



NBP Fullerton
Asset Management Ltd.

A Subsidiary of
National Bank of Pakistan

NAFA PENSION FUND

HALF YEARLY REPORT DECEMBER 31

2014




Your investments & "NAFA" grow together



**FULLERTON FUND
MANAGEMENT**

Joint - Venture Partners

MISSION STATEMENT



To rank in the top quartile
in performance of
NAFA FUNDS
relative to the competition,
and to consistently offer
Superior risk-adjusted returns to investors.

NAFA PENSION FUND

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NAFA PENSION FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company

Board of Directors of the Management Company

Mr. Nausherwan Adil	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Wah Geok Sum	Director
Mr. Koh Boon San	Director
Mr. Kamal Amir Chinoy	Director
Mr. Shehryar Faruque	Director
Mr. Aamir Sattar	Director
Mr. Abdul Hadi Palekar	Director

Company Secretary & CFO of the Management Company

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

Mr. Shehryar Faruque	Chairman
Mr. Koh Boon San	Member
Mr. Aamir Sattar	Member

Human Resource Committee

Mr. Nausherwan Adil	Chairman
Mr. Wah Geok Sum	Member
Mr. Kamal Amir Chinoy	Member

Trustee

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

Bankers to the Fund

Allied Bank Limited
Bank Alfalah Limited
Habib Bank Limited
Standard Chartered Bank (Pakistan) Limited
JS Bank Limited
NIB Bank Limited
The Bank of Punjab

NAFA PENSION FUND

Auditors

M. Yousuf Adil Saleem & Co.
Chartered Accountants
Cavish Court,
A-35, Block 7 & 8,
KCHSU, Sharae Faisal
Karachi-75350 Pakistan

Legal Advisor

M/s Jooma Law Associates
205, E.I. Lines, Dr. Daudpota Road,
Karachi.

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 111-111NFA (111-111-632),
(Toll Free): 0800-20001,
Fax: (021) 35825329
Website: www.nafafunds.com

Lahore Office:

7-Noon Avenue, Canal Bank,
Muslim Town, Lahore.
UAN: 042-111-111-632
Fax: 92-42-35861095

Islamabad Office:

Plot No. 395, 396
Industrial Area, I-9/3 Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

1st Floor, Haji Tehmas Centre,
Near KFC, Tehkal Payan
University Road, Peshawar.
Phone: 92-91-5711784, 5711782
Fax: 92-91-5211780

Multan Office:

NBP City Branch, Hussain-a-Gahi, Multan.
Phone No: 061-4502204
Fax No: 061-4502203

NAFA PENSION FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the reviewed financial statements of NAFA Pension Fund for the half year ended December 31, 2014.

Fund's Performance

This is the half yearly report of NAFA Pension Fund (NPF) for the year 2014-15. Fund size of sub-funds as at December 31, 2014 and performance for the period are as follows:

	Fund Size (Rs. in mln)	NAV Per Unit (Rs.) July 02, 2013	NAV Per Unit (Rs.) December 31, 2014	Annualized Return Since Launch July 02, 2013
NPF-Equity Sub-fund	208.1	100.9836	179.5157	46.8%
NPF-Debt Sub-fund	177.5	101.1781	120.2989	12.2%
NPF-Money Market Sub-fund	149.4	101.2023	113.4887	7.9%
Net of management fee & all other expenses				

The stock market extended its bull-run in 1HFY15, despite initial hiccups caused by protests of PTI and PAT, as the market participants focused on improving macros driven primarily by the steep fall in global oil and commodity prices. The tragic incident at the Army Public School in Peshawar united the nation in its fight against terrorism and also resulted in end of the PTI protests, further consolidating Pakistan's re-rating theme. The combination of sovereign debt rating upgrade by Moodys, falling inflation amid declining oil prices, 50bps cut in discount rate, improving external account position, easy liquidity conditions, and healthy foreign investment activity perked up investors' sentiments. The index heavy Oil & Gas and Banking sectors underperformed the market whereas almost all the other sectors outperformed during the period under review.

On the corporate debt sphere, trading activity in TFCs remained skewed towards high quality issues, especially those belonging to the financial sector. Hunt for yields and limited primary issuance kept the yield on the high credit quality corporate bonds depressed. Furthermore, we have seen recoveries from many non-performing corporate bonds with pick-up in economic activity and declining interest rate environment. During the period under review, the State Bank of Pakistan reduced the policy rate by 50bps to 9.5% due to sharp decline in inflation and improved external account position. Sovereign securities responded to the beginning of loose monetary policy period with yields on the PIBs and T-bills declining sharply. All TFCs/Sukuks in the Fund are floating rate linked to KIBOR with three to six month coupon resetting period.

The asset allocation of the Funds as on December 31, 2014 is as follows:

Asset Allocation (% of Net Assets)	
Equity Sub-fund	31-Dec-14
Equity	93.70%
Cash Equivalents - Net	6.30%
Total	100.00%
Debt Sub-fund	31-Dec-14
Cash Equivalents - Net	23.18%
TFC/Sukuk	6.58%
PIBs	70.24%
Total	100.00%
Money Market Sub-fund	31-Dec-14
Cash Equivalents - Net	17.15%
Short Term TFC/Sukuk	8.16%
T-Bills	74.69%
Total	100.00%

NAFA PENSION FUND

Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Pension Fund Manager, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of
NBP Fullerton Asset Management Limited

Chief Executive

Director

Date: February 17, 2015
Place: Karachi.

NAFA PENSION FUND

AUDITORS' REPORT TO THE PARTICIPANTS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of NAFA PENSION FUND ("the Fund") as at December 31, 2014 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in participants' fund, condensed interim cash flow statement and notes to the accounts for the six months ended December 31, 2014 (here-in-after referred to as the "interim financial information"). NBP Fullerton Asset Management Limited ("Pension Fund Manager") 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 interim financial information based on our review. The figures of the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in participants' fund and condensed interim cash flow statement for the three months ended December 31, 2014 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2014.

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 condensed interim financial information as at and for the six months ended December 31, 2014 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants

Engagement Partner:
Nadeem Yousuf Adil

Date: February 17, 2015
Place: Karachi

NAFA PENSION FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2014

Note	December 31, 2014 (Un-audited)					June 30, 2014 (Audited)					
	Equity	Debt	Money Market		Total	Equity	Debt	Money Market		Total	
	Sub-Fund	Sub-Fund	Sub-Fund	Others		Sub-Fund	Sub-Fund	Sub-Fund	Others		
	-----Rupees-----					-----Rupees-----					
ASSETS											
Bank balances	4	20,297,317	28,455,685	26,048,036	2,175,150	76,976,188	15,829,964	20,983,725	8,695,569	647,340	46,156,598
Investments - net	5	194,957,611	43,784,407	123,778,789	-	462,520,807	91,723,736	67,004,761	108,086,052	-	266,814,549
Dividend receivable		18,750	-	-	-	18,750	207,375	-	-	-	207,375
Profit receivable	6	60,919	6,502,338	572,479	-	7,135,736	-	2,447,198	31,457	-	2,478,655
Preliminary expenses and floatation cost	7	35,109	35,109	35,109	-	105,327	45,959	45,959	45,959	-	137,877
Receivable against sale of investments		3,530,415	-	-	-	3,530,415	3,289,832	-	-	-	3,289,832
Advances and deposits	8	112,150	100,000	102,085	-	314,235	882,250	100,000	100,000	-	1,082,250
Total assets		219,012,271	178,877,539	150,536,498	2,175,150	550,601,458	111,979,116	90,581,643	116,959,037	647,340	320,167,136
LIABILITIES											
Payable to Pension Fund Manager	9	679,693	523,912	469,631	2,175,150	3,848,386	238,574	196,559	183,811	647,340	1,266,284
Payable to Central Depository Company of Pakistan Limited - Trustee		24,816	19,761	18,024	-	62,601	11,633	9,338	13,679	-	34,650
Payable to Securities and Exchange Commission of Pakistan		24,040	19,540	21,358	-	64,938	20,165	18,243	19,710	-	58,118
Payable against redemption of units		18,548	257,817	242,184	-	518,549	-	-	-	-	-
Payable against purchase of investments		8,874,920	-	-	-	8,874,920	5,400,602	-	-	-	5,400,602
Accrued expenses and other liabilities	10	1,317,767	519,826	378,616	-	2,216,209	587,571	227,963	230,707	-	1,046,241
Total liabilities		10,939,784	1,340,856	1,129,813	2,175,150	15,585,603	6,258,545	452,103	447,907	647,340	7,805,895
NET ASSETS		208,072,487	177,536,683	149,406,685	-	535,015,855	105,720,571	90,129,540	116,511,130	-	312,361,241
PARTICIPANTS' SUB-FUNDS (as per statement attached)		208,072,487	177,536,683	149,406,685	-	535,015,855	105,720,571	90,129,540	116,511,130	-	312,361,241
Contingencies and commitments											
Number of units in issue	14	1,159,077.14	1,475,796.82	1,316,489.40	-	3,951,363.36	752,971.00	823,700.00	1,070,465.00	-	2,647,136.00
Net asset value per unit		179.5157	120.2989	113.4887	-	-	140.4046	109.4204	108.8416	-	-

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Executive

Director

NAFA PENSION FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2014

	Note	For the six months ended December 31, 2014				For the six months ended December 31, 2013			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Rupees-----									
INCOME									
Profit on bank deposits		559,836	443,474	1,385,776	2,389,086	199,017	398,703	314,399	912,119
Income from debt securities		-	724,102	469,141	1,193,243	-	215,475	19,267	234,742
Income from government securities		-	5,213,312	4,782,534	9,995,846	-	1,025,269	1,243,713	2,268,982
Dividend income		2,992,900	-	-	2,992,900	1,282,400	-	-	1,282,400
Capital gain / (loss) on sale of investments at fair value through income statement		10,336,279	(38,183)	(2,915)	10,295,181	435,886	-	-	435,886
Net unrealized appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		25,932,405	7,100,307	(18,065)	33,014,647	5,341,139	73,545	(28,097)	5,386,587
Total income		39,821,420	13,443,012	6,616,471	59,880,903	7,258,442	1,712,992	1,549,282	10,520,716
EXPENSES									
Remuneration of Pension Fund Manager		1,092,713	765,207	692,081	2,550,001	288,942	231,378	175,308	695,628
Sindh sales tax on remuneration of Pension Fund Manager		190,132	133,147	120,423	443,702	56,076	43,424	32,905	132,405
Federal Excise Duty on remuneration of Pension Fund Manager		174,834	122,433	110,733	408,000	46,231	37,020	28,049	111,300
Remuneration to Central Depository Company of Pakistan Limited - Trustee		109,271	88,825	97,081	295,177	28,894	27,765	26,296	82,955
Annual fee to Securities and Exchange Commission of Pakistan		24,040	19,540	21,358	64,938	6,357	6,108	5,785	18,250
Auditors' remuneration		45,761	45,761	45,761	137,283	51,086	51,086	51,086	153,258
Securities transaction costs		221,026	745	325	222,096	84,279	-	325	84,604
Amortization of preliminary expenses and flotation cost		10,850	10,850	10,850	32,550	17,599	17,599	17,599	52,797
Settlement and bank charges		47,670	85,410	42,061	175,141	106,663	34,897	32,297	173,857
Total expenses		1,916,297	1,271,918	1,140,673	4,328,888	686,127	449,277	369,650	1,505,054
Net income from operating activities		37,905,123	12,171,094	5,475,798	55,552,015	6,572,315	1,263,715	1,179,632	9,015,662
Provision for Workers' Welfare Fund	12	(758,102)	(243,422)	(109,516)	(1,111,040)	(131,442)	(25,274)	(23,593)	(180,309)
Net income for the period before taxation		37,147,021	11,927,672	5,366,282	54,440,975	6,440,873	1,238,441	1,156,039	8,835,353
Taxation	13	-	-	-	-	-	-	-	-
Net income for the period after taxation		37,147,021	11,927,672	5,366,282	54,440,975	6,440,873	1,238,441	1,156,039	8,835,353

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Executive

Director

NAFA PENSION FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE THREE MONTHS ENDED DECEMBER 31, 2014

Note	For the three months ended December 31, 2014				For the three months ended December 31, 2013				
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total	
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund		
-----Rupees-----									
INCOME									
Profit on bank deposits	219,877	253,720	809,330	1,282,927	137,551	163,478	191,444	492,473	
Income from debt securities	-	372,919	386,360	759,279	-	136,441	13,338	149,779	
Income from government securities	-	2,925,531	2,244,002	5,169,533	-	629,247	687,299	1,316,546	
Dividend income	1,823,650	-	-	1,823,650	820,100	-	-	820,100	
Capital gain / (loss) on sale of investments at fair value through income statement	8,756,257	(4)	-	8,756,253	293,486	-	-	293,486	
Net unrealized appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	19,427,275	6,862,077	30,993	26,320,345	5,770,838	(78,667)	(26,040)	5,666,131	
Total income	30,227,059	10,414,243	3,470,685	44,111,987	7,021,975	850,499	866,041	8,738,515	
EXPENSES									
Remuneration of Pension Fund Manager	645,978	443,872	381,685	1,471,535	158,667	128,227	95,828	382,722	
Sindh sales tax on remuneration of Pension Fund Manager	107,218	73,507	62,813	243,538	35,232	26,920	20,188	82,340	
Federal Excise Duty on remuneration of Pension Fund Manager	103,356	71,019	61,070	235,445	25,387	20,516	15,332	61,235	
Remuneration to Central Depository Company of Pakistan Limited - Trustee	64,598	50,265	50,521	165,384	15,866	15,387	14,374	45,627	
Annual fee to Securities and Exchange Commission of Pakistan	14,212	11,057	11,115	36,384	3,491	3,385	3,163	10,039	
Auditors' remuneration	32,693	32,693	32,693	98,079	38,482	38,482	38,482	115,446	
Securities transaction costs	131,531	325	-	131,856	19,127	-	-	19,127	
Amortization of preliminary expenses and flotation cost	6,250	6,250	6,250	18,750	8,553	8,553	8,553	25,659	
Settlement and bank charges	(11,464)	14,846	(21,706)	(18,324)	89,459	20,247	20,247	129,953	
Total expenses	1,094,372	703,834	584,441	2,382,647	394,264	261,717	216,167	872,148	
Net income from operating activities	29,132,687	9,710,409	2,886,244	41,729,340	6,627,711	588,782	649,874	7,866,367	
Provision for Workers' Welfare Fund	12	(582,653)	(194,208)	(57,725)	(834,586)	(131,442)	(11,775)	(12,998)	(156,215)
Net income for the period before taxation	28,550,034	9,516,201	2,828,519	40,894,754	6,496,269	577,007	636,876	7,710,152	
Taxation	13	-	-	-	-	-	-	-	
Net income for the period after taxation	28,550,034	9,516,201	2,828,519	40,894,754	6,496,269	577,007	636,876	7,710,152	

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Executive

Director

NAFA PENSION FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2014

	For the six months ended December 31, 2014				For the six months ended December 31, 2013			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
Net income for the period after taxation	37,147,021	11,927,672	5,366,282	54,440,975	6,440,873	1,238,441	1,156,039	8,835,353
Other comprehensive income								
Items that may be reclassified subsequently to income statement	-	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>37,147,021</u>	<u>11,927,672</u>	<u>5,366,282</u>	<u>54,440,975</u>	<u>6,440,873</u>	<u>1,238,441</u>	<u>1,156,039</u>	<u>8,835,353</u>

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Executive

Director

NAFA PENSION FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE THREE MONTHS ENDED DECEMBER 31, 2014

	For the three months ended December 31, 2014				For the three months ended December 31, 2013			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
Net income for the period after taxation	28,550,034	9,516,202	2,828,519	40,894,755	6,496,269	577,007	636,876	7,710,152
Other comprehensive income								
Items that may be reclassified subsequently to income statement	-	-	-	-	-	-	-	-
Total comprehensive income for the period	28,550,034	9,516,202	2,828,519	40,894,755	6,496,269	577,007	636,876	7,710,152

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Executive

Director

NAFA PENSION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2014

	Note	For the six months ended December 31, 2014				For the six months ended December 31, 2013			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Rupees-----									
Net assets at the beginning of the period		105,720,571	90,129,540	116,511,130	312,361,241	30,334,519	30,339,968	30,354,419	91,028,906
Amount received on issuance of units	15	65,305,159	65,668,157	39,944,973	170,918,289	17,644,726	21,335,404	13,408,690	52,388,820
Amount paid on redemption of units		(573,214)	(915,771)	(705,211)	(2,194,196)	(534,156)	(73,137)	(13,833)	(621,126)
Effect of reallocation		472,950	10,727,085	(11,710,489)	(510,454)	-	-	-	-
Net element of income and capital gains included in prices of units issued less those in units redeemed		8,185,737	4,126,765	751,539	13,064,041	1,437,071	538,252	313,870	2,289,193
Total comprehensive income for the period		37,147,021	11,927,672	5,366,282	54,440,975	6,440,873	1,238,441	1,156,039	8,835,353
Net element of (income) and capital (gains) included in prices of units issued less those in units redeemed		(8,185,737)	(4,126,765)	(751,539)	(13,064,041)	(1,437,071)	(538,252)	(313,870)	(2,289,193)
Net assets at the end of the period		208,072,487	177,536,683	149,406,685	535,015,855	53,885,962	52,840,676	44,905,315	151,631,953

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Executive

Director

NAFA PENSION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED) FOR THE THREE MONTHS ENDED DECEMBER 31, 2014

	For the three months ended December 31, 2014				For the three months ended December 31, 2013			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
Net assets at the beginning of the period	135,053,690	112,263,010	126,677,170	373,993,870	34,284,791	35,266,375	32,792,611	102,343,777
Amount received on issuance of units	45,097,166	46,217,033	30,367,213	121,681,412	13,639,058	17,070,431	11,489,661	42,199,150
Amount paid on redemption of units	(397,813)	(52,583)	(82,872)	(533,268)	(534,156)	(73,137)	(13,833)	(621,126)
Effect of reallocation	(230,590)	9,593,021	(10,383,345)	(1,020,914)	-	-	-	-
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	8,009,407	3,954,473	707,598	12,671,478	1,205,168	29,030	(207,350)	1,026,848
Total comprehensive income for the period	28,550,034	9,516,202	2,828,519	40,894,755	6,496,269	577,007	636,876	7,710,152
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	(8,009,407)	(3,954,473)	(707,598)	(12,671,478)	(1,205,168)	(29,030)	207,350	(1,026,848)
Net assets at the end of the period	208,072,487	177,536,683	149,406,685	535,015,855	53,885,962	52,840,676	44,905,315	151,631,953

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Executive

Director

NAFA PENSION FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2014

	For the six months ended December 31, 2014					For the six months ended December 31, 2013				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	-----Rupees-----					-----Rupees-----				
CASH FLOWS FROM OPERATING ACTIVITIES										
Net income for the period before taxation	37,147,021	11,927,672	5,366,282	-	54,440,975	6,440,873	1,238,441	1,156,039	-	8,835,353
Adjustments										
Net unrealized appreciation / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(25,932,405)	(7,100,307)	18,065	-	(33,014,647)	(5,341,139)	(73,545)	28,097	-	(5,386,587)
Gain on sale of investment-net	(10,336,279)	38,183	2,915	-	(10,295,181)	(435,886)	-	-	-	(435,886)
Preliminary expenses and floatation cost	10,850	10,850	10,850	-	32,550	17,599	17,599	17,599	-	52,797
	889,187	4,876,398	5,398,112	-	11,163,697	681,447	1,182,495	1,201,735	-	3,065,677
Decrease / (increase) in assets										
Investments-Net	(66,965,191)	(69,717,522)	(15,713,717)	-	(152,396,430)	(41,785,370)	(43,144,188)	(32,443,337)	-	(117,372,895)
Dividend receivable	188,625	-	-	-	188,625	(32,000)	-	-	-	(32,000)
Profit receivable	(60,919)	(4,055,140)	(541,022)	-	(4,657,081)	(70,896)	(189,730)	(94,375)	-	(355,001)
Receivable against sale of investments	(240,583)	-	-	-	(240,583)	-	-	-	-	-
Advances and deposits	770,100	-	(2,085)	-	768,015	(100,000)	(100,000)	(100,000)	-	(300,000)
	(66,307,968)	(73,772,662)	(16,256,824)	-	(156,337,454)	(41,988,266)	(43,433,918)	(32,637,712)	-	(118,059,896)
(Decrease) / increase in liabilities										
Payable against purchase of investments	3,474,318	-	-	-	3,474,318	2,619,818	-	-	-	2,619,818
Payable to Pension Fund Manager	441,119	327,353	285,820	1,527,810	2,582,102	39,254	25,395	15,193	1,429,401	1,509,243
Payable to Central Depository Company of Pakistan Limited	13,183	10,423	4,345	-	27,951	(600)	1,872	(150)	-	1,122
Payable to Securities and Exchange Commission of Pakistan	3,875	1,297	1,648	-	6,820	6,356	6,108	5,785	-	18,249
Payable against redemption of units	18,548	257,817	242,184	-	518,549	18,717	-	-	-	18,717
Accrued expenses and other liabilities	730,196	291,863	147,909	-	1,169,968	315,753	81,717	76,699	-	474,169
	4,681,239	888,753	681,906	1,527,810	7,779,708	2,999,298	115,092	97,527	1,429,401	4,641,318
Net cash (used in) / generated from operating activities	(60,737,542)	(68,007,511)	(10,176,806)	1,527,810	(137,394,049)	(38,307,521)	(42,136,331)	(31,338,450)	1,429,401	(110,352,901)
CASH FLOWS FROM FINANCING ACTIVITIES										
Amount received on issue of units	65,305,159	65,668,157	39,944,973	-	170,918,289	17,644,726	21,335,404	13,408,690	-	52,388,820
Amount paid on redemption of units	(573,214)	(915,771)	(705,211)	-	(2,194,196)	(534,156)	(73,137)	(13,833)	-	(621,126)
Effect of reallocation	472,950	10,727,085	(11,710,489)	-	(510,454)	-	-	-	-	-
Net cash generated from financing activities	65,204,895	75,479,471	27,529,273	-	168,213,639	17,110,570	21,262,267	13,394,857	-	51,767,694
Net increase / (decrease) in cash and cash equivalents	4,467,353	7,471,960	17,352,467	1,527,810	30,819,590	(21,196,951)	(20,874,064)	(17,943,593)	1,429,401	(58,585,207)
Cash and cash equivalents at the beginning of the period	15,829,964	20,983,725	8,695,569	647,340	46,156,598	30,487,155	30,477,949	30,478,152	-	91,443,256
Cash and cash equivalents at the end of the period	20,297,317	28,455,685	26,048,036	2,175,150	76,976,188	9,290,204	9,603,885	12,534,559	1,429,401	32,858,049

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Executive

Director

NAFA PENSION FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2014

1. LEGAL STATUS AND NATURE OF BUSINESS

NAFA Pension Fund (“the Fund”) was established under a Trust Deed, dated October 12, 2012, between NBP Fullerton Asset Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the trustee. The Fund was authorized by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on November 16, 2012.

The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (VPS Rules) through a certificate of registration issued by SECP. The registered office of the Pension Fund Manager is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi.

The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.

The objective of the Fund is to provide individuals with a portable, individualized, funded (based on defined contribution), flexible pension scheme, assisting and facilitating them to plan and provide for their retirement.

The Fund consists of three sub-funds namely, NAFA Pension Fund Equity Sub-Fund (“Equity Sub-Fund”), NAFA Pension Fund Debt Sub-Fund (“Debt Sub-Fund”) and NAFA Pension Fund Money Market Sub-Fund (“Money Market Sub-Fund”) (collectively the “Sub-Funds”). The Investment policy for each of the sub-funds are as follows:

- The Equity sub-fund consists of a minimum 90% of net assets invested in listed equity securities, investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) of equity sub-fund or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV of equity sub-fund or index weight, subject to a maximum of 35% of NAV of equity sub-fund. Remaining assets of the equity sub-fund may be invested in government treasury bills or government securities having less than one year time to maturity, or be deposited with scheduled commercial banks having at least 'A' rating.
- The Debt Sub-Fund consist of tradable debt securities with weighted average duration of the investment portfolio of the Sub-Fund not exceeding five years. At least twenty five percent (25%) of the net assets of debt sub-fund shall be invested in securities issued by the Federal Government. Upto twenty five percent (25%) may be deposited with banks having not less than “AA Plus” rating with a stable outlook. Exposure to securities issued by companies of a single sector shall not exceed 20% except for banking sector for which the exposure limit shall be upto 30% of net assets of a debt sub-fund. Deposit in a single bank shall not exceed 10% of net asset of the debt sub-fund. Composition of the remaining portion of the investments shall be according to the criteria mentioned in the offering document.
- The Money Market sub-fund consists of short-term debt instruments with weighted average time to maturity not exceeding ninety days. There is no restriction on the amount of investment in securities issued by the Federal Government and deposit with commercial banks having 'A Plus' or higher rating. Investment in securities issued by provincial or city government, government corporate entities with 'A' or higher rating or a government corporations with 'A plus' or higher rating shall be in proportion as defined in offering document.

NAFA PENSION FUND

The Fund offers six types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility, Customized Allocation and Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The Participant has the option to select any one from the Allocation Schemes or products being offered by the Pension Fund Manager at the date of opening his / her Individual Pension Account. The Participant may change the Allocation Scheme not more than twice a year. Thereafter, the contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis or with any other frequency.

Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of 'AM2' to the Pension Fund Manager while the Fund is currently not rated.

Title to the assets of the Fund are held in the name of CDC as the trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the provisions of the Voluntary Pension System Rules, 2005 (the VPS Rules) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the VPS Rules or directives issued by the SECP differ with the requirements of IFRS, the requirements of the VPS Rules or the directives issued by the SECP shall prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2014.

This condensed interim financial information is being submitted to the participants as required under Regulation 7(f) of the VPS Rules.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the investments which are stated at fair value.

2.3 Functional and presentation currency

This condensed interim financial information are presented in Pak Rupees which is the functional and presentation currency of the Fund.

2.4 Critical accounting estimates and judgments

The Presentation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this Condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2014.

NAFA PENSION FUND

2.5 Financial risk management

The Fund's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the financial statements of the Fund for the year ended June 30, 2014.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2014.

4 BANK BALANCES

Note	December 31, 2014 (Un-audited)					June 30, 2014 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	-----Rupees-----										
Savings accounts	4.2	20,297,317	28,455,685	26,048,036	2,175,150	76,976,188	15,829,964	20,983,725	8,695,569	647,340	46,156,598
		<u>20,297,317</u>	<u>28,455,685</u>	<u>26,048,036</u>	<u>2,175,150</u>	<u>76,976,188</u>	<u>15,829,964</u>	<u>20,983,725</u>	<u>8,695,569</u>	<u>647,340</u>	<u>46,156,598</u>

4.1 These represent collection and redemption account maintained by the Fund. The amount in this fund represents sales load payable to the Pension Fund Manager.

4.2 These carry rate of return ranging from 6.5% to 10.75% (June 2014: 8.4 % to 9.95%) per annum.

5. INVESTMENTS - NET

Note	December 31, 2014 (Un-audited)				June 30, 2014 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
	-----Rupees-----								
At fair value through profit or loss - held for trading									
Equity securities - listed	5.1	194,957,611	-	-	194,957,611	91,723,736	-	-	91,723,736
Government of Pakistan - Treasury Bills	5.2	-	7,400,913	111,590,856	118,991,769	-	11,447,510	108,086,052	119,533,562
Government of Pakistan - Pakistan Investment Bonds	5.2	-	124,699,364	-	124,699,364	-	43,602,363	-	43,602,363
Term Finance Certificates	5.3	-	11,684,130	12,187,933	23,872,063	-	11,954,888	-	11,954,888
		<u>194,957,611</u>	<u>143,784,407</u>	<u>123,778,789</u>	<u>462,520,807</u>	<u>91,723,736</u>	<u>67,004,761</u>	<u>108,086,052</u>	<u>266,814,549</u>

5.1 Listed equity securities - at fair value through profit or loss / held for trading - Equity Sub-Fund

All shares have a nominal face value of Rs. 10 each unless otherwise stated.

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / Right during the period	Sales during the period	As at December 31, 2014	Market Value	Market value as a % of net assets of the Sub-Fund	Market value as a % of total investment of the Sub-Fund	Market value as a % of paid-up capital of the investee company
-----Number of shares----- (Rupees) ----- % -----									
Automobile and Parts									
General Tyre and Rubber company of Pakistan Limited	22,000	-	-	22,000	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	26,500	17,500	-	35,500	8,500	1,684,530	0.81	0.86	0.01
Ghاندara Nissan Limited	92,500	23,000	-	71,000	44,500	2,334,470	1.12	1.20	0.10
Sazgar Engineering Works Limited	118,500	-	-	-	118,500	4,031,370	1.94	2.07	0.66
Pak Suzuki Motor company Limited	11,500	12,800	-	15,300	9,000	3,340,080	1.61	1.71	0.01
Agriautos Industries Company Limited (Face value of Rs. 5 each)	-	21,000	-	-	21,000	3,150,000	1.51	1.62	0.07
Baluchistan Wheels Limited	-	67,000	-	-	67,000	3,831,060	1.84	1.97	0.50
Exide Pakistan Limited	-	1,800	-	1,800	-	-	-	-	-
Indus Motor Company Limited	-	4,000	-	-	4,000	3,521,280	1.69	1.81	0.01
Pharma and Bio Tech									
Abbott Laboratories (Pakistan) Limited	3,400	1,200	-	-	4,600	3,269,128	1.57	1.68	0.00
The Searle Company Limited	-	12,500	4,480*	9,400	7,580	1,833,147	0.88	0.94	0.01
GlaxoSmithKline (Pakistan) Limited	9,460	4,300	-	3,900	9,860	2,162,397	1.04	1.11	0.00
Ferozsons Laboratories Limited	-	12,100	-	6,600	5,500	3,142,205	1.51	1.61	0.02

NAFA PENSION FUND

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / Right during the period	Sales during the period	As at December 31, 2014	Market Value	Market value as a % of net assets of the Sub-Fund	Market value as a % of total investment of the Sub-Fund	Market value as a % of paid-up capital of the investee company
----- Number of shares -----					----- (Rupees) -----		----- % -----		
Construction and Material (Cement)									
Pioneer Cement Limited	77,500	69,500	-	105,000	42,000	3,595,620	1.73	1.84	0.02
Fauji Cement Limited	-	-	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	83,000	180,000	-	49,000	214,000	9,469,500	4.55	4.86	0.04
Kohat cement company Limited	-	21,900	-	5,000	16,900	3,225,703	1.55	1.65	0.01
Lucky Cement Limited	9,200	14,400	-	8,200	15,400	7,704,312	3.70	3.95	0.00
D. G. Khan Cement company Limited	27,000	62,000	-	32,000	57,000	6,300,210	3.03	3.23	0.01
Cherat Cement Company Limited	-	-	-	-	-	-	-	-	-
AkzoNobel Pakistan Limited	16,500	-	-	6,900	9,600	3,432,288	1.65	1.76	0.02
Fecto Cement Limited	-	23,500	-	-	23,500	1,863,550	0.90	0.96	0.05
Forestry (Paper and Board)									
Century Paper and Board Mills Limited	26,000	-	-	26,000	-	-	-	-	-
Chemicals									
Engro Fertilizer Limited	250	54,000	-	-	54,250	4,236,925	2.04	2.17	0.00
Engro Corporation Limited	24,000	18,200	-	-	42,200	9,347,722	4.49	4.79	0.01
DYNEA Pakistan Limited (Face value of Rs. 5 each)	-	41,000	-	-	41,000	2,359,140	1.13	1.21	0.22
Fauji Fertilizer Company Limited	-	36,500	-	36,500	-	-	-	-	-
Commercial Banks									
United Bank Limited	44,060	5,100	-	11,200	37,960	6,707,912	3.22	3.44	0.00
Allied Bank Limited	200	52,800	-	200	52,800	5,997,024	2.88	3.08	0.00
MCB Bank Limited	9,900	-	-	2,500	7,400	2,261,810	1.09	1.16	0.00
Habib Metro Bank Limited	77,500	50,500	-	-	128,000	4,774,400	2.29	2.45	0.01
Habib Bank Limited	-	12,000	-	7,800	4,200	908,292	0.44	0.47	0.00
Faysal Bank Limited	104,000	367,000	-	56,000	415,000	7,553,000	3.63	3.87	0.04
Bank Alfalah Limited	112,500	10,500	-	60,000	63,000	2,197,440	1.06	1.13	0.00
Bank Al-Habib Limited	79,150	11,000	-	-	90,150	4,376,782	2.10	2.24	0.01
Meezan Bank Limited	-	23,000	-	-	23,000	1,081,000	0.52	0.55	0.00
JS Bank Limited	-	225,000	-	-	225,000	1,606,500	0.77	0.82	0.02
Balance carried forward						121,298,797			

* This represents gross bonus shares as per Fund's entitlement declared by the investee company. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, has filed a petition in Honourable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 57 (3) (viii) of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Honourable Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in the favour and accordingly has recorded the bonus shares on gross basis.

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / Right during the period	Sales during the period	As at December 31, 2014	Market Value	Market value as a % of net assets of the Sub-Fund	Market value as a % of total investment of the Sub-Fund	Market value as a % of paid-up capital of the investee company
----- Number of shares -----					----- (Rupees) -----		----- % -----		
Balance brought forward						121,298,797			
General Industries									
Thal Limited (Face value of Rs. 5 each)	20,200	-	-	5,700	14,500	3,900,935	1.87	2.00	0.04
Ghani Glass Mills Limited	32,500	-	-	7,000	25,500	1,733,235	0.83	0.89	0.02
Electricity									
The Hub Power Company Limited	51,500	89,000	-	28,500	112,000	8,776,320	4.22	4.50	0.01
Kot Addu Power Company Limited	56,000	50,000	-	-	106,000	8,367,640	4.02	4.29	0.01
Nishat Power Limited	-	-	-	-	-	-	-	-	-
K-Electric Limited (Face value of Rs. 3.5 each)	112,000	-	-	-	112,000	1,032,640	0.50	0.53	0.00
Lalpir Power Limited	-	140,000	-	-	140,000	4,186,000	2.01	2.15	0.04
Saif Power Limited	-	90,000	-	-	90,000	3,322,800	1.60	1.70	0.02

NAFA PENSION FUND

Name of the investee company	As at July 1, 2014	Purchases during the period	Bonus / Right during the period	Sales during the period	As at December 31, 2014	Market Value	Market value as a % of net assets of the Sub-Fund	Market value as a % of total investment of the Sub-Fund	Market value as a % of paid-up capital of the investee company
	Number of shares				Rupees		%		
Personal Goods (Textile)									
Nishat (Chunian) Limited	400	-	-	400	-	-	-	-	-
Nishat Mills Limited	14,200	33,300	-	16,700	30,800	3,726,492	1.79	1.91	0.01
Bata Pakistan Limited	-	340	-	-	340	1,186,600	0.57	0.61	0.00
Kohinoor Textile Mills Limited	-	325,500	-	108,500	217,000	7,605,850	3.66	3.90	0.33
Sapphire Fibres Mills Limited	-	10,600	-	-	10,600	4,770,000	2.29	2.45	0.05
Oil and Gas									
Attock Petroleum Limited	-	1,400	-	-	1,400	755,412	0.36	0.39	0.00
Byco Petroleum Pakistan Limited	-	-	-	-	-	-	-	-	-
Pakistan State Oil company Limited	7,130	13,500	-	13,400	7,230	2,587,689	1.24	1.33	0.00
Pak Petroleum Limited	12,120	35,558	-	9,000	38,678	6,827,441	3.28	3.50	0.00
Pakistan Oilfields Limited	6,300	6,700	-	3,600	9,400	3,565,984	1.71	1.83	0.00
Oil & Gas Development Company Limited	7,500	-	-	-	7,500	1,544,025	0.74	0.79	0.00
Hascol Petroleum Limited	-	26,000	-	-	26,000	1,926,600	0.93	0.99	0.03
Shell Pakistan Limited	-	3,000	-	-	3,000	776,640	0.37	0.40	0.00
Industrial Transportation									
Pakistan National Shipping Corporation Limited	17,500	33,500	-	36,000	15,000	2,405,250	1.16	1.23	0.01
Fixed Line Telecommunication									
Pakistan Telecommunication Company Limited	51,000	-	-	-	51,000	1,174,530	0.56	0.60	0.00
Food Producers									
Rafhan Maize Products Limited	20	-	-	-	20	224,076	0.11	0.11	0.00
Household Goods									
Tariq Glass Limited	38,000	-	-	37,500	500	23,530	0.01	0.01	0.00
Technology Hardware and Equipment									
Tracker Pakistan Limited	129,500	-	-	129,500	-	-	-	-	-
Avanceon Limited	-	107,500	-	38,000	69,500	2,352,575	1.13	1.21	0.07
Industrial metals and Mining									
Crescent Steel & Allied Product	-	17,500	-	-	17,500	886,550	0.43	0.45	0.03
	1,530,490	2,438,498	4,480	1,005,600	2,967,868	194,957,611	93.70	100.00	2.56

Carrying Value as at December 31, 2014

169,025,206

5.2 Government securities - at fair value through profit or loss - held for trading

5.2.1 Debt Sub-Fund

Issue	Note	Tenor	As at July 1, 2014	Purchases during the period	Matured/ Sold during the period	As at December 31, 2014	Market Value	Market value as a % of net assets of the Sub-Fund
			Face value (Rupees)				Rupees	%
Treasury Bills								
June 12, 2014		3 months	3,000,000	-	3,000,000	-	-	-
March 20, 2014		6 months	2,500,000	-	2,500,000	-	-	-
April 17, 2014		6 months	1,500,000	-	1,500,000	-	-	-
May 15, 2014		1 Year	5,000,000	-	5,000,000	-	-	-
February 20, 2014		6 months	-	1,000,000	1,000,000	-	-	-
May 2, 2014		3 months	-	7,000,000	7,000,000	-	-	-
July 10, 2014		3 months	-	1,500,000	1,500,000	-	-	-
September 4, 2014		3 months	-	3,800,000	3,800,000	-	-	-
October 30, 2014		3 months	-	6,000,000	6,000,000	-	-	-
November 13, 2014	5.2.3	1 Year	-	8,500,000	500,000	8,000,000	7,400,913	4.17
November 27, 2014		3 months	-	1,200,000	1,200,000	-	-	-
			12,000,000	29,000,000	33,000,000	8,000,000	7,400,913	4.17

Carrying Value as at December 31, 2014

7,374,265

NAFA PENSION FUND

Issue	Note	Tenor	As at July 1, 2014	Purchases during the period	Matured/ Sold during the period	As at December 31, 2014	Market Value	Market value as a % of net assets of the Sub-Fund
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----- Face value (Rupees) ----- Rupees ----- % -----

Pakistan Investment Bonds

July 18, 2013	5.2.4	3 Years	32,000,000	-	-	32,000,000	32,813,174	18.48
July 18, 2013	5.2.4	5 Years	7,500,000	25,000,000	-	32,500,000	34,257,406	19.30
July 19, 2012	5.2.4	10 Years	5,000,000	-	-	5,000,000	5,391,862	3.04
July 17, 2014	5.2.4	3 Years	-	25,800,000	-	25,800,000	26,762,323	15.07
July 17, 2014	5.2.4	5 Years	-	24,000,000	-	24,000,000	25,474,599	14.35
			44,500,000	74,800,000	-	119,300,000	124,699,364	70.24

Carrying Value as at December 31, 2014

117,591,048

5.2.2 Money Market Sub-Fund

Issue	Note	Tenor	As at July 1, 2014	Purchases during the period	Matured/ Sold during the period	As at December 31, 2014	Market Value	Market value as a % of net assets of the Sub-Fund
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----- Face value (Rupees) ----- Rupees ----- % -----

Treasury Bills

April 17, 2014		3 months	36,000,000	-	36,000,000	-	-	-
May 15, 2014		3 months	32,800,000	-	32,800,000	-	-	-
June 12, 2014		3 months	3,000,000	-	3,000,000	-	-	-
April 17, 2014		6 months	18,000,000	-	18,000,000	-	-	-
May 15, 2014		6 months	20,000,000	-	20,000,000	-	-	-
August 7, 2014		3 months	-	54,500,000	54,500,000	-	-	-
July 24, 2014		3 months	-	22,000,000	22,000,000	-	-	-
October 30, 2014	5.2.3	3 months	-	54,000,000	-	54,000,000	53,685,777	35.93
November 13, 2014	5.2.3	3 months	-	37,000,000	-	37,000,000	36,640,473	24.52
November 13, 2014	5.2.3	6 months	-	22,000,000	-	22,000,000	21,264,606	14.23
			109,800,000	189,500,000	186,300,000	113,000,000	111,590,856	74.69

Carrying Value as at December 31, 2014

111,586,223

5.2.3 These Government treasury bills carry purchase yield ranging from 9.92% to 9.96% (June 2014 : 8.77% to 10.40%) per annum.

5.2.4 These Pakistan Investment bonds carry purchase yield ranging from 10.40% to 12.90% (June 2014 : 11.95 % to 12.90%) per annum.

5.3 Term Finance Certificates - at fair value through profit or loss - held for trading (listed)

5.3.1 Debt Sub-Fund

All term finance certificates have a face value of Rs. 5,000 each.

Name of the investee company	Note	As at July 1, 2014	Purchases during the period	Sales / matured during the period	As at December 31, 2014	Market Value	Net Assets	Investment as a percentage of	
								Market value of total investments	Issue Size

----- Face value (Rupees) ----- Rupees ----- % -----

Allied Bank Limited	5.3.3	9	-	9	-	-	-	-	-
Faysal Bank Limited - III	5.3.3	300	-	-	300	1,542,667	0.87	1.07	0.08
Jahangir Siddiqui Company Limited	5.3.3	1,600	-	-	1,600	3,922,841	2.21	2.73	0.40
K Electric AZM Sukuk	5.3.3	280	-	280	-	-	-	-	-
Standard Chartered Bank Limited - IV	5.3.3	470	-	-	470	2,351,497	1.32	1.64	0.06
United Bank Limited - III	5.3.3	100	-	100	-	-	-	-	-
Engro Fertilizers Limited PRP - I	5.3.3	315	-	-	315	1,567,125	0.88	1.09	0.05
Hascol Petroleum Limited	5.3.3	-	460	-	460	2,300,000	1.30	1.60	0.51
		3,074	460	389	3,145	11,684,130	6.58	8.13	1.10

Carrying Value as at December 31, 2014

11,718,787

NAFA PENSION FUND

5.3.2 Money Market Sub-Fund

All term finance certificates have a face value of Rs. 5,000 each.

Name of the investee company	Note	As at July 1, 2014	Purchases during the period	Sales / matured during the period	As at December 31, 2014	Market Value	Net Assets	Investment as a percentage of	
								Market value of total investments	Issue Size
								-----Face value (Rupees)-----	
								-----Rupees-----	
								-----%-----	
Bank Al Habib Limited	5.3.3	-	2,520	-	2,520	6,287,933	3.54	4.37	0.84
Hascol Petroleum Limited	5.3.3	-	1,180	-	1,180	5,900,000	3.32	4.10	1.31
		-	3,700	-	3,700	12,187,933	6.87	8.48	2.15
Carrying Value as at December 31, 2014						12,210,631			

5.3.3 The Term Finance Certificates held by the fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

December 31, 2014 (Un-audited)					June 30, 2014 (Audited)				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
-----Rupees-----					-----Rupees-----				

6 PROFIT RECEIVABLE

Debt Securities	-	6,485,609	376,591	6,862,200	-	2,445,479	-	2,445,479
Savings accounts	60,919	16,729	195,888	273,536	-	1,719	31,457	33,176
	60,919	6,502,338	572,479	7,135,736	-	2,447,198	31,457	2,478,655

December 31, 2014 (Un-audited)					June 30, 2014 (Audited)				
Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Rupees-----					-----Rupees-----				

7 PRELIMINARY EXPENSES AND FLOATATION COST

Preliminary expenses and floatation costs incurred	7.1	45,959	45,959	45,959	137,877	70,959	70,959	70,959	212,877
Less: Amortization for the period		10,850	10,850	10,850	32,550	(25,000)	(25,000)	(25,000)	(75,000)
		35,109	35,109	35,109	105,327	45,959	45,959	45,959	137,877

7.1 Preliminary expenses and floatation costs represents expenditure incurred prior to the commencement of operation of the Fund and are being amortized over a period of three years in accordance with the requirements set out in the Trust Deed of the Fund and the VPS Rules.

December 31, 2014 (Un-audited)					June 30, 2014 (Audited)				
Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Rupees-----					-----Rupees-----				

8 ADVANCES AND DEPOSITS

Advance against book building process	-	-	-	-	782,250	-	-	-	782,250
Receivable - transfer sales	-	-	2,085	2,085	-	-	-	-	-
Advance tax	12,150	-	-	12,150	-	-	-	-	-
Security deposit with Central Depository Company of Pakistan	100,000	100,000	100,000	300,000	100,000	100,000	100,000	300,000	
	112,150	100,000	102,085	314,235	882,250	100,000	100,000	1,082,250	

NAFA PENSION FUND

9 PAYABLE TO PENSION FUND MANAGER

	December 31, 2014 (Un-audited)					June 30, 2014 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	-----Rupees-----					-----Rupees-----				
Management fee payable	248,146	189,683	165,033	-	602,862	21,119	14,985	15,740	-	51,844
Front end load payable	-	-	-	2,175,150	2,175,150	-	-	-	647,340	647,340
Sindh Sales tax payable on management fee	43,179	33,001	28,718	-	104,898	3,921	2,779	2,924	-	9,624
Federal excise duty payable on management fee	313,368	226,228	200,880	-	740,476	138,534	103,795	90,147	-	332,476
Preliminary expenses and floatation cost payable	75,000	75,000	75,000	-	225,000	75,000	75,000	75,000	-	225,000
	679,693	523,912	469,631	2,175,150	3,848,386	238,574	196,559	183,811	647,340	1,266,284

December 31, 2014 (Un-audited)					June 30, 2014 (Audited)			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Rupees-----					-----Rupees-----			

10 ACCRUED EXPENSES AND OTHER LIABILITIES

Provision for Workers' Welfare Fund									
Auditor's remuneration		1,150,128	332,597	201,948	1,684,673	392,026	89,175	92,432	573,633
Bank charges payable		47,961	47,961	47,961	143,883	59,700	59,700	59,700	179,100
Printing charges		34,075	86,409	76,434	196,918	45,439	9,170	8,657	63,266
Legal and professional Brokerage payable		48,769	48,769	48,769	146,307	49,950	49,950	49,950	149,850
Other charges payable		-	-	-	-	19,968	19,968	19,968	59,904
		-	325	-	325	13,015	-	-	13,015
		36,834	3,765	3,504	44,103	7,473	-	-	7,473
		1,317,767	519,826	378,616	2,216,209	587,571	227,963	230,707	1,046,241

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2014.

12. PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CIS) and Pension Funds, 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 (SHC), challenging the applicability of WWF to the CISs and the Pension Funds, which is pending adjudication.

Subsequently, the Ministry of Labour and Manpower (the Ministry) vide its letter dated July 15, 2010 clarified that "Mutual Fund(s) is a product which is being managed / sold by the Asset Management Companies which are liable to contribute towards Workers Welfare Fund under Section 4 of the WWF Ordinance. However, the income on Mutual Fund(s), the product being sold, is exempted under the law *ibid*".

NAFA PENSION FUND

Further, the Secretary (Income Tax Policy) Federal Board of Revenue (FBR) issued a letter dated October 6, 2010 to the Members (Domestic Operation) North and South FBR. In the letter reference was made to the clarification issued by the Ministry of Labour and Manpower stating that mutual funds are a product and their income are exempted under the law *ibid*. The Secretary (Income Tax Policy) Federal Board of Revenue directed that the Ministry's letter may be circulated amongst field formations for necessary action. Following the issuance of FBR Letter, show cause notice which had been issued by taxation office to certain mutual funds for payment of levy under WWF were withdrawn. However, the Secretary (Income Tax Policy) Federal Board of Revenue vide letter January 04, 2011 has cancelled ab-initio clarificatory letter dated October 6, 2010 on applicability of WWF on mutual funds 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.

Furthermore, in 2011, the Honourable Lahore High Court in a Constitutional Petition relating to the amendments brought in WWF Ordinance through the Finance Act 2006 and the Finance Act, 2008 has declared the said amendments as unlawful and unconstitutional. The Pension Fund Manager is hopeful that the decision of the Honourable Lahore High Court, will lend further support to the Constitutional Petition which is pending in the Honourable High Court of Sindh.

During the year ended June 30, 2013, the Larger Bench of the Sindh High Court (SHC) issued a judgment in response to a petition in another similar case in which it is held that the amendments introduced in the WWF Ordinance through Finance Acts, 2006 and 2008 do not suffer from any constitutional or legal infirmity.

During the year ended June 30, 2014, the Honourable Peshawar High Court on a petition filed by certain aggrieved parties (other than the mutual funds) have adjudicated that the amendments introduced in the Workers Welfare Fund Ordinance, 1971 through the Finance Acts of 1996 and 2009 lacks the essential mandate to be introduced and passed through the money bill under the Constitution of Pakistan and hence have been declared as ultra vires the Constitution.

However, without prejudice to the above, the Management Company, as a matter of abundant caution, has decided to record the provision for WWF amounting to Rs. 1.68 million in aggregate including Rs. 1.11 million for the six months ended December 31, 2014.

13 TAXATION

No provision for taxation for the period ended December 31, 2014 has been made in view of the exemption available under clause 57 (3) (viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

14. NUMBER OF UNITS IN ISSUE

	December 31, 2014 (Un-audited)				June 30, 2014 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----				----- Rupees -----			
Total units in issue at the beginning of the period	752,971.00	823,699.90	1,070,465.00	2,647,135.90	300,060.00	299,970.00	299,970.00	900,000.00
Add: Issue of units during the period	408,493.46	569,167.15	356,090.45	1,333,751.06	517,462.00	475,657.90	747,954.00	1,741,073.90
Less: Units redeemed during the period	3,564.46	8,171.01	6,353.10	18,088.57	1,761.00	4,927.00	4,422.00	11,110.00
Reallocation effect	1,177.14	91,100.78	(103,712.95)	(11,435.03)	(62,790.00)	52,999.00	26,963.00	17,172.00
Total units in issue at the end of the period	1,159,077.14	1,475,796.82	1,316,489.40	3,951,363.36	752,971.00	823,699.90	1,070,465.00	2,647,135.90

NAFA PENSION FUND

15. CONTRIBUTION TABLE

Contribution received during the period is as follows:

	For the six months ended December 31, 2014 (Un-audited)							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	408,493	65,305,159	569,167	65,668,157	356,090	39,944,973	1,333,750	170,918,289
	408,493	65,305,159	569,167	65,668,157	356,090	39,944,973	1,333,750	170,918,289
	For the year ended June 30, 2014 (Audited)							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	517,462	65,420,849	475,658	50,506,853	747,954	79,504,333	1,741,074	195,432,035
	517,462	65,420,849	475,658	50,506,853	747,954	79,504,333	1,741,074	195,432,035

16. TRANSACTIONS WITH CONNECTED PERSONS

16.1 Connected persons include NBP Fullerton Asset Management Limited, being the Pension Fund manager, Central Depository Company of Pakistan Limited (being the Trustee), National Bank of Pakistan (NBP) and Alexandra Fund Management Pte. Limited, being the sponsors of the Fund / Pension Fund Manager and other collective investment schemes managed by the NBP Fullerton Asset Management Limited, directors and officers of the NBP Fullerton Asset Management Limited and employee benefit funds of the NBP Fullerton Asset Management Limited.

16.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

16.3 Remuneration payable to the Pension Fund manager and Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed.

16.4 Details of the transactions with connected persons are as follows:

	For the six months ended December 31, 2014 (Un-audited)				For the six months ended December 31, 2014 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----				----- Rupees -----			
NBP Fullerton Asset Management Limited - Pension Fund Manager								
Management fee	1,092,713	765,207	692,081	2,550,001	645,978	443,872	381,685	1,471,535
Sales tax on remuneration of the Pension Fund Manager	190,132	133,147	120,423	443,702	107,218	73,507	62,813	243,538
FED on remuneration of the Pension Fund Manager	174,834	122,433	110,733	408,000	103,356	71,019	61,070	235,445
Employees of the Company								
Amount of units issued	1,200,000	405,837	1,638	1,607,475	-	-	-	-
Number of units issued	7,976	3,633	15	11,624	-	-	-	-
Amount of units redeemed	7,475	-	-	7,475	-	-	-	-
Number of units redeemed	50	-	-	50	-	-	-	-
Central Depository Company of Pakistan Limited - Trustee								
Remuneration	109,271	88,825	97,081	295,177	64,598	50,265	50,521	165,384
CDS charges	12,328	6,072	6,072	24,472	70,797	2,850	2,850	76,497
Amjad Waheed - Chief Executive - CEO								
Amount of units issued	10,000,000	-	-	10,000,000	-	-	-	-
Number of units issued	62,289	-	-	62,289	-	-	-	-
Taurus Securities Limited								
Brokerage Paid	12,862	-	-	12,862	2,236	-	-	2,236

NAFA PENSION FUND

16.5 Amounts outstanding as at period end

	December 31, 2014 (Un-audited)				June 30, 2014 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----				----- Rupees -----			
NBP Fullerton Asset Management Limited - Pension Fund Manager								
Management fee payable	248,146	189,683	165,033	602,862	61,755	46,963	34,356	143,074
Sindh Sales tax payable on management fee	43,179	33,001	28,718	104,898	15,056	10,952	8,100	34,108
FED payable on management fee	313,369	226,229	200,880	740,478	49,816	40,008	30,440	120,264
Preliminary expenses and floatation cost payable	75,000	75,000	75,000	225,000	75,000	75,000	75,000	225,000
Other charges payable	-	-	-	-	-	-	-	-
Amount of units issued	27,626,116	23,597,313	22,384,068	73,607,497	21,607,212	21,463,434	21,467,492	64,538,138
Number of units issued (seed capital)	153,892	196,156	197,236	547,284	153,892	196,156	197,236	547,284
Alexandra Fund Management Pte. Limited - Sponsor								
Amount of units issued	18,417,410	15,731,542	14,922,712	49,071,665	14,404,808	14,308,956	14,311,662	43,025,425
Number of units issued (seed capital)	102,595	130,770	131,491	364,856	102,595	130,770	131,491	364,856
Employees of the Company								
Amount of units issued	1,438,764	440,503	1,673	1,880,940	11,923,580	-	-	11,923,580
Number of units issued	8,015	3,662	15	11,691	89	-	-	89
Amjad Waheed - Chief Executive - CEO								
Amount of units issued	26,426,846	-	-	26,426,846	-	-	-	-
Number of units issued	147,212	-	-	147,212	84,923	-	-	-
Central Depository Company of Pakistan Limited - Trustee								
Trustee Fee payable	24,816	19,761	18,024	62,601	11,633	9,338	13,679	34,650
CDS charges payable	10,593	3,585	3,365	17,543	9,563	570	550	10,683

17. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on February 17, 2015 by the Board of Directors of the Management Company.

18. GENERAL

18.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Executive

Director



NBP Fullerton
Asset Management Ltd.

A Subsidiary of

National Bank of Pakistan

Head Office

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