighted average maturity of the LIF portfolio stands at 437 days.

Income Distribution

The Chief Executive Officer of the Management Company under the authority of the Board of Directors has announced interim distributions of PKR 6.7888 per unit (6.7888% of face value of PKR 100/-) during the nine months period ended March 31, 2013 amounting to PKR 114.84 million (PKR 114.83 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's economy has shown improvement in some key economic indicators during the 9MFY13. However, the absence of structural reforms to support price stability and growth poses serious risks to macroeconomic stability. As a result of persistent energy shortages, unfavorable law and order situation and weak global economic performance Pakistan is expected to miss the GDP growth target once again.

A sharp decline in inflation made the headlines as the Consumer Price Index ("CPI") averaged at 8.0% during the 9MFY13, significantly lower than 10.8% witnessed in the same period last year. The SBP responded to a sharply declining inflation and lowered the policy rate by a cumulative 250bps during the 9MFY13 to 9.5%, the lowest figure since 2007. The central bank cited subdued private sector credit off take and sharper than anticipated decline in CPI as the prime reasons behind the reduction in interest rates. Low utilization of credit by private businesses in the economy is a major reason for stagnant economic growth. Given the large borrowing needs of the government, scheduled banks preferred investment in Government Securities over loans to the private sector.

The manufacturing sector posted a marginal improvement, as the Large Scale Manufacturing ("LSM") increased by 2.9% during the 8MFY13. Food & Beverages, Petroleum Products and Iron & Steel Products showed strong growth during the 8MFY13 and increased by 5.44%, 11.23% and 13.02% respectively. On the other hand Automobile and Fertilizer sectors declined by 11.97% and 5.36% respectively.

The external account position remained weak as the current account recorded a deficit of USD 1,215 million during the 3QFY13, taking the cumulative deficit for the 9MFY13 to USD 1,028 million. Remittances played an important role in supporting the current account, increasing by 6.3% to USD 10.4 billion during the period. Foreign Direct Investment ("FDI") showed some improvement during the 9MFY13 and recorded a growth of 3.9% to stand at USD 622 million. The external account position continues to be driven by low financial inflows and high debt payments.

The foreign exchange reserves of the country were squeezed by USD 1.6 billion during the 3QFY13 owing to IMF repayments and a weak external account position. The total liquid reserves of the country at the end of March '13 stood at USD 12.20 billion; declining by 20.1% or USD 3.1 billion during the 9MFY13. The PKR remained under pressure and depreciated by 4.1% against the green-back during the 9MFY13 from PKR 94.58 to PKR 98.43.

Fixed Income Market Review

During the 9MFY13, government continued to finance its fiscal deficit from the market liquidity as the banks provided an additional PKR 879 billion to the Government to fill the fiscal gap. The crowding out of the private sector is evident in the banking sector's changing allocation to advances and investments. Over the last two years the advances to deposits ratio has dropped from 68.8% to 57.2% while investments as a percentage of deposits have increased from 43.6% to 59.4%. During the 9MFY13, the SBP held 19 T-Bill auctions and accepted PKR 4.25 trillion against the cumulative target of PKR 3.75 trillion and maturities of PKR 3.73 trillion. Despite a healthy 7.2% growth in the deposit base, banks are continuously borrowing from the SBP through Open Market Operations ("OMOs") to help the Government in bridging the fiscal gap. The SBP has been injecting amounts ranging from PKR 400 billion to PKR 600 billion into the market through OMOs. The banks have leveraged their balance sheets to finance the fiscal gap while the SBP has repeatedly highlighted the growing risk these OMOs present to inter-bank stability. Overnight repo rates for the period under review averaged 9.42% against 12.02% for the 9MFY12. The PKR 161 billion outflow under the head of net foreign assets has intensified the pressure on the SBP to regularly intervene in the FX market in an effort to stabilize the PKR and ease liquidity. The market's concerns over the sustainability of the monetary cycle can be seen from their lower participation in PIB auctions in the 3QFY13. Though the SBP has been able to raise PKR 191 billion from the 9 PIB auctions held during the current fiscal year, it is important to note that the last 3 auctions have all been scrapped. After bottoming out around 10.9% in November 2012 the 10-Year PIB has rebounded strongly to trade around 12.0%. Similarly participation in T-Bill auctions has been heavily skewed towards shorter tenors with the 3-month bracket accounting for the majority of bids.

Future Outlook

Inflation is expected to remain well below the target of 9.5% for FY13, however, a rising trend in monetary aggregates is a key indicator of medium term inflationary pressures. The external account position is expected to weaken further in the remaining months of FY13 in the absence of any capital and financial inflows. Further PKR depreciation due to weak external account position can have its implications on the inflation outlook going forward. Economic stability in the next fiscal year will largely depend upon the capability of the new Government (election to be held on May 11, 2013) to introduce fiscal and energy sector reforms, better debt management, and improved law and order situation.

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: April 29, 2013

Babar Ali Lakhani
Chief Executive Officer

**Condensed Interim Statement of Assets and Liabilities
As at March 31, 2013**

| ASSETS | Note | March 31, 2013 (Unaudited) | June 30, 2012 (Audited) |
|--|-------------|---|--|
| | | (Rupees) | |
| Bank balances | 6 | 348,331,932 | 302,015,205 |
| Investments | 7 | 1,477,379,547 | 1,107,938,327 |
| Receivable against Margin Trading System | 8 | 84,263,438 | - |
| Profit receivable on bank balances, Investments and balance receivable under the margin trading system | | 13,216,243 | 11,329,747 |
| Deposit and prepayments | | 597,731 | 100,000 |
| Deferred formation cost | | 593,079 | 867,577 |
| Total assets | | <u>1,924,381,970</u> | <u>1,422,250,856</u> |
| LIABILITIES | | | |
| Payable to the Management Company | 9 | 2,808,812 | 2,002,852 |
| Remuneration payable to the Trustee | | 209,274 | 167,512 |
| Annual fee payable to Securities and Exchange Commission of Pakistan | | 960,291 | 922,349 |
| Dividend payable | | 1,124 | - |
| Accrued expenses and other liabilities | 10 | 7,921,712 | 5,541,458 |
| Total liabilities | | <u>11,901,213</u> | <u>8,634,171</u> |
| Net assets | | <u>1,912,480,757</u> | <u>1,413,616,685</u> |
| Unit holders' funds | | <u>1,912,480,757</u> | <u>1,413,616,685</u> |
| | | (Number) | |
| Number of units in issue | | <u>19,036,222</u> | <u>13,947,794</u> |
| | | (Rupees) | |
| Net assets value per unit | | <u>100.4653</u> | <u>101.3505</u> |

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

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

Chief Executive Officer

Director

Condensed Interim Income Statement (Unaudited)
For the nine months and quarter ended March 31, 2013

| | | Nine months ended March 31, | | Quarter ended March 31, | |
|--|------|--------------------------------|--------------------|----------------------------|-------------------|
| | Note | 2013 | 2012 | 2013 | 2012 |
| (Rupees) | | | | | |
| INCOME | | | | | |
| Mark-up income | | 135,711,635 | 112,522,815 | 45,015,759 | 40,133,383 |
| Income from Margin Trading System | | 3,823,247 | - | 1,389,632 | - |
| Gain on sale of 'held for trading' investments - net | | 2,697,343 | 2,098,342 | 35,150 | 250,029 |
| Unrealised appreciation / (diminution) in the fair value of investments - 'held for trading' - net | | 1,123,572 | 1,557,468 | (353,219) | (964,217) |
| Element of income and capital gains in prices of units sold less those in units redeemed - net | | 3,409,158 | 2,836,464 | 810,384 | 492,178 |
| | | 146,764,955 | 119,015,089 | 46,897,706 | 39,911,373 |
| EXPENSES | | | | | |
| Remuneration to the Management Company | 9 | 22,278,760 | 15,399,450 | 8,048,630 | 5,707,241 |
| Remuneration to the Trustee | | 1,726,412 | 1,390,919 | 602,769 | 490,135 |
| Annual fee to the Securities and Exchange Commission of Pakistan | | 960,291 | 663,769 | 346,923 | 246,001 |
| Auditors' remuneration | | 204,934 | 172,054 | 77,614 | 58,222 |
| Fees and subscription | | 180,166 | 180,329 | 59,179 | 59,673 |
| Printing charges | | 45,040 | 45,081 | 14,794 | 14,918 |
| Brokerage expenses | | 19,168 | 53,164 | 4,365 | 33,654 |
| Amortization of deferred formation cost | | 274,499 | 274,747 | 90,164 | 90,916 |
| Workers' Welfare Fund | 10.1 | 2,407,409 | 2,013,276 | 747,342 | 662,977 |
| Bank and settlement charges | | 705,251 | 171,764 | 286,174 | 61,731 |
| | | 28,801,930 | 20,364,553 | 10,277,954 | 7,425,468 |
| Net income for the period | | 117,963,025 | 98,650,536 | 36,619,752 | 32,485,905 |

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

For Lakson Investments Limited
(Management Company)

Chief Executive Officer

Director

**Condensed Interim Statement of Comprehensive Income (Unaudited)
 For the nine months and quarter ended March 31, 2013**

| | Nine months ended March 31, | | Quarter ended March 31, | |
|--|--------------------------------|--------------------------|----------------------------|--------------------------|
| | 2013 | 2012 | 2013 | 2012 |
| | ------(Rupees)----- | | | |
| Net income for the period | 117,963,025 | 98,650,536 | 36,619,752 | 32,485,905 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income for the period | <u>117,963,025</u> | <u>98,650,536</u> | <u>36,619,752</u> | <u>32,485,905</u> |

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

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

 Chief Executive Officer

 Director

Condensed Interim Distribution Statement (Unaudited) For the nine months and quarter ended March 31, 2013

| Note | Nine months ended March 31, | | Quarter ended March 31, | |
|--|--------------------------------|--------------|----------------------------|--------------|
| | 2013 | 2012 | 2013 | 2012 |
| ----- (Rupees) ----- | | | | |
| Undistributed income at beginning of the period - realised | 13,787,808 | 11,292,694 | 8,053,372 | 2,380,141 |
| Undistributed income at beginning of the period - unrealised | 5,049,453 | 250,666 | 1,476,791 | 2,521,685 |
| Undistributed income at beginning of the period | 18,837,261 | 11,543,360 | 9,530,163 | 4,901,826 |
| 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 | 117,963,025 | 98,650,536 | 36,619,752 | 32,485,905 |
| Interim distributions during the period | 11 | | | |
| - Cash distribution | (13,291) | (8,185,865) | (3,897) | (2,620,499) |
| - Issue of bonus units | (114,830,112) | (87,528,693) | (37,287,509) | (30,213,572) |
| | 3,119,622 | 2,935,978 | (671,654) | (348,166) |
| | 8,858,509 | 4,553,660 | 8,858,509 | 4,553,660 |
| Undistributed income at the end of the period - realised | 7,734,937 | 2,996,192 | 7,734,937 | 2,996,192 |
| Undistributed income at the end of the period - unrealised | 1,123,572 | 1,557,468 | 1,123,572 | 1,557,468 |
| Undistributed income at the end of the period | 8,858,509 | 4,553,660 | 8,858,509 | 4,553,660 |

The annexed notes from 1 to 14 form an integral part of these 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 nine months and quarter ended March 31, 2013**

| Note | Nine months ended March 31, | | Quarter ended March 31, | |
|--|--------------------------------|---------------|----------------------------|---------------|
| | 2013 | 2012 | 2013 | 2012 |
| | ----- (Rupees) ----- | | | |
| Net assets at the beginning of the period | 1,413,616,685 | 1,006,199,775 | 1,799,874,749 | 1,273,551,542 |
| Cash received on issue of 7,379,244 (2012: 3,934,589) units and 2,973,228 (2012: 1,341,783) units for the nine months and quarter respectively | 743,531,636 | 396,868,795 | 299,405,584 | 134,848,678 |
| Cash paid on redemption of 3,564,930 (2012: 1,348,290) units and 2,212,038 (2012: 835,071) units for the nine months and quarter respectively | (359,206,301) | (135,714,879) | (222,605,047) | (83,771,987) |
| | 384,325,335 | 261,153,916 | 76,800,537 | 51,076,691 |
| Element of (income) and capital (gains) in prices of units sold less those in units redeemed - net | (3,409,158) | (2,836,464) | (810,384) | (492,178) |
| 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) | - | - |
| Issue of 130,429 (2011: 89,307) bonus units as final distribution | 13,096,535 | 8,945,241 | - | - |
| Total comprehensive income for the period | 117,963,025 | 98,650,536 | 36,619,752 | 32,485,905 |
| Interim distributions during the period | | | | |
| - Cash distribution | (13,291) | (8,185,865) | (3,897) | (2,620,499) |
| - Issue of bonus units | (114,830,112) | (87,528,693) | (37,287,509) | (30,213,572) |
| Net income for the period less distribution | 3,119,622 | 2,935,978 | (671,654) | (348,166) |
| Issue of 1,143,685 (2012: 872,308) bonus units and 371,586 (2012: 301,269) bonus units for the nine months and quarter respectively | 114,830,112 | 87,528,693 | 37,287,509 | 30,213,572 |
| Net assets as at end of the period | 1,912,480,757 | 1,354,001,461 | 1,912,480,757 | 1,354,001,461 |
| Net assets value per unit at the beginning of the period | 101.3505 | 101.1605 | 100.5323 | 100.3863 |
| Net assets value per unit at the end of the period | 100.4653 | 100.3374 | 100.4653 | 100.3374 |

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

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

Chief Executive Officer

Director

**Condensed Interim Cash Flow Statement (Unaudited)
For the nine months and quarter ended March 31, 2013**

| Note | Nine months ended March 31, | | Quarter ended March 31, | |
|--|--------------------------------|----------------------|----------------------------|---------------------|
| | 2013 | 2012 | 2013 | 2012 |
| | ------(Rupees)----- | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Net Income for the period | 117,963,025 | 98,650,536 | 36,619,752 | 32,485,905 |
| Adjustments for non-cash and others items: | | | | |
| Amortisation of formation cost | 274,499 | 274,747 | 90,164 | 90,916 |
| Unrealised (appreciation) / diminution in the fair value of investments - 'held for trading' - net | (1,123,572) | (1,557,468) | 353,219 | 964,217 |
| Element of (income) and capital (gains) in prices of units sold less those in units redeemed - net | (3,409,158) | (2,836,464) | (810,384) | (492,178) |
| | 113,704,794 | 94,531,351 | 36,252,751 | 33,048,860 |
| (Increase) / decrease in assets | | | | |
| Investments | (368,317,649) | (149,092,477) | (229,144,196) | (91,195,610) |
| Receivable against Margin Trading System | (84,263,438) | - | 30,766,429 | - |
| Profit receivable on bank balances, Investments and balance receivable under the margin trading system | (1,886,496) | (5,514,277) | 4,160,032 | 613,505 |
| Deposit and prepayments | (497,731) | (43,780) | 50,111 | 59,671 |
| | (454,965,314) | (154,650,534) | (194,167,624) | (90,522,434) |
| Increase / (decrease) in liabilities | | | | |
| Payable to the Management Company | 805,960 | 728,240 | 122,167 | 115,815 |
| Remuneration payable to the Trustee | 41,762 | 27,886 | 5,968 | 5,658 |
| Annual fee payable to Securities and Exchange Commission of Pakistan | 37,942 | 67,637 | 346,923 | 246,002 |
| Payable against redemption of units | - | 1,521,150 | - | 1,521,150 |
| Dividend payable | 1,124 | - | 1,124 | - |
| Accrued expenses and other liabilities | 2,380,254 | 1,944,446 | 715,410 | 647,236 |
| | 3,267,042 | 4,289,359 | 1,191,592 | 2,535,861 |
| Net cash (used in) operating activities | (337,993,478) | (55,829,824) | (156,723,281) | (54,937,713) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Received on issuance of units | 743,531,636 | 396,868,795 | 299,405,584 | 134,848,678 |
| Paid against redemption of units | (359,206,301) | (135,714,879) | (222,605,047) | (83,771,987) |
| Cash dividend paid | (15,130) | (8,172,125) | (3,897) | (2,550,167) |
| Net cash generated from financing activities | 384,310,205 | 252,981,791 | 76,796,640 | 48,526,524 |
| Net increase / (decrease) in cash and cash equivalents during the period | 46,316,727 | 197,151,967 | (79,926,641) | (6,411,189) |
| Cash and cash equivalents at beginning of the period | 302,015,205 | 103,217,486 | 428,258,573 | 306,780,642 |
| Cash and cash equivalents at end of the period | 348,331,932 | 300,369,453 | 348,331,932 | 300,369,453 |

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

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

Chief Executive Officer

Director

Notes to the Condensed Interim Financial Information (Unaudited) For the nine months and quarter ended March 31, 2013

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 Rating 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 nine 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 comprise of condensed interim statement of assets and liabilities as at March 31, 2013 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 nine months period ended March 31, 2013.

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).

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

| | Note | March 31, 2013 (Unaudited) | June 30, 2012 (Audited) |
|--|--|----------------------------------|-------------------------------|
| | | (Rupees) | |
| 6. BANK BALANCES - local currency | | | |
| In profit and loss sharing accounts | 6.1 | 58,331,932 | 22,015,205 |
| In term deposits | 6.2 | 290,000,000 | 280,000,000 |
| | | <u>348,331,932</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 9.65% to 9.70% (June 30, 2012: 12.20% to 12.25%) per annum maturing between April 15, 2013 to April 26, 2013. | | |

| 7. INVESTMENTS | Note | March 31, 2013 (Unaudited) | June 30, 2012 (Audited) |
|--|------|----------------------------------|-------------------------------|
| | | (Rupees) | |
| Financial Assets at fair value through profit or loss | | | |
| Government Securities | 7.1 | 892,040,950 | 718,204,123 |
| Term Finance Certificate - Listed | 7.2 | 154,677,175 | 86,547,712 |
| Term Finance Certificate - Unlisted | 7.3 | 180,661,422 | 183,186,492 |
| Available for sale | | | |
| Short term Sukuk Certificates | 7.5 | 250,000,000 | 120,000,000 |
| | | <u>1,477,379,547</u> | <u>1,107,938,327</u> |

7.1 Held for trading investments - Government Securities

| Government 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 March 31, 2013 | Market value as at March 31, 2013 | Unrealized (diminution) | Market value as percentage of net assets | Market value as percentage of total investment | |
|---|---|----------------------------|--------------------------------------|---|-------------------------------------|-----------------------------------|----------------------------|--|--|-------|
| Note | ----- (Rupees) ----- | | | | | | ----- Percentage (%) ----- | | | |
| - Treasury Bills - 3 months (face value of Rs. 100,000 each) | 7.1.1 | 4,450 | 22,195 | 19,645 | 7,000 | 693,759,629 | 693,616,750 | (142,879) | 36.27 | 46.95 |
| - Treasury Bills - 6 months (face value of Rs. 100,000 each) | 7.1.2 | 2,875 | 16,100 | 16,975 | 2,000 | 198,472,977 | 198,424,200 | (48,777) | 10.38 | 13.43 |
| - Treasury Bills - 12 months (face value of Rs. 100,000 each) | - | - | 2,235 | 2,235 | - | - | - | - | - | - |
| Total | | | | | 892,232,606 | 892,040,950 | (191,656) | 46.64 | 60.38 | |
| Total as at June 30, 2012 | | | | | 718,339,837 | 718,204,123 | (135,714) | 50.81 | 64.82 | |

7.1.1 These represent 3 months treasury bills of Government carrying a fixed mark-up rate ranging from 9.0942% to 9.2754% (June 30, 2012: 11.8742%) and maturing between April 04, 2013 to May 30, 2013. The face value of Treasury bills held as at March 31, 2013 amounted to Rs.700 million (June 30, 2012: 445 million).

7.1.2 These represent 6 months treasury bills of Government carrying a fixed mark-up rate 9.2303% (June 30, 2012: 11.6272% to 11.9420%) and will mature on May 02, 2013. The face value of Treasury bills held as at March 31, 2013 amounted to Rs. 200 million (June 30, 2012: 287.50 million).

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

| Name of Securities | Number of holdings at beginning of the period | Acquired during the period | Matured / disposed during the period | Number of holdings at end of the period | Carrying value as at March 31, 2013 | Market value as at March 31, 2013 | 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 |
|--|---|----------------------------|--------------------------------------|---|-------------------------------------|-----------------------------------|--------------------------------------|--|--|---|
| Note | ----- (Rupees) ----- | | | | | | ----- Percentage (%) ----- | | | |
| Commercial Banks | | | | | | | | | | |
| United Bank Limited - IV (face value of Rs.5,000 each) | 7.2.1 | 3,000 | - | 3,000 | 15,226,030 | 15,291,855 | 65,825 | 0.80 | 1.04 | 0.25 |
| NIB Bank Limited (face value of Rs.5,000 each) | 7.2.2 | 3,000 | - | 3,000 | 15,120,387 | 14,962,515 | (157,872) | 0.78 | 1.01 | 0.38 |
| Bank Alfalah Limited - V (face value of Rs.5,000 each) | 7.2.3 | - | 18,000 | 18,000 | 90,000,000 | 89,472,960 | (527,040) | 4.68 | 6.06 | 1.80 |
| Financial Services | | | | | | | | | | |
| Orix Leasing Pakistan Limited - III privately placed (face value of Rs.100,000 each) | 7.2.4 | 700 | - | 700 | 35,424,815 | 34,949,845 | (474,970) | 1.83 | 2.37 | 2.33 |
| Total | | | | | 155,771,232 | 154,677,175 | (1,094,057) | 3.41 | 4.41 | 2.96 |
| Total as at June 30, 2012 | | | | | 85,746,460 | 86,547,712 | 801,252 | 6.12 | 7.81 | 2.96 |

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 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 1.25% receivable semi-annually in arrears with no floor or cap and will mature in Feb 2021. These term finance certificates are unsecured. The rating of the instrument is AA-.

7.2.4 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 | Matured / Disposed during the period | Number of holdings at end of the period | Carrying value as at March 31, 2013 | Market value as at March 31, 2013 | Unrealized appreciation/ (diminution) | Market value as percentage of net assets | Market value as percentage of 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 | 22,436,530 | 1,161,385 | 1.17 | 1.52 | 0.67 |
| Askari Bank Limited - IV (face value of Rs. 1,000,000 each) | 7.3.2 | 68 | - | 68 | 70,105,182 | 73,648,394 | 3,543,212 | 3.85 | 4.99 | 6.80 |
| Standard Chartered Bank Limited - IV (face Value of Rs. 5,000 each) | 7.3.3 | 5,000 | - | 5,000 | 25,000,000 | 25,274,850 | 274,850 | 1.32 | 1.71 | 1.00 |
| Telecommunication | | | | | | | | | | |
| Pakistan Mobile Communication Limited (face value of Rs. 100,000 each) | 7.3.4 | 650 | - | 650 | 61,871,810 | 59,301,648 | (2,570,162) | 3.10 | 4.01 | 3.25 |
| | | | | Total | 178,252,137 | 180,661,422 | 2,409,285 | 9.45 | 12.23 | 11.72 |
| | | | | Total as at June 30, 2012 | 178,802,577 | 183,186,492 | 4,383,915 | 12.96 | 16.53 | 11.72 |

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 and 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 semi-annually 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 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 | Number of holdings at end of the period | Carrying value as at March 31, 2013 | Market value as at March 31, 2013 | 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 |
|--------------------------------|-------|---|----------------------------|-------------------------------------|---|-------------------------------------|-----------------------------------|---------------------------------------|--|--|---|
| Note | | | | | | (Rupees) | | Percentage (%) | | | |
| Hub Power Co. Ltd - Sukuk | 7.5.1 | 24,000 | 58,000 | 52,000 | 30,000 | 150,000,000 | 150,000,000 | - | 7.84 | 10.15 | 7.50 |
| Kot Addu Power Co. Ltd - Sukuk | 7.5.2 | - | 20,000 | - | 20,000 | 100,000,000 | 100,000,000 | - | 5.23 | 6.77 | 3.33 |
| | | | | Total | | <u>250,000,000</u> | <u>250,000,000</u> | - | <u>13.07</u> | <u>16.92</u> | <u>10.83</u> |
| Total as at June 30, 2012 | | | | | | <u>120,000,000</u> | <u>120,000,000</u> | - | <u>8.49</u> | <u>10.83</u> | <u>10.83</u> |

7.5.1 These represent short term sukuk certificates having a face value of Rs. 5000 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 August 14, 2013. The rating of the entity is AA+.

7.5.2 These represent short term sukuk certificates having a face value of Rs. 5000 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 balances carries mark-up ranging from 11.50% to 17.55%. As at March 31, 2013, the market value of listed shares held under the margin trading amounted to 86.84 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.

| | Note | March 31, 2013 (Unaudited) | June 30, 2012 (Audited) |
|---|------|-------------------------------|----------------------------|
| (Rupees) | | | |
| 10. ACCRUED EXPENSES AND OTHER LIABILITIES | | | |
| Auditors' remuneration | | 102,539 | 140,000 |
| Payable to Workers' Welfare Fund | 10.1 | 7,755,584 | 5,348,175 |
| Brokerage payable | | 665 | - |
| NCCPL payable | | 15,000 | 15,000 |
| Other liabilities | | 47,924 | 38,283 |
| | | <u>7,921,712</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 Honorable 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 Honorable 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.

During the current period a larger bench of the Honorable High Court of Sindh has passed an order declaring that the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Act, 2006 and 2008 respectively do not suffer from any constitutional or legal infirmity. The Legal counsel appointed by Mutual Fund Association of Pakistan is of the opinion that the constitution petitions filed by the Mutual Funds to challenge Workers Welfare Fund have not been affected by the judgment passed by the larger bench of Sindh High Court and the stay granted to Mutual Funds in separate constitutional petitions remains intact.

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 7.755 million upto March 31, 2013. If the same had not been so recorded, the net assets value per unit of the scheme would have been higher by PKR. 0.4074 / 0.40%.

11. INTERIM DISTRIBUTIONS DURING THE PERIOD

| Date of distributions | ----- For the period ended March 31, 2013 ----- | | | |
|-----------------------|---|---------------------------|----------------------------|---------------|
| | 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 |
| January 29, 2013 | 0.7813 | 145,459 | 14,596,240 | 1,530 |
| February 28, 2013 | 0.6347 | 117,866 | 11,825,851 | 1,243 |
| March 27, 2013 | 0.5741 | 108,261 | 10,865,418 | 1,124 |
| | 6.7888 | 1,143,685 | 114,830,112 | 13,291 |

| Date of distributions | ----- For the period ended March 31, 2012 ----- | | | |
|-----------------------|---|---------------------------|----------------------------|------------------|
| | 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 |
| January 31, 2012 | 0.9115 | 109,200 | 10,956,034 | 897,332 |
| February 27, 2012 | 0.7405 | 89,645 | 8,988,310 | 728,990 |
| March 29, 2012 | 0.8401 | 102,423 | 10,269,228 | 994,177 |
| | 8.1566 | 872,306 | 87,528,693 | 8,185,865 |

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 unrealized 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. 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 these 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 holding more than 10 % of the units of the fund as at March 31, 2013.

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:

| | March 31, 2013 | June 30, 2012 |
|---|---------------------------|--------------------------|
| | (Unaudited) | (Audited) |
| | (Rupees) | |
| 13.1 Balance as at period / year end | | |
| Lakson Investments Limited - Management Company of the Fund | | |
| Remuneration payable | <u>2,808,812</u> | <u>2,002,852</u> |
| Units held as at the period / year end 839,282 (June 2012: 777,345) units | <u>84,301,894</u> | <u>78,784,260</u> |
| Central Depository Company of Pakistan Limited - Trustee of the Fund | | |
| Remuneration payable | <u>209,274</u> | <u>167,512</u> |
| Security deposit | <u>100,000</u> | <u>100,000</u> |
| Directors of the Management Company Chief Executive Officer | | |
| Units held as at the period / year end *17,420 (June 2012: 10,841) units | <u>1,749,787</u> | <u>1,098,777</u> |
| *11,718 (June 30, 2012: 10,841) units held in joint account with spouse Mrs. Zil Lakhani and represents 5,702 (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 Nil (June 2012: 2,567) units | <u>-</u> | <u>260,128</u> |

| | March 31, 2013 (Unaudited) | June 30, 2012 (Audited) |
|---|----------------------------------|-------------------------------|
| | (Rupees) | |
| Associated Companies / Undertaking of the Management Company | | |
| Siza (Private) Limited | | |
| Units held as at the period / year end 8,680,209 (June 2012: 7,109,138) units | <u>871,885,363</u> | <u>720,514,714</u> |
| Clover (Pakistan) Limited Employees Contributory Provident Fund | | |
| Units held as at the period / year end Nil (June 2012: 19,582) units | <u>-</u> | <u>1,984,668</u> |
| Colgate Palmolive (Pakistan) Limited Employee Contributory Provident Fund | | |
| Units held as at the period / year end Nil (June 2012: 176,240) units | <u>-</u> | <u>17,862,016</u> |
| Colgate Palmolive (Pakistan) Limited Employee Gratuity Fund | | |
| Units held as at the period / year end Nil (June 2012: 97,911) units | <u>-</u> | <u>9,923,342</u> |
| Accuray Surgical Limited Employee Contributory Provident Fund | | |
| Units held as at the period / year end Nil (June 2012: 13,055) units | <u>-</u> | <u>1,323,112</u> |
| Cyber Internet Services (Private) Limited Employee Contributory Provident Fund | | |
| Units held as at the period / year end Nil (June 2012: 137,049) units | <u>-</u> | <u>13,890,002</u> |
| GAM Corporation (Private) Limited Employees Contributory Provident Fund | | |
| Units held as at the period / year end Nil (June 2012: 39,148) units | <u>-</u> | <u>3,967,709</u> |
| Princeton Travels (Private) Limited Contributory Provident Fund | | |
| Units held as at the period / year end Nil (June 2012: 15,666) units | <u>-</u> | <u>1,587,735</u> |
| Siza Foods (Private) Limited Contributory Provident Fund | | |
| Units held as at the period / year end Nil (June 2012: 84,856) units | <u>-</u> | <u>8,600,230</u> |
| Century Insurance Company Limited | | |
| Units held as at the period / year end 3,142,454 (June 2012: 1,596,636) units | <u>315,644,481</u> | <u>161,819,867</u> |
| Century Insurance Company Limited Employee Contributory Provident Fund | | |
| Units held as at the period / year end Nil (June 2012: 19,582) units | <u>-</u> | <u>1,984,668</u> |

Nine months ended
 March 31,
 2013 2012
 (Unaudited)
 (Rupees)

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

| | | |
|---------------------------------------|------------------|------------------|
| Bonus - 61,938 (2012: 69,628) units | <u>6,219,117</u> | <u>6,985,097</u> |
| Redemption - nil (2012: 59,281) units | <u>-</u> | <u>6,000,000</u> |

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

| | | |
|-----------------------------------|----------------|---------------|
| Issue of units - 5,431 (2012: 22) | <u>545,875</u> | <u>2,172</u> |
| Bonus - 1,148 (2012: 496) units | <u>115,246</u> | <u>49,800</u> |

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

| | | |
|--|----------------|----------------|
| Issue of units - nil (2012: 5,053) | <u>-</u> | <u>509,759</u> |
| Bonus - 141 (2012: 94) units | <u>14,141</u> | <u>9,330</u> |
| Redemption - 2,708 (2012: 3,432) units | <u>272,969</u> | <u>345,503</u> |

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

| | | |
|--|--------------------|-------------------|
| Issue of units - 1,409,142 (2012: 5,251) | <u>142,110,878</u> | <u>534,972</u> |
| Bonus - 608,459 (2012: 616,896) units | <u>61,092,806</u> | <u>61,879,867</u> |
| Redemption - 446,530 (2012: 375,400) units | <u>45,000,000</u> | <u>3,800,000</u> |

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

| | | |
|---------------------------------------|------------------|----------------|
| Bonus - 1,308 (2012: 1,672) units | <u>131,339</u> | <u>167,695</u> |
| Redemption - 20,890 (2012: nil) units | <u>2,102,041</u> | <u>-</u> |

**Colgate Palmolive (Pakistan) Limited Employee
Contributory Provident Fund**

| | | |
|--|-------------------|------------------|
| Bonus - 11,771 (2012: 15,044) units | <u>19,954,658</u> | <u>1,509,253</u> |
| Redemption - 188,011 (2012: nil) units | <u>18,918,365</u> | <u>-</u> |

**Colgate Palmolive (Pakistan) Limited
Employee Gratuity Fund**

| | | |
|--|-------------------|----------------|
| Bonus - 6,539 (2012: 8,358) units | <u>656,695</u> | <u>838,474</u> |
| Redemption - 104,450 (2012: nil) units | <u>10,510,203</u> | <u>-</u> |

**Accuray Surgical Limited Employee
Contributory Provident Fund**

| | | |
|---------------------------------------|------------------|----------------|
| Bonus - 872 (2012: 1,114) units | <u>87,559</u> | <u>111,797</u> |
| Redemption - 13,927 (2012: nil) units | <u>1,401,360</u> | <u>-</u> |

**Cyber Internet Services (Private) Limited
Employee Contributory Provident Fund**

| | | |
|--|-------------------|------------------|
| Bonus - 9,153 (2012: 11,699) units | <u>919,196</u> | <u>1,173,638</u> |
| Redemption - 146,202 (2012: nil) units | <u>14,711,448</u> | <u>-</u> |

| | Nine months ended March 31, | |
|--|--------------------------------|-------------|
| | 2013 | 2012 |
| | (Unaudited) (Rupees) | |
| GAM Corporation (Private) Limited Employees Contributory Provident Fund | | |
| Bonus - 2,615 (2012: 3,342) units | <u>262,571</u> | 335,252 |
| Redemption - 41,763 (2012: nil) units | <u>4,202,357</u> | <u>-</u> |
| Princeton Travels (Private) Limited Contributory Provident Fund | | |
| Bonus - 1,046 (2012: 1,337) units | <u>105,071</u> | 134,156 |
| Redemption - 16,712 (2012: nil) units | <u>1,681,632</u> | <u>-</u> |
| Siza Foods (Pvt) Limited Contributory Provident Fund | | |
| Bonus - 5,668 (2012: 7,244) units | <u>569,136</u> | 726,678 |
| Redemption - 90,524 (2012: nil) units | <u>9,108,842</u> | <u>-</u> |
| Century Insurance Company Limited | | |
| Issue of units - 1,437,893 (2012: 973,653) | <u>145,000,000</u> | 100,000,000 |
| Bonus -158,838 (2012: 118,722) units | <u>15,947,242</u> | 11,909,573 |
| Redemption - 50,913 (2012: 63,913) units | <u>5,147,478</u> | 6,454,042 |
| Century Insurance Company Limited Employees Contributory Provident Fund | | |
| Bonus - 1,308 (2012: 1,672) units | <u>131,339</u> | 167,695 |
| Redemption - 20,890 (2012: nil) units | <u>2,102,041</u> | <u>-</u> |

| Nine months ended March 31, | | Quarter ended March 31, | |
|--------------------------------|------|----------------------------|------|
| 2013 | 2012 | 2013 | 2012 |
| (Unaudited) | | | |
| (Rupees) | | | |

13.3 Other transactions during the period

**Lakson Investments Limited -
Management Company of the fund**

| | | | | |
|-----------------------------|-------------------|------------|------------------|-----------|
| Remuneration for the period | <u>22,278,760</u> | 15,399,450 | <u>8,048,630</u> | 5,707,241 |
| Sales Load for the period | <u>-</u> | 3,079 | <u>-</u> | 2,566 |

**Central Depository Company of Pakistan
Limited- Trustee of the Fund**

| | | | | |
|-----------------------------|------------------|-----------|----------------|---------|
| Remuneration for the period | <u>1,726,412</u> | 1,390,919 | <u>602,769</u> | 490,135 |
| Settlement charges | <u>34,973</u> | 3,024 | <u>21,287</u> | 1,500 |

14. GENERAL

This condensed interim financial information were authorised for issue on April 29, 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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