

Half Year Report December 31, 2014 (Unaudited)



Funds Under Management
of
MCB-Arif Habib Savings and Investments Limited

Vision

To become synonymous with Savings.

Mission

To become a preferred Savings and Investment Manager in the domestic and regional markets, while maximizing stakeholder's value.

Core Values

The Company takes pride in its orientation towards client service. It believes that its key success factors include continuous investment in staff, systems and capacity building, and its insistence on universal best practices at all times.

PAKISTAN PENSION FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited 8th Floor, Techno City, Corporate Tower, Hasrat Mohani Road, Karachi	
Board of Directors of the Management Company	Mian Mohammad Mansha Mr. Nasim Beg Mr. Yasir Qadri Dr. Syed Salman Ali Shah Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Samad A. Habib Mr. Mirza Mahmood Ahmad	Chairman Executive Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Samad A. Habib	Chairman Member Member
Human Resource & Remuneration Committee	Dr. Syed Salman Ali Shah Mr. Nasim Beg Mr. Haroun Rashid Mr. Ahmed Jahangir Mr. Yasir Qadri	Chairman Member Member Member Member
Company Secretary & Chief Operating Officer	Mr. Muhammad Saqib Saleem	
Chief Financial Officer	Mr. Umair Ahmed	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shakra-e-Faisal, Karachi.	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited.	
Auditors	Ernts & Young Ford Rhodes Sidat Hyder Chartered Accountants Progressive Plaza, Beaumont Road, P.O. Box 15541, Karachi, Sindh-75530, Pakistan.	
Legal Advisor	Bawaney & Partners 404, 4th Floor, Beaumont Plaza, Beaumont Road, Civil Lines, Karachi-75530	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited 8th Floor, Techno City, Corporate Tower, Hasrat Mohani Road, Karachi	
Rating	AM 2 - Management Quality Rating assigned by PACRA	

REPORT OF THE DIRECTORS OF THE MANAGEMENT FOR THE QUARTER ENDED DECEMBER 31, 2014

Dear Investor,

On behalf of the Board of Directors, I am pleased to present Pakistan Pension Fund's accounts review for the first half ended December 31st 2014.

ECONOMY AND MONEY MARKET OVERVIEW

In the wake of decline in oil prices in the international market, the country witnessed significant improvement in the macroeconomic indicators. Oil prices fell by 48 percent during the first half of the current fiscal year, aided by increase in global oil production amid weak demand.

Consequently, inflation remained subdued with CPI averaging around 6.11 percent during the 1HFY15. If oil prices, which eased down to a five-year low in December, stabilize below \$60 per barrel, inflation is likely to persist in lower ranges during the second half of the current fiscal year.

Despite decline in oil prices, the country's trade deficit widened to \$ 9.7 billion during 1HFY15 as opposed to deficit of \$ 8.6 billion during the corresponding period last year. Exports remained subdued perhaps due to lower cotton prices and disruptive power supplies. With oil imports accounting for one-third of the country's total import bill, trade deficit is forecasted to narrow down in the coming months reflecting significant drop in oil prices.

At the same time, financial account registered a surplus of \$ 2.4 billion as compared to a surplus of \$ 0.24 billion recorded during the same period last year. This is mainly due to increase in portfolio investments after the government successfully raised \$ 1 billion through Sukuk auction. However, foreign direct investment yet failed to pick up pace during the first half.

The country's foreign reserve balance also improved towards the end of the year after the country received \$1 billion through Sukuk auction in November and IMF released 4th and 5th tranche amounting to \$1.1 billion in December. The country's reserve balance totaled to \$14.9 billion at the end of December 2014.

Keeping in view lower inflationary pressure and stable foreign reserves position, the government had announced 50 bps cut in the discount rate in the monetary policy held in November, bringing the discount rate to 9.5 percent. Moreover, the gap between discount rate and inflation is still hovering above 5 percent which supports the case for further monetary easing down the line.

M2 has expanded by 3.08 percent during the 1HFY15 (till 26th December) as opposed to expansion of 4.76 percent during the same period last year. While borrowing from the banking system stood at Rs 243 billion as opposed to borrowing of around Rs 539 billion during the same period last year.

In the money market, short term market rates remained on the higher side amid tight liquidity in the system. PIB rates moved downwards in anticipation of cut in the discount rate. Major activity was witnessed in the longer tenor bonds causing the yield curve to move sharply in the downward direction.

EQUITIES MARKET OVERVIEW

Despite poor performance of oil and gas sector in the wake of continuous decline in oil prices, KSE-100 index managed to surge by 8.4 percent during 1HFY15. Decline in energy cost has made manufacturing sector attractive, while anticipation of discount rate cut has brought leveraged and high dividend yield companies into limelight.

REPORT OF THE DIRECTORS OF THE MANAGEMENT FOR THE QUARTER ENDED DECEMBER 31, 2014

Cement, fertilizer, and power sector remained top performers. Cement companies benefited from decline in coal prices and lower distribution cost. While high dividend yield made fertilizer and power sectors attractive. Performance of E&P, Refineries and Oil Marketing Companies remained dismal and Banking sector stayed range-bound in anticipation of monetary easing down the line.

Foreigners remained net buyers with a cumulative net inflow of US\$ 113 million during the first half of the fiscal year.

FUND PERFORMANCE

Debt Fund

The debt sub-fund generated an annualized return of 19.84% during the period under review. The fund's exposure towards TBills increased from 0% to 2.1% whereas exposure towards PIBs declined considerably from 86.2% to 56.3% after realizing gain from the downward shift in the yield curve.

The Net Asset of the Fund as at December 31, 2014 stood at Rs.278.6 million as compared to Rs.244.77 million as at June 30 2014 registering an increase of 13.8%.

The Net Asset Value (NAV) per unit as at December 31, 2014 was Rs.193.12 as compared to opening NAV of Rs.175.56 per unit as at June 30, 2014 registering an increase of Rs.17.56 per unit.

Money Market Fund

The money market sub-fund generated a return of 7.64% during the period. The fund's exposure in T-bills increased to 99.2% from 94.2% while exposure in cash reduced to 0.7% from 5.7% during the period.

The Net Asset of the Fund as at December 31, 2014 stood at Rs.133.05 million as compared to Rs.138.59 million as at June 30 2014 registering an decrease of 3.99%

The Net Asset Value (NAV) per unit as at December 31, 2014 was Rs.187.04 as compared to opening NAV of Rs.180.10 per unit as at June 30, 2014 registering an increase of Rs.6.94 per unit.

Equity Fund

The Equity sub-fund generated a return of 18.44% while the KSE-100 increased by 8.36% during the period under review. The sub-fund decreased its overall equity exposure from 95.8% to 91.5%. Sector-wise, the sub-fund increased its exposure in Construction & Materials sector whilst reduced its exposure towards Oil & Gas sector.

The Net Asset of the Fund as at December 31, 2014 stood at Rs.272.81 million as compared to Rs.211.96 million as at June 30 2014 registering an increase of 28.7%.

The Net Asset Value (NAV) per unit as at December 31, 2014 was Rs.322.74 as compared to opening NAV of Rs.272.49 per unit as at June 30, 2014 registering an increase of Rs.50.25 per unit.

**REPORT OF THE DIRECTORS OF THE MANAGEMENT
FOR THE QUARTER ENDED DECEMBER 31, 2014**

FUTURE OUTLOOK

Economic activity is expected to gain momentum in 2015. The manufacturing activity will be driven by lower energy cost, weak raw material prices, improvement in gas supply situation and progress on the political front. In a major positive development, the government is planning to import LNG to ease off gas shortage in the country.

Although the government is eyeing increase in foreign inflows through pledges made by multilateral agencies, approved project financing and divestment of strategic assets, improvement in reserve position largely hinges on volatile law and order situation. In the near-term, realization of expected inflows-through divestment of shares of HBL would be crucial, where the country is expected to raise around \$1 billion. We believe that the sustainability of external account, in the presence of subdued inflationary pressures, would be a key factor in shaping up interest rate direction.

ACKNOWLEDGMENT

The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



Yasir Qadri
Chief Executive Officer

February 02, 2015

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION



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AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim Balance Sheet of **Pakistan Pension Fund** (the Fund) as at **31 December 2014**, the related condensed interim Income Statement, condensed interim statement of Compressive Income, condensed interim Statement of Cash Flows, condensed interim Statement of Movement in Participants' Sub-Funds, condensed interim Statement of Investments by Category, condensed interim Statement of Investments Portfolio, condensed interim Statement of Other Investments, condensed interim Contribution Table and condensed interim Statement of Number of Units in Issue and notes to the accounts for the six month period then ended (here-in-after referred to as "interim financial information"). The 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.

Scope of review

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

Conclusion

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

Ernst & Young

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION



-: 2 :-

Emphasis of matter

We draw attention to note 9 to the accompanying condensed interim financial information which explains the contingency with respect to the contribution for Workers' Welfare Fund aggregating to Rs.2.561 million.

Our conclusion is not qualified in respect of the above matter.

Chartered Accountants

Engagement Partner: Shabbir Yunus

Date: 02 February 2015

Karachi

A member firm of Ernst & Young Global Limited

**CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2014**

----- (Un-Audited) -----						
December 31, 2014						
					(Audited)	
Note	Equity sub fund	Debt sub fund	Money market sub fund	Total	June 30, 2014	
----- (Rupees) -----						
Assets						
Balances with banks	5	17,008,372	3,789,118	945,414	21,742,904	34,637,488
Investments (as per condensed interim statement of investments by category)		260,702,641	263,981,699	133,165,119	657,849,459	558,451,235
Dividend receivable		2,401	-	-	2,401	182,409
Profit receivable		70,948	12,837,957	18,998	12,927,903	11,093,118
Receivable against sale of units		5,062,755	166,765,968	-	171,828,723	-
Deposits and other receivables	6	10,374,950	310,000	110,000	10,794,950	3,004,950
Total assets		<u>293,222,067</u>	<u>447,684,742</u>	<u>134,239,531</u>	<u>875,146,340</u>	<u>607,369,200</u>
Liabilities						
Payable to Pension Fund Manager	7	381,520	400,362	198,709	980,591	816,310
Payable to Central Depository Company - Trustee		33,175	34,812	17,277	85,264	74,925
Annual fee payable to the Securities and Exchange Commission of Pakistan		38,726	44,154	23,635	106,515	158,347
Payable against purchase of equity securities		15,851,969	166,714,816	-	182,566,785	6,756,000
Accrued expenses and other liabilities	8	4,110,413	1,895,276	946,610	6,952,299	4,237,944
Total liabilities		<u>20,415,803</u>	<u>169,089,420</u>	<u>1,186,231</u>	<u>190,691,454</u>	<u>12,043,526</u>
Net assets		<u>272,806,264</u>	<u>278,595,322</u>	<u>133,053,300</u>	<u>684,454,886</u>	<u>595,325,674</u>
Participants' sub funds (as per condensed interim Statement of Movement in Participants' sub funds)		<u>272,806,264</u>	<u>278,595,322</u>	<u>133,053,300</u>		
----- Number of units -----						
Number of units in issue		<u>845,284</u>	<u>1,442,586</u>	<u>711,358</u>		
----- (Rupees) -----						
Net assets value per unit		<u>322.74</u>	<u>193.12</u>	<u>187.04</u>		
Contingency	9					

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

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

	Half year ended December 31, 2014				Half year ended December 31, 2013
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
Note	----- (Rupees) -----				
Income					
Capital gain / (loss) on sale of investments					
'available for sale'	2,229,415	-	-	2,229,415	5,642,620
'designated at fair value through profit or loss'	17,645,632	3,975,157	5,966	21,626,755	5,046,298
Dividend income on shares					
'available for sale'	454,692	-	-	454,692	398,842
'designated at fair value through profit or loss'	4,711,148	-	-	4,711,148	3,529,663
Income from Government Securities					
'available for sale'	-	6,877,599	-	6,877,599	1,848,625
'designated at fair value through profit or loss'	-	6,449,016	-	6,449,016	-
Income from Term Finance Certificates and sukuk bonds classified as available-for-sale'	-	255,818	-	255,818	546,456
Profit on bank and other deposits	288,027	163,350	83,015	534,392	409,500
Amortization of discount on T-Bills					
'at fair value through profit or loss'	-	871,969	6,926,283	7,798,252	11,345,987
Unrealised gain / (loss) on revaluation of investments					
'designated at fair value through profit or loss' - net	21,539,877	3,971,690	25,866	25,537,433	19,165,926
Total income	46,868,791	22,564,599	7,041,130	76,474,520	47,933,917
Expenses					
Remuneration of Pension Fund Manager	1,742,842	1,987,089	1,063,715	4,793,646	3,333,361
Sindh sales tax and federal excise duty on remuneration of Pension Fund Manager	582,110	663,687	355,281	1,601,078	1,152,008
Remuneration of CDC- Trustee	176,373	201,194	107,747	485,314	386,269
Annual fee - Securities and Exchange					
Commission of Pakistan (SECP)	38,726	44,154	23,636	106,516	74,074
Auditors' remuneration	81,834	94,013	51,397	227,244	214,044
Custody and settlement charges	1,042,129	182,029	-	1,224,158	680,178
Provision for Workers' Welfare Fund	904,903	385,897	100,976	1,391,776	837,999
Bank charges	4,099	22,190	19,776	46,065	9,086
Total expenses	4,573,016	3,580,253	1,722,528	9,875,797	6,687,019
Net income from operating activities	42,295,775	18,984,346	5,318,602	66,598,723	41,246,898
Element of income and capital gains included in prices of units issued less those redeemed	2,045,242	(57,181)	(370,867)	1,617,194	(146,299)
Net income for the period before taxation	44,341,017	18,927,165	4,947,735	68,215,917	41,100,599
Taxation	-	-	-	-	-
Net income for the period after taxation	44,341,017	18,927,165	4,947,735	68,215,917	41,100,599
Earnings per unit	55.46	13.09	6.45		57.18

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

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

	Note	Quarter ended December 31, 2014			Quarter ended December 31, 2013
		Equity sub fund	Debt sub fund	Money market sub fund	
		(Rupees)			
Income					
Capital gain / (loss) on sale of investments					
'available for sale'		2,229,415			842,746
'designated at fair value through profit or loss'		17,064,042	3,975,646	6,484	1,769,030
Dividend income on shares classified as					
'available for sale'		454,692	-	-	-
'designated at fair value through profit or loss'		1,749,115	-	-	1,620,950
Income from Government Securities					
'available for sale'		-	3,440,202	-	610,426
'designated at fair value through profit or loss'		-	2,881,183	-	-
Income from Term Finance Certificates and sukuk bonds 'classified as "available-for-sale'		-	128,136	-	132,422
Profit on bank and other deposits		146,406	79,156	37,307	211,088
Amortization of discount on T-Bills					
'designated at fair value through profit or loss'		-	871,969	3,437,212	6,296,952
Unrealised gain / (loss) on revaluation of investments					
'designated at fair value through profit or loss' - net		18,110,751	3,015,707	60,452	20,002,157
Total income		39,754,421	14,391,999	3,541,455	57,687,875
					31,485,771
Expenses					
Remuneration of Pension Fund Manager	11	1,235,694	1,358,469	705,599	3,299,762
Remuneration of CDC-Trustee		92,466	101,640	52,787	246,893
Annual fee - Securities and Exchange Commission of Pakistan (SECP)		20,581	22,626	11,752	54,959
Auditors' remuneration		47,241	52,966	28,735	128,942
Custody and settlement charges		722,321	102,553	-	824,874
Legal and professional charges		-	-	-	17,643
Provision for Workers' Welfare Fund		785,831	251,727	46,800	1,084,358
Bank charges		3,779	20,576	17,844	42,199
Total expenses		2,907,913	1,910,557	863,517	5,681,987
					3,465,591
Net income from operating activities		36,846,508	12,481,442	2,677,938	52,005,888
					28,020,180
Element of income and capital gains included in prices of units issued less those redeemed		1,659,979	-	147,934	(384,835)
					1,127,210
Net income for the period before taxation		38,506,487	12,333,508	2,293,103	53,133,098
					27,072,022
Taxation	12	-	-	-	-
Net income for the period after taxation		38,506,487	12,333,508	2,293,103	53,133,098
					27,072,022
Earnings per unit	13	47.20	8.51	3.04	37.46

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2014**

	Half year ended December 31, 2014				Half year ended December 31, 2013
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note	----- (Rupees) -----				
Net income for the period	44,341,017	18,927,165	4,947,735	68,215,917	41,100,599
Other comprehensive income					
Items to be reclassified to profit or loss in subsequent periods					
Net unrealised gain on revaluation of available-for-sale investments	10 525,461	6,483,481	-	7,008,942	1,071,405
Reclassification adjustment on sale / maturity of available-for-sale investments	(2,078,125)	-	-	(2,078,125)	(4,617,793)
	(1,552,664)	6,483,481	-	4,930,817	(3,546,388)
Total comprehensive income for the period	42,788,353	25,410,646	4,947,735	73,146,734	37,554,211

The annexed notes 1 to 21 form an integral part of these financial statements.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED DECEMBER 31, 2014**

Note	Quarter ended December 31, 2014				Quarter ended December 31, 2013
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund (Rupees)	Total	
Net income for the period	38,506,487	12,333,508	2,293,103	53,133,098	27,072,022
Other comprehensive income					
Items to be reclassified to profit or loss in subsequent periods					
Net unrealized gain / (loss) on revaluation of available-for-sale investments	26,341	5,349,412	-	5,375,753	(4,356,211)
Reclassification adjustment on sale / maturity of available-for-sale investments	(2,078,125)	-	-	(2,078,125)	4,933,015
	(2,051,784)	5,349,412	-	3,297,628	576,804
Total comprehensive income for the period	36,454,703	17,682,920	2,293,103	56,430,726	27,648,826

The annexed notes 1 to 21 form an integral part of these financial statements.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2014**

	Half year ended December 31, 2014			Half year ended December 31, 2013	
	Equity sub fund	Money market sub fund			Total
		Debt sub fund			
----- (Rupees) -----					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income before taxation	44,341,017	18,927,165	4,947,735	68,215,917	41,100,599
Adjustments for non cash charges and other items:					
Capital gain on sale of investments	(19,875,047)	(3,975,157)	(5,966)	(23,856,170)	(10,688,918)
Unrealised gain on revaluation of investments at fair value through profit or loss' - net	(21,539,877)	(3,971,690)	(25,866)	(25,537,433)	(19,165,926)
Impairment loss on investments classified as available-for-sale'	-	-	-	-	-
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those redeemed	(2,045,242)	57,181	370,867	(1,617,194)	146,299
	(43,460,166)	(7,889,666)	339,035	(51,010,797)	(29,708,545)
Increase in assets					
Investments - net	(8,568,290)	(34,734,949)	(1,770,566)	(45,073,805)	(30,503,737)
Dividend receivable	180,008	-	-	180,008	876,920
Profit receivable	(33,401)	(1,825,629)	24,245	(1,834,785)	2,619,389
Receivable against sale of units	(5,062,755)	(166,765,967)	-	(171,828,722)	-
Deposits and other receivables	(7,670,000)	(110,000)	(10,000)	(7,790,000)	7,383,183
	(21,154,438)	(203,436,545)	(1,756,321)	(226,347,304)	(19,624,245)
Increase / (decrease) in liabilities					
Payable to Pension Fund Manager	77,665	76,995	9,621	164,281	52,652
Payable to the Trustee	5,285	5,130	(78)	10,337	9,613
Annual fee - Securities and Exchange Commission of Pakistan (SECP)	(14,014)	(20,418)	(17,400)	(51,832)	(35,397)
Payable against purchase of investments	9,095,969	166,714,816	-	175,810,785	-
Accrued and other liabilities	1,657,341	781,990	275,024	2,714,355	(5,888,372)
	10,822,246	167,558,513	267,167	178,647,926	(5,861,504)
Cash (used in) / generated from operating activities	(9,451,341)	(24,840,533)	3,797,616	(30,494,258)	(14,093,695)
CASH FLOW FROM FINANCING ACTIVITIES					
Receipt of contribution	52,172,846	49,795,213	12,227,429	114,195,488	50,610,053
Payment against withdrawal	(32,070,570)	(41,439,957)	(23,085,288)	(96,595,815)	(37,314,157)
Net cash generated from financing activities	20,102,276	8,355,256	(10,857,859)	17,599,673	13,295,896
Net increase / (decrease) in cash and cash equivalent during the period	10,650,935	(16,485,277)	(7,060,243)	(12,894,585)	(797,799)
Cash and cash equivalents at beginning of the period	6,357,437	20,274,394	8,005,657	34,637,488	6,308,019
Cash and cash equivalents at end of the period	17,008,372	3,789,118	945,414	21,742,903	5,510,220

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

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

	Quarter ended December 31, 2014			Total	Quarter ended December 31, 2013
	Equity sub fund	Debt sub fund	Money market sub fund		
	----- (Rupees) -----				
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income before taxation	38,506,487	12,333,508	2,293,103	53,133,098	27,072,022
Adjustments for non cash charges and other items:					
Capital gain on sale of investments	(19,293,457)	(3,975,646)	(6,484)	(23,275,587)	(2,611,776)
Unrealised gain on revaluation of investments 'at fair value through profit or loss' - net	(18,110,751)	(3,015,707)	(60,452)	(21,186,910)	(20,002,157)
Impairment loss on investments classified as 'available-for-sale'	-	-	-	-	-
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those redeemed	(1,659,979)	147,934	384,835	(1,127,210)	948,158
	(39,064,187)	(6,843,419)	317,899	(45,589,707)	(21,665,775)
(Increase) / decrease in assets					
Investments - net	(6,543,590)	5,780,741	9,561,689	8,798,840	(14,658,146)
Dividend receivable	2,490,964	-	-	2,490,964	2,020,535
Profit receivable	(25,617)	(7,208,157)	(13,205)	(7,246,979)	134,545
Receivable against sale of units	(5,062,755)	(166,765,967)	-	(171,828,722)	-
Deposits and other receivables	(7,570,000)	(10,000)	(10,000)	(7,590,000)	1,198
	(16,710,998)	(168,203,383)	9,538,484	(175,375,897)	(12,501,868)
Increase in liabilities					
Payable to Pension Fund Manager	51,548	7,360	(16,235)	42,673	60,833
Payable to the Trustee	5,627	1,991	(664)	6,954	5,531
Annual fee - Securities and Exchange Commission of Pakistan (SECP)	20,581	22,626	11,752	54,959	37,675
Accrued and other liabilities	17,168,139	167,167,708	112,607	184,448,454	676,986
	17,245,895	167,199,685	107,460	184,553,040	781,025
Net cash used in operating activities	(22,803)	4,486,391	12,256,946	16,720,534	(6,314,596)
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipt of contribution	40,346,933	33,355,127	6,409,271	80,111,331	26,716,987
Payment against withdrawal	(24,470,834)	(35,732,299)	(19,157,634)	(79,360,767)	(23,761,013)
Reallocation of units between sub funds	-	-	-	-	-
Net cash generated from financing activities	15,876,099	(2,377,172)	(12,748,363)	750,564	2,955,974
Net increase / (decrease) in cash and cash equivalent during the period	15,853,296	2,109,219	(491,417)	17,471,098	(3,358,622)
Cash and cash equivalents at beginning of the period	1,155,076	1,679,899	1,436,831	4,271,806	8,868,842
Cash and cash equivalents at end of the period	17,008,372	3,789,118	945,414	21,742,904	5,510,220

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

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

	Half year ended December 31, 2014			Total	Half year ended December 31, 2013
	Equity sub fund	Money market sub fund			
		Debt sub fund			
----- (Rupees) -----					
Net assets at the beginning of the period	211,960,877	244,772,239	138,592,558	595,325,674	410,884,505
Amount received on issue of units	52,172,846	49,795,213	12,227,429	114,195,488	50,610,053
Amount paid on redemption of units	(32,070,570)	(41,439,957)	(23,085,288)	(96,595,815)	(37,314,157)
	20,102,276	8,355,256	(10,857,859)	17,599,673	13,295,896
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net					
Amount representing (income) / loss and realised capital (gains) / losses - net	(2,045,242)	57,181	370,866	(1,617,195)	146,299
Amount representing unrealised appreciation / (diminution) in fair value of investments	11,316,107	3,577,958	(4,711,723)	10,182,342	16,077,321
	9,270,865	3,635,139	(4,340,857)	8,565,147	16,223,620
Net unrealised (loss) / gain during the period in the market value of investments classified as available-for-sale	(1,552,664)	6,483,481	-	4,930,817	(3,546,388)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - amount representing unrealised (appreciation) / diminution - net	(11,316,107)	(3,577,958)	4,711,723	(10,182,342)	(16,077,321)
Net income after taxation for the period	44,341,017	18,927,165	4,947,735	68,215,917	41,100,599
Net assets at the end of the period	272,806,264	278,595,322	133,053,300	684,454,886	461,880,911

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

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

	Quarter ended December 31, 2014			Total	Quarter ended December 31, 2013
	Equity sub fund	Debt sub fund	Money market sub fund		
	----- (Rupees) -----				
Net assets at the beginning of the period	222,135,441	263,122,327	143,123,725	628,381,493	430,327,952
Amount received on issue of units	40,346,933	33,355,127	6,409,271	80,111,331	26,716,987
Amount paid on redemption of units	(24,470,834)	(35,732,299)	(19,157,634)	(79,360,767)	(23,761,013)
	15,876,099	(2,377,172)	(12,748,363)	750,564	2,955,974
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net					
Amount representing (income) / loss and realised capital (gains) / losses - net	(1,659,979)	147,934	384,835	(1,127,210)	948,158
Amount representing unrealised appreciation / (diminution) in fair value of investments	13,664,315	8,138,651	(3,882,742)	17,920,224	7,173,906
	12,004,336	8,286,585	(3,497,907)	16,793,014	8,122,064
Net unrealised (loss) / gain during the period in the market value of investments classified as available-for-sale	(2,051,784)	5,368,725	-	3,316,941	576,804
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - amount representing unrealised (appreciation) / diminution - net	(13,664,315)	(8,138,651)	3,882,742	(17,920,224)	(7,173,906)
Net income after taxation for the period	38,506,487	12,333,508	2,293,103	53,133,098	27,072,023
Net assets at the end of the period	272,806,264	278,595,322	133,053,300	684,454,886	461,880,911

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF INVESTMENTS BY CATEGORY
AS AT DECEMBER 31, 2014**

	----- (Un-Audited) ----- December 31, 2014				
	Equity sub fund	Debt sub fund	Money market sub fund	Total	(Audited) June 30, 2014
	----- (Rupees) -----				
Investments 'designated at fair value through profit or loss'					
Listed equity securities	228,448,948	-	-	228,448,948	200,576,352
Pakistan Investment Bonds	-	69,269,348	-	69,269,348	92,734,009
Market Treasury Bills	-	9,486,915	133,165,119	142,652,034	131,362,721
	228,448,948	78,756,263	133,165,119	440,370,330	424,673,082
 'Available-for-sale' investments					
Listed equity securities	32,253,693	-	-	32,253,693	11,695,739
Pakistan Investment Bonds	-	182,643,537	-	182,643,537	119,508,782
Term Finance Certificates and Sukuk bonds	-	2,581,899	-	2,581,899	2,573,632
	32,253,693	185,225,436	-	217,479,129	133,778,153
	260,702,641	263,981,699	133,165,119	657,849,459	558,451,235

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

CONDENSED INTERIM STATEMENT OF INVESTMENTS PORTFOLIO

AS AT DECEMBER 31, 2014

EQUITY SUB FUND
LISTED SHARES - INVESTMENTS DESIGNATED 'AT FAIR VALUE THROUGH PROFIT OR LOSS'

Name of the Investee Company	Number of shares				As at December 31, 2014				Market value as a % of net assets of the sub-fund	% of the issued capital of the investee company
	As at July 01, 2014	Purchases during the period	Bonus / Right issue during the period	Sales during the period	As at December 31, 2014	Cost	Market value	Appreciation / (Diminution)		
						(Rupees)			%	%
Oil and gas										
Attock Petroleum Limited	15,195	2,500	-	2,500	15,195	8,874,805	8,198,918	(675,887)	3.01%	0.018%
Pakistan Oilfields Limited	32,794	-	-	32,600	194	111,414	73,596	(37,818)	0.03%	0.000%
Oil and Gas Development Company Limited	50,960	-	-	50,960	-	-	-	-	-	-
Pakistan State Oil Company Limited	45,440	14,000	-	59,440	-	-	-	-	-	-
* Pakistan Petroleum Limited	38,223	43,000	-	70,000	11,223	2,025,065	1,981,084	(43,981)	0.73%	0.001%
					26,612	11,011,284	10,253,598	(757,686)	3.77%	
Chemicals										
Engro Corporation Limited	-	82,000	-	9,000	73,000	15,373,793	16,170,230	796,437	5.93%	0.014%
Dynea Pakistan Limited	-	7,500	-	-	7,500	402,375	431,550	29,175	0.16%	0.079%
Fauji Fertilizer Company Limited	-	140,000	-	100,000	40,000	4,740,000	4,684,400	(55,600)	1.72%	0.003%
Engro Fertilizers Limited	-	145,500	-	-	145,500	7,922,882	11,363,550	3,440,668	4.17%	0.011%
Dawood Hercules Limited	-	170,000	-	60,000	110,000	8,952,383	9,296,100	343,717	3.41%	0.023%
					376,000	37,391,433	41,945,830	4,554,397	15.39%	
Forestry and paper										
Century Paper & Boards Mills Limited	-	120,500	-	-	120,500	6,549,709	6,532,305	(17,404)	2.39%	0.082%
					120,500	6,549,709	6,532,305	(17,404)	2.39%	
Construction and materials										
Cherat Cement Company Limited	32,450	40,000	-	71,450	1,000	65,600	68,680	3,080	0.03%	0.001%
Attock Cement Pakistan Limited	8,900	27,000	-	-	35,900	6,378,529	7,006,603	628,074	2.57%	0.031%
Pioneer Cement Limited	39,000	35,000	-	71,000	3,000	147,190	256,830	109,640	0.09%	0.001%
Fauji Cement Limited	-	343,000	-	-	343,000	7,344,350	8,863,120	1,518,770	3.25%	0.026%
Maple Leaf Cement Limited	264,000	209,000	-	216,000	257,000	8,442,527	11,372,250	2,929,723	4.17%	0.049%
Lucky Cement Limited	17,500	43,000	-	27,500	33,000	15,071,902	16,509,240	1,437,338	6.05%	0.010%
					672,900	37,450,098	44,076,723	6,626,625	16.16%	
General industrials										
Ghani Glass Limited	-	127,500	-	-	127,500	8,227,817	8,666,175	438,358	3.18%	0.103%
Thal Limited	11,900	-	-	11,900	-	-	-	-	-	-
Tri-Pak Films Limited	22,000	-	-	22,000	-	-	-	-	-	-
Packages Limited	14,500	5,000	-	19,500	-	-	-	-	-	-
					127,500	8,227,817	8,666,175	438,358	3.18%	
Industrial metals and mining										
Crecent Steel & Allied Products Limited	-	164,500	-	-	164,500	7,771,572	8,333,570	561,998	3.05%	0.265%
International Industries Limited	62,500	38,000	-	100,500	-	-	-	-	-	-
International Steels Limited	500	-	-	500	-	-	-	-	-	-
					164,500	7,771,572	8,333,570	561,998	3.05%	
Automobile and parts										
Indus Motor Company Limited	-	11,700	-	2,900	8,800	6,987,897	7,746,816	758,919	2.84%	0.011%
Pak Suzuki Motor Company Limited	33,300	24,000	-	33,300	24,000	9,008,285	8,906,880	(101,405)	3.26%	0.029%
Sazgar Engineering Works Limited	34,500	-	-	34,500	-	-	-	-	-	-
					32,800	15,996,182	16,653,696	657,514	6.10%	
Food producers										
Nestle Pakistan Limited	-	840	-	-	840	7,392,000	7,644,000	252,000	2.80%	0.002%
					840	7,392,000	7,644,000	252,000	2.80%	
Household goods										
Pak Elektron Limited	-	319,499	-	50,000	269,499	8,267,960	11,030,594	2,762,634	4.04%	0.068%
					269,499	8,267,960	11,030,594	2,762,634	4.04%	
Personal goods										
Bata Pakistan Limited	2,100	800	-	800	2,100	6,890,607	7,329,000	438,393	2.69%	0.028%
Sapphire Fibers Limited	-	1,200	-	-	1,200	432,027	540,000	107,973	0.20%	0.006%
					3,300	7,322,634	7,869,000	546,366	2.89%	
Pharma and bio tech										
IBL HealthCare Limited	-	49,500	-	-	49,500	7,609,815	7,351,740	(258,075)	2.69%	0.166%
Searle Pakistan Limited	-	16,000	-	-	16,000	3,887,365	3,869,440	(17,925)	1.42%	0.019%
					65,500	11,497,180	11,221,180	(276,000)	4.11%	
Engineering										
Millat Tractors Limited	4,400	10,500	-	14,900	-	-	-	-	-	-
					-	-	-	-	-	-
Industrial Transportation										
Pakistan National Shipping Corporation	40,000	25,000	-	65,000	-	-	-	-	-	-
					-	-	-	-	-	-
Beverages										
Shezan International Limited	-	4,000	-	-	4,000	4,761,502	4,828,760	67,258	1.77%	0.050%
					4,000	4,761,502	4,828,760	67,258	1.77%	


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF INVESTMENTS PORTFOLIO
AS AT DECEMBER 31, 2014**

Name of the Investee Company	Number of shares				As at December 31, 2014				Market value as a % of net assets of the sub-fund	% of the issued capital of the investee company
	As at July 01, 2014	Purchases during the period	Bonus / Right issue during the period	Sales during the period	As at December 31, 2014	Cost	Market value	Appreciation / (Diminution)		
					(Rupees)				%	%
Electricity										
* Hub Power Company Limited	183,495	210,000	-	46,500	346,995	22,751,872	27,190,528	4,438,656	9.97%	0.030%
Kot Addu Power Company Limited	240,000	100,000	-	240,000	100,000	7,525,000	7,894,000	369,000	2.89%	0.011%
					<u>446,995</u>	<u>30,276,872</u>	<u>35,084,528</u>	<u>4,807,656</u>	<u>12.86%</u>	
Banks										
United Bank Limited	61,900	-	-	14,000	47,900	8,074,024	8,464,409	390,385	3.10%	0.004%
Askari Bank Limited	-	-	-	-	-	-	-	-	-	-
Bank Alfalah Limited	351,000	-	-	351,000	-	-	-	-	-	-
Bank Al Habib Limited	160,746	-	-	160,746	-	-	-	-	-	-
Faysal Bank Limited	231,000	-	-	231,000	-	-	-	-	-	-
Habib Bank Limited	29,100	-	-	29,100	-	-	-	-	-	-
Habib Metropolitan Bank Limited	145,000	-	-	145,000	-	-	-	-	-	-
National Bank of Pakistan Limited	25	-	-	25	-	-	-	-	-	-
					<u>47,900</u>	<u>8,074,024</u>	<u>8,464,409</u>	<u>390,385</u>	<u>3.10%</u>	
Non life insurance										
IGI Insurance Limited	33,900	-	-	12,300	21,600	4,918,804	5,844,580	925,776	2.14%	0.018%
					<u>21,600</u>	<u>4,918,804</u>	<u>5,844,580</u>	<u>925,776</u>	<u>2.14%</u>	
Total					<u>2,380,446</u>	<u>206,909,071</u>	<u>228,448,948</u>	<u>21,539,877</u>		

----- Total -----
(Un-Audited) (Audited)
December 31,
2014 June 30, 2014
----- (Rupees) -----

Market value

228,448,948 200,576,352

* The above portfolio includes shares with an aggregating market value of Rs.10.484 million (June 30, 2014: Rs.Nil) which have been pledged with the National Clearing Company of Pakistan Limited as security against settlement of the Fund's trading in accordance with the terms of Circular no. 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF INVESTMENTS PORTFOLIO
AS AT DECEMBER 31, 2014**

EQUITY SUB FUND

LISTED SHARES 'AVAILABLE-FOR-SALE' INVESTMENTS

Name of the Investee Company	Number of shares					As at December 31, 2014			Market value as a % of net assets of the sub-fund	% of the issued capital of the investee company
	As at July 01, 2013	Purchases during the period	Bonus / Right issue during the period	Sales during the period	As at December 31, 2014	Cost	Market value	Appreciation / (Diminution)		
						(Rupees)			%	%
Oil and gas										
Mari Petroleum Company Limited	-	7,500	-	-	7,500	3,380,488	3,565,875	185,387	1.31%	0.003%
Pakistan Petroleum Limited	35,000	15,000	-	14,000	36,000	7,408,033	6,354,720	(1,053,313)	2.33%	0.002%
						10,788,521	9,920,595	(867,926)	3.64%	
Forestry and paper										
Security Papers Limited	54,912	-	10,982	54,912	10,982	290,128	850,007	559,879	0.31%	0.022%
						290,128	850,007	559,879	0.31%	
Chemicals										
Engro Corporation Limited	-	25,000	-	-	25,000	5,532,650	5,537,750	5,100	2.03%	0.005%
Engro Fertilizer Limited	-	75,000	-	-	75,000	5,319,420	5,857,500	538,080	2.15%	0.006%
Linde Pakistan Limited	-	33,000	-	-	33,000	6,709,157	6,846,840	137,683	2.51%	0.132%
						17,561,227	18,242,090	680,863	6.69%	
General Industries										
Cherat Packaging Limited	-	20,000	-	-	20,000	3,125,695	3,241,001	115,306	1.19%	0.002%
						3,125,695	3,241,001	115,306	1.19%	
Total						31,765,571	32,253,693	488,122	11.83%	

----- Total -----
(Un-Audited) (Audited)
December 31,
2014 June 30, 2014
----- (Rupees) -----

Market value

32,253,693 11,695,739

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF OTHER INVESTMENTS
AS AT DECEMBER 31, 2014**

**DEBT SUB-FUND
INVESTMENTS 'DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS'**

Name of Investment	Face value				As at December 31, 2014			Market value as a % of net asset of the sub fund
	As at July 01, 2014	Purchases during the period	Sales / maturities during the period	As at December 31, 2014	Carrying value	Market value	Appreciation	
----- (Rupees) -----								
Pakistan investment bonds	102,000,000	62,855,000	100,000,000	64,855,000	65,303,291	69,269,348	3,966,057	24.86%
Treasury bills	-	10,225,000	-	10,225,000	9,481,282	9,486,915	5,633	3.41%
	102,000,000	73,080,000	100,000,000	75,080,000	74,784,573	78,756,263	3,971,690	

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF OTHER INVESTMENTS
AS AT DECEMBER 31, 2014**

**DEBT SUB-FUND
'AVAILABLE-FOR-SALE' INVESTMENTS**

Name of Investment	Face value				As at December 31, 2014			Market value as a % of net asset of the sub fund
	As at July 01, 2014	Purchases during the period	Sales / maturities during the period	As at December 31, 2014	Cost	Market value	Appreciation	
Pakistan investment bonds	123,550,000	52,000,000	-	175,550,000	175,826,850	182,643,537	6,816,687	65.56%
	123,550,000	52,000,000	-	175,550,000	175,826,850	182,643,537	6,816,687	

Name of Investment	Issue Date	Number of Certificates				As at December 31, 2014			Market value as a percentage of net asset of the sub - fund	Market value as a percentage of total investments	Percentage in relation to the total size of the issue
		As at July 01, 2014	Purchases during the period	Sales / matured during the period	As at December 31, 2014	Cost	Market value	Appreciation			
Term Finance Certificates (TFCs)											
Bank Alfalah TFCs-IV (Floating)	2-Dec-09	500	-	-	500	2,496,249	2,581,899	85,650	0.93%	0.58%	0.05%
Pak Elektron Ltd Sukuk(28-09-2007)	29-Sep-07	750	-	-	750	1,378,937	-	(1,378,937)	-	-	0.02%
Total		1,250	-	-	1,250	3,875,186	2,581,899	(1,293,287)	-	-	

----- Total -----
(Un-Audited) (Audited)
December 31,
2014 June 30, 2014
----- (Rupees) -----

Market value of government securities and TFCs

185,225,436 15,503,630
185,225,436 15,503,630

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF OTHER INVESTMENTS
AS AT DECEMBER 31, 2014**

DEBT SUB-FUND

INVESTMENTS 'DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS'

	Face value			As at December 31, 2014			Market value as a % of net asset of the sub fund	
	As at July 01, 2014	Purchases during the period	Sales / maturities during the period	As at December 31, 2014	Carrying value	Market value		Appreciation
----- (Rupees) -----								
Pakistan investment bonds (10 Years)	-	50,130,000	-	50,130,000	50,864,388	54,065,051	3,200,663	19.41%
Pakistan investment bonds (5 Years)	-	360,000	-	360,000	365,175	379,517	14,342	0.14%
Pakistan investment bonds (3 Years)	102,000,000	12,365,000	100,000,000	14,365,000	14,073,728	14,824,780	751,052	5.32%
Total	102,000,000	62,855,000	100,000,000	64,855,000	65,303,291	69,269,348	3,966,057	

Available-for-sale

	Face value			As at December 31, 2014			Market value as a % of net asset of the sub fund	
	As at July 01, 2014	Purchases during the period	Sales / maturities during the period	As at December 31, 2014	Carrying value	Market value		Appreciation
----- (Rupees) -----								
Pakistan investment bonds (3 Years)	118,550,000	2,000,000	-	120,550,000	118,898,826	123,645,237	4,746,411	44.38%
Pakistan investment bonds (7 Years)	5,000,000	-	-	5,000,000	4,930,724	5,073,450	142,726	1.82%
Pakistan investment bonds (10 Years)	-	50,000,000	-	50,000,000	51,997,300	53,924,850	1,927,550	19.36%
Total	123,550,000	52,000,000	-	175,550,000	175,826,850	182,643,537	6,816,687	

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF OTHER INVESTMENTS
AS AT DECEMBER 31, 2014**

DEBT SUB-FUND

INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

Months	Face value			As at December 31, 2014			Market value as a % of net asset of the sub fund	
	As at July 01, 2014	Purchases during the period	Sales / maturities during the period	As at December 31, 2014	Carrying value	Market value		Appreciation
----- (Rupees) -----								
Treasury Bills (12 Months)	-	9,000,000	-	9,000,000	8,258,568	8,264,198	5,630	2.97%
Treasury Bills (6 Months)	-	225,000	-	225,000	224,581	224,581	-	0.08%
Treasury Bills (3 Months)	-	1,000,000	-	1,000,000	998,133	998,136	3	0.36%
Total	-	10,225,000	-	10,225,000	9,481,282	9,486,915	5,633	

Money Market Fund

Months	Face value			As at December 31, 2014			Market value as a % of net asset of the sub fund	
	As at July 01, 2014	Purchases during the period	Sales / maturities during the period	As at December 31, 2014	Carrying value	Market value		Appreciation
----- (Rupees) -----								
Treasury Bills (6 Months)	-	72,000,000	7,000,000	65,000,000	62,586,350	62,618,261	31,911	22.48%
Treasury Bills (3 Months)	-	71,000,000	-	71,000,000	70,552,903	70,546,858	(6,045)	25.32%
Total	-	143,000,000	7,000,000	136,000,000	133,139,253	133,165,119	25,866	

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF OTHER INVESTMENTS
AS AT DECEMBER 31, 2014**

**MONEY MARKET SUB-FUND
INVESTMENTS 'DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS'**

Name of investment	Face value				As at December 31, 2014			Market value as a % of net asset of the sub fund
	As at July 01, 2014	Purchases during the period	Sales / maturities during the period	As at December 31, 2014	Book value	Market value	Appreciation	

----- (Rupees) -----

'Designated at fair value through profit or loss'

Treasury bills	-	143,000,000	7,000,000	136,000,000	133,139,253	133,165,119	25,866	100.08%
	-	143,000,000	7,000,000	136,000,000	133,139,253	133,165,119	25,866	

----- Total -----
(Un-Audited) (Audited)
December 31,
2014 June 30, 2014
----- (Rupees) -----

Market value

133,165,119 131,362,721

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)



Director

**CONDENSED INTERIM CONTRIBUTION TABLE (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2014**

Contributions net of front end fee	Half year ended December 31, 2014							Half year ended December 31, 2013
	Equity sub fund		Debt sub fund		Money market sub fund		Total	
	Units	Rupees	Units	Rupees	Units	Rupees		
Opening balance	777,875	89,205,416	1,394,240	191,546,632	769,542	100,627,751	381,379,799	281,267,845
Individuals - issue of units	175,497	52,172,846	271,905	49,795,213	66,673	12,227,429	114,195,488	50,610,053
- redemption of units	(108,088)	(32,070,570)	(223,559)	(41,439,957)	(124,857)	(23,085,288)	(96,595,815)	(37,314,157)
	67,409	20,102,276	48,346	8,355,256	(58,184)	(10,857,859)	17,599,673	13,295,896
Closing balance	845,284	109,307,692	1,442,586	199,901,888	711,358	89,769,892	398,979,472	294,563,741

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM CONTRIBUTION TABLE (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2014**

Contributions net of front end fee	Quarter ended December 31, 2014							Quarter ended December 31, 2013
	Equity sub fund		Debt sub fund		Money market sub fund		Total	
	Units	Rupees	Units	Rupees	Units	Rupees		
Opening balance	792,802	93,431,593	1,455,049	202,279,057	780,019	102,518,254	398,228,904	291,607,765
Individuals - issue of units	131,981	40,346,933	179,024	33,355,130	34,576	6,409,272	80,111,335	26,716,988
- redemption of units	(79,499)	(24,470,834)	(191,487)	(35,732,299)	(103,237)	(19,157,634)	(79,360,767)	(23,761,012)
	52,482	15,876,099	(12,463)	(2,377,169)	(68,661)	(12,748,362)	750,568	2,955,976
Closing balance	845,284	109,307,692	1,442,586	199,901,888	711,358	89,769,892	398,979,472	294,563,741

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF NUMBER OF UNITS IN ISSUE (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2014**

	Half year ended December 31, 2014			Half year ended December 31, 2013
	Equity sub fund	Debt sub fund	Money market sub fund	
	----- No. of units -----			
Total units outstanding at the beginning of the period	777,875	1,394,240	769,542	2,414,166
Add: Units issued during the period	175,497	271,905	66,673	293,142
Less: Units redeemed during the period	(108,088)	(223,559)	(124,857)	(206,236)
Total units in issue at the end of the period	<u>845,284</u>	<u>1,442,586</u>	<u>711,358</u>	<u>2,501,072</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**CONDENSED INTERIM STATEMENT OF NUMBER OF UNITS IN ISSUE (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2014**

	Quarter ended December 31, 2014			Quarter ended
	Equity sub fund	Debt sub fund	Money market sub fund	December 31, 2013
	----- No. of units -----			
Total units outstanding at the beginning of the period	792,802	1,455,049	780,019	2,475,847
Add: Units issued during the period	131,981	179,024	34,576	154,505
Less: Units redeemed during the period	(79,499)	(191,487)	(103,237)	(129,280)
Total units in issue at the end of the period	<u>845,284</u>	<u>1,442,586</u>	<u>711,358</u>	<u>2,501,072</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Chief Executive Officer

MCB-Arif Habib Savings and Investments Limited
(Management Company)


Director

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED
DECEMBER 31, 2014**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** The Pakistan Pension Fund (the Fund) was established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited as Pension Fund Manager and Muslim Commercial Financial Services (Private) Limited (MCFSL) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 24, 2007 and was executed on June 04, 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). Habib Metropolitan Bank Limited (HMBL) was appointed as the new Trustee in place of MCFSL through a revised Trust Deed dated June 16, 2011 which was approved by SECP on July 07, 2011. Central Depository Company of Pakistan Limited was appointed as the new Trustee in place of HMBL through a revised Trust Deed dated July 21, 2014 which was approved by SECP on July 23, 2014. PPF is an open-ended pension fund consisting of three sub-funds namely PPF Equity Sub-Fund, PPF Debt Sub-Fund and PPF Money Market Sub-Fund. Units are offered for public subscription on a continuous basis. The number of units of any sub-fund purchased out of contributions depends on the Allocation Scheme selected by the respective Participant out of the allocation schemes offered by the Pension Fund Manager.
- 1.2** MCB-Arif Habib Saving and Investments Limited has been licensed to act as a Pension Fund Manager under VPS Rules through a certificate of registration issued by the SECP. The registered office of the Pension fund Manager is situated at Techno City Corporate Tower, Hasrat Mohani Road, Karachi, Pakistan.
- 1.3** This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.
- 1.4** Title to the assets of the Fund is held in the name of Central Depository Company as Trustee of the Fund.

2. STATEMENT OF COMPLIANCE

- 2.1** This condensed interim financial information has been prepared in accordance with the approved accounting standards with the requirements of International Accounting Standard 34: 'Interim Financial Reporting', the Trust Deed, the VPS Rules and the directives issued by SECP. Wherever, the requirements of the Trust Deed, the VPS Rules or the said directives differ with the requirements of IFRS, the requirements of the Trust Deed, the VPS Rules or the said directives take precedence.
- 2.2** This condensed interim financial information comprises of the condensed interim balance sheet as at December 31, 2014 and the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of movement in participants' sub funds, condensed interim statement of investments by category, condensed interim statement of investment portfolio, condensed interim contribution table, condensed interim statement of number of units in issue and notes forming part thereof. The disclosures made in this condensed interim financial report have, however, been limited based on the requirements of the IAS 34: 'Interim Financial Reporting' and guidelines issued by the SECP for the preparation of the quarterly reports of a pension fund. It does not include all the information and disclosures made in the annual published financial statements and should be read in conjunction with the financial statements for the year ended June 30, 2014. Comparative information of the condensed interim income statement, condensed interim cash flow statement, condensed interim statement of movement in participants' sub funds and condensed interim contribution table for the half year ended December 31, 2014 and the quarter ended December 31, 2014 are un-audited and has been included to facilitate comparison.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2014

2.3 This condensed interim and quarterly financial information is un-audited. However, limited scope review has been performed by the statutory auditors.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2014, except for as described below:

New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current period:

IAS 19 – Employee Benefits - Employee Contributions (Amendment)

IAS 32 – Financial Instruments : Presentation – (Amendment)
– Offsetting Financial Assets and Financial Liabilities

IAS 36 – Impairment of Assets – (Amendment)
– Recoverable Amount Disclosures for Non-Financial Assets

IAS 39 – Financial Instruments: Recognition and Measurement – (Amendment)
– Novation of Derivatives and Continuation of Hedge Accounting

IFRIC 21 – Levies

The adoption of the above standards, amendments / improvements and interpretations did not have any effect on the financial statements.

In addition to the above standards and interpretations, improvements to various accounting standards have also been issued by the IASB and are generally effective for current period. Such improvements to the standards did not have any impact on the Fund's financial statements for the period.

4. FINANCIAL RISK MANAGEMENT

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

----- (Un-audited) -----				
As at December 31, 2014				
Equity sub fund	Debt sub fund	Money market sub fund	Total	As at December 31, 2014
----- (Rupees) -----				

5. BALANCES WITH BANKS

Saving accounts	17,008,372	3,789,118	945,414	21,742,904	34,637,488
	17,008,372	3,789,118	945,414	21,742,904	34,637,488

Saving accounts with banks carry interest at the rates ranging from 6.5% to 7.25% (June 30, 2014: 7.00% to 7.25%) per annum.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED
DECEMBER 31, 2014**

	----- (Un-audited) ----- As at December 31, 2014				(Audited) As at June 30, 2014
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	----- (Rupees) -----				
6. DEPOSITS AND OTHER RECEIVABLES - Considered good					
Security deposit					
- Central Depository Company of Pakistan	300,000	300,000	100,000	700,000	500,000
- National Clearing Company of Pakistan Limited	2,500,000	-	-	2,500,000	2,500,000
Receivable from Sub funds	-	-	-	-	7,382,036
Advance against Pre-IPO investment (note 6.1)	7,560,000	-	-	7,560,000	
Others	14,950	10,000	10,000	34,950	6,097
	<u>10,374,950</u>	<u>310,000</u>	<u>110,000</u>	<u>10,794,950</u>	<u>10,388,133</u>

6.1 This includes a Pre-IPO investment in Listed equity security of Systems Limited.

	----- (Un-audited) ----- As at December 31, 2014				(Audited) As at June 30, 2014
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	----- (Rupees) -----				
7. PAYABLE TO PENSION FUND MANAGER					
Remuneration payable to Pension Fund Manager	331,757	348,141	172,790	852,688	703,716
Sindh sales tax payable on remuneration of Pension Fund Manager	49,763	52,221	25,919	127,903	112,594
	<u>381,520</u>	<u>400,362</u>	<u>198,709</u>	<u>980,591</u>	<u>816,310</u>

	----- (Un-audited) ----- As at December 31, 2014				(Audited) As at June 30, 2014
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	----- (Rupees) -----				
8. ACCRUED EXPENSES AND OTHER LIABILITIES					
Provision for federal excise duty on remuneration of Pension Fund Manager (note 8.1)	779,260	927,463	553,362	2,260,085	1,378,056
Payable to auditors	72,130	82,329	44,035	198,494	260,000
Workers' Welfare Fund (note 9.1)	2,671,155	814,612	325,918	3,811,685	2,419,911
Payable against redemption of units	-	-	22,098	22,098	22,098
Brokerage payable	569,523	51,626	324	621,473	126,288
Others	18,345	19,246	873	38,464	31,591
	<u>4,110,413</u>	<u>1,895,276</u>	<u>946,610</u>	<u>6,952,299</u>	<u>4,237,944</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED
DECEMBER 31, 2014**

- 8.1 The Finance Act, 2013 introduced an amendment to Federal Excise Act, 2005 whereby Federal Excise Duty (FED) has been imposed at the rate of 16% of the services rendered by asset management companies. In this regard, a Constitutional Petition has been filed by certain collective investment schemes (CISs) and Pension Funds through their trustees in the Honourable High Court of Sindh (SHC), challenging the levy of Federal Excise Duty on Asset Management Company services after the eighteenth amendment. The SHC in its short order of September 2013 directed the FBR not to take any coercive action against the petitioners pursuant to impugned notices till next date of hearing. In view of uncertainty regarding the applicability of FED on asset management services, the management, as a matter of abundant caution, has decided to retain and continue with the provision of FED and related taxes in these financial statements aggregating to Rs.2.260 million as at December 31, 2014. In case the suit is decided against the Fund, the same would be paid to the Pension Fund Manager, who will be responsible for submitting it to the authorities. Had the said provision of FED and related taxes not been recorded in the books of account of the Fund, the Net Asset Value (NAV) per unit of the Fund would have been higher by Re.0.92 in respect of equity sub fund, Re.0.64 in respect of debt sub fund and Re.0.78 in respect of money market sub fund as at December 31, 2014.

9. CONTINGENCY

9.1 Contribution to Workers' Welfare Fund

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance), whereby the definition of 'Industrial Establishment' has been made applicable to any establishment to which West Pakistan Shops and Establishment Ordinance, 1969 applies. As a result of this amendment, all Collective Investment Schemes (CISs) mutual 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 Collective Investment Schemes (CISs) through their trustees in the Honourable Sindh High Court (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In 2011, a single judge of the Lahore High Court (LHC) issued a judgment in response to a petition in similar case whereby the amendments introduced in WWF Ordinance through Finance Acts, 2006 and 2008 have been declared unconstitutional and therefore struck down.

However, in 2013, a Larger Bench of the 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.

Further, in May 2014, the Honourable Peshawar High Court (PHC) held that the impugned levy of contribution introduced in the Ordinance through Finance Acts, 1996 and 2009 lacks the essential mandate to be introduced and passed through a Money Bill under the constitution and, hence, the amendments made through the Finance Acts are declared as 'Ultra Vires'.

However, as per the legal counsel the stay granted to Collective Investment Schemes (CIS) remains intact and the constitution petitions filed by the CIS to challenge the Workers' Welfare Fund contribution have not been affected by SHC judgment.

The Pension Fund Manager as a matter of abundant caution has started making provision effective from May 10, 2013 in view of the afore mentioned developments and uncertainties created by the recent decision of the Honourable Sindh High Court. The unrecognised liability for the period from July 01, 2008 to May 09, 2013 amounts to Rs.1.168 million, Rs.0.801 million and Rs.0.592 million for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund (aggregating to Rs.2.561 million) respectively. Had the said provision of WWF not been recorded in the books of account of the Fund, the NAV of the Fund would have been higher by Rs.3.16 per unit (0.98%) (June 30, 2014: Rs.1.50 per unit (0.83%)), Rs.0.56 per unit (0.29%) (June 30, 2014: Rs.0.57 per unit (0.18%)) and Rs.0.46 per unit (0.24%) (June 30, 2014: Rs.0.77 per unit (0.16%)) for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively. Moreover, provision against WWF as at December 31, 2014 amounts to Rs.2.671 million (June 30, 2014: Rs.1.766 million), Rs.0.815 million (June 30, 2014: Rs.0.429 million) and Rs.0.326 million (June 30, 2014: Rs.0.225 million) for Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED
DECEMBER 31, 2014**

**10. NET UNREALISED (DIMINUTION) / APPRECIATION IN MARKET VALUE OF
INVESTMENTS CLASSIFIED AS 'AVAILABLE-FOR-SALE'**

	----- (Un-audited) -----				
	As at December 31, 2014				
	Equity sub fund	Debt sub fund	Money market sub fund	Total	As at December 31, 2013
	----- (Rupees) -----				
Market value	32,253,693	185,225,436	-	217,479,129	25,761,755
Average cost	(31,765,571)	(178,323,099)	-	(210,088,670)	(22,314,284)
	<u>488,122</u>	<u>6,902,337</u>	<u>-</u>	<u>7,390,459</u>	<u>3,447,471</u>
Impairment loss					
Opening	-	-	-	-	-
Charged during the period	-	-	-	-	-
Derecognised on sale of investments	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>488,122</u>	<u>6,902,337</u>	<u>-</u>	<u>7,390,459</u>	<u>3,447,471</u>
Provision against debt securities					
Opening	-	1,378,937	-	1,378,937	1,510,607
Charged during the period	-	-	-	-	-
Derecognised on sale of investments	-	-	-	-	-
	<u>-</u>	<u>1,378,937</u>	<u>-</u>	<u>1,378,937</u>	<u>1,510,607</u>
Net unrealised (appreciation) / diminution in fair value of investments at the beginning of the period	<u>(2,040,786)</u>	<u>(1,797,793)</u>	<u>-</u>	<u>(3,838,579)</u>	<u>(8,504,466)</u>
Appreciation / (diminution) during the period	<u>(1,552,664)</u>	<u>6,483,481</u>	<u>-</u>	<u>4,930,817</u>	<u>(3,546,388)</u>

11. REMUNERATION OF PENSION FUND MANAGER

This represents remuneration of the Pension Fund Manager at the rate of 1.5 percent of the average amount of net assets of each sub fund calculated during the year for determining the prices of units of the sub funds.

12. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to 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 by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance 2001. Since the management intends to distribute the income earned by the Fund during the year to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these financial statements.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED
DECEMBER 31, 2014**

13. EARNINGS PER UNIT

Earnings Per Unit (EPU) for the half year and quarter ended December 31, 2014 in respect of each sub-fund has been calculated by dividing the net income after taxation of a sub fund by the weighted average number of units of the sub fund in circulation during the period, which are given below:

	Half year ended December 31, 2014		
	----- (Un-Audited) -----		
	Equity sub fund	Debt sub fund	Money market sub fund
Weighted average number of units	799,562	1,445,713	766,799
Net income after taxation (Rupees)	44,341,017	18,927,165	4,947,735
Earnings per unit (Rupees)	55.46	13.09	6.45
Earnings per unit (Half year ended December 31, 2013) (Rupees)	47.59	3.72	5.87
	Quarter ended December 31, 2014		
	----- (Un-Audited) -----		
	Equity sub fund	Debt sub fund	Money market sub fund
Weighted average number of units	815,839	1,451,739	755,355
Net income after taxation (Rupees)	38,506,487	12,352,820	2,293,104
Earnings per unit (Rupees)	47.20	8.51	3.04
Earnings per unit (Quarter ended December 31, 2013) (Rupees)	31.61	2.85	3.00

14. TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include the Pension Fund Manager and MCB Bank Limited being the Holding Company of the Pension Fund Manager, Central Depository Company of Pakistan limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager as Management Company and directors and key management personnel of the Pension Fund Manager.

Remuneration to the Pension Fund Manager and Trustee are determined in accordance with the provisions of VPS Rules, 2005 and the Trust Deed of the Fund. All other transactions with connected persons are in the normal course of business and are carried out on agreed terms.

Details of transactions with connected persons during the period and balances with them at period end are as follows:

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED
DECEMBER 31, 2014**

14.1 Transactions during the period

	----- (Un-Audited) -----				Half year ended December 31, 2013
	Half year ended December 31, 2014				
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	----- (Rupees) -----				
MCB-ARIF HABIB SAVINGS & INVESTMENTS LIMITED - Pension Fund Manager					
Remuneration including indirect taxes	2,324,952	2,650,776	1,418,996	6,394,724	4,485,369
Redemption of Nil units of PPF Equity sub fund (2013: 33,142 units)	-	-	-	-	7,500,000
Habib Metropolitan Bank Limited - Trustee					
Remuneration	73,676	87,501	48,394	209,571	386,269
Mark-up earned	135,772	80,584	41,932	258,288	415,124
Bank charges	321	1,614	1,932	3,867	9,086
Central Depository Company of Pakistan Limited - Trustee					
Remuneration	102,697	113,693	59,353	275,743	-
Security Deposit	100,000	100,000	-	200,000	-
Directors and officers					
Issue of 15,156 units of PPF Equity sub fund (2013: 3,435 units)	4,025,835	-	-	4,025,835	702,663
Issue of 6,127 units of PPF Debt sub fund (2013: 10,999 units)	-	1,100,850	-	1,100,850	1,807,621
Issue of 584 units of PPF Money Market sub fund (2013: 14,214 units)	-	-	107,082	107,082	2,429,994
Redemption of 12,916 units of PPF Equity sub fund (2013: 12,422 units)	3,394,140	-	-	3,394,140	2,483,285
Redemption of 16,558 units of PPF Debt sub fund (2013: 4,484 units)	-	2,983,154	-	2,983,154	734,974
Redemption of 17,047 units of PPF Money Market sub fund (2013: 578 units)	-	-	3,122,797	3,122,797	97,317

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED
DECEMBER 31, 2014**

	----- (Un-Audited) -----				Quarter ended December 31, 2013
	Quarter ended December 31, 2014				
	Equity sub fund	Debt sub fund	Money market sub fund	Total	
	----- (Rupees) -----				
MCB-ARIF HABIB SAVINGS & INVESTMENTS LIMITED - Pension Fund Manager					
Remuneration including indirect taxes	1,235,694	1,358,469	705,599	3,299,762	2,281,253
Redemption of Nil units of PPF Equity sub fund (2013: 33,142 Units)	-	-	-	-	7,500,000
Central Depository Company of Pakistan Limited - Trustee					
Remuneration	92,631	101,835	52,894	247,360	-
Directors and officers					
Issue of 1,249 units of PPF Equity sub fund (2013: 1,488 units)	377,999	-	-	377,999	314,334
Issue of 722 units of PPF Debt sub fund (2013: 2,484 units)	-	135,085	-	135,085	412,508
Issue of 214 units of PPF Money Market sub fund (2013: 2,848 units)	-	-	39,694	39,694	491,919
Redemption of Nil units of PPF Equity sub fund (2013: 248 units)	-	-	-	-	48,587
Redemption of 4,448 units of PPF debt sub fund (2013: 72 units)	-	833,177	-	833,177	11,930
Redemption of 6,506 units of PPF Money Market sub fund (2013: NIL units)	-	-	1,210,048	1,210,048	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED
DECEMBER 31, 2014**

14.2 Amounts outstanding as at period / year end

	----- (Un-Audited) -----			Audited June 30, 2014	
	As at December 31, 2014				
	Equity sub fund	Debt sub fund	Money market sub fund (Rupees)	Total	
MCB-ARIF HABIB SAVINGS & INVESTMENTS LIMITED - Pension Fund Manager					
Remuneration payable	331,757	348,141	172,790	852,688	703,716
Sindh sales tax payable	49,763	52,221	25,919	127,903	112,594
Investment of 252,196 units as seed capital in each sub fund (June 2014: 252,196)	81,393,737	-	-	81,393,737	68,720,186
Investment of 300,000 units as seed capital in each sub fund (June 2014: 300,000)	-	57,936,000	56,112,000	114,048,000	106,697,146
Central Depository Company of Pakistan Limited - Trustee					
Remuneration payable	33,175	34,812	17,277	85,264	-
Security Deposit	300,000	300,000	100,000	700,000	500,000
Directors and Officers					
Investment In PPF Equity Sub Fund 33,927 units (June 2014: 31,574 units)	10,949,674	-	-	10,949,674	8,603,511
Investment In PPF Debt Sub Fund 21,711 units (June 2014: 32,029 units)	-	4,192,810	-	4,192,810	5,622,999
Investment In PPF Money Market Sub Fund 6,134 units (June, 2014: 22,631 units)	-	-	1,147,264	1,147,264	4,075,787

15. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 02 February, 2015 by the Board of Directors of the Pension Fund Manager.

16. GENERAL

16.1 Figures for the quarter ended December 31, 2014 and the corresponding figures for the quarter ended December 31, 2013 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.

16.2 Figures have been rounded off to the nearest Rupee.

Please find us on



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