

**HBL ISLAMIC PENSION FUND
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2016**

	March 31, 2016 (Un-Audited)				June 30, 2015 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note	(Rupees in '000)				(Rupees in '000)				
ASSETS									
Bank balances	4	11,350	15,694	41,175	68,219	13,986	10,223	3,665	27,874
Investments - net	5	139,457	66,765	19,707	225,929	139,854	65,201	54,895	259,950
Dividend receivable and accrued mark-up	6	2,154	3,102	2,547	7,803	292	169	377	838
Advances, deposits, prepayments and other receivables	7	100	100	-	200	100	100	-	200
Total assets		153,061	85,661	63,429	302,151	154,232	75,693	58,937	288,862
LIABILITIES									
Payable to HBL Asset Management Limited - Pension Fund Manager	8	221	127	91	439	211	106	87	404
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	22	13	6	41	17	9	7	33
Payable to the Securities and Exchange Commission of Pakistan		38	20	15	73	43	23	20	86
Accrued expenses and other liabilities	10	2,580	849	711	4,140	2,225	632	532	3,389
Total liabilities		2,861	1,009	823	4,693	2,496	770	646	3,912
NET ASSETS		150,200	84,652	62,606	297,458	151,736	74,923	58,291	284,950
PARTICIPANTS' SUB-FUNDS (as per statement attached)		150,200	84,652	62,606	297,458	151,736	74,923	58,291	284,950
Contingencies and commitments									
Number of units in issue	12	460,708	653,594	489,696	1,603,998	462,955	589,580	463,203	1,515,738
		----- Rupees -----				----- Rupees -----			
Net asset value per unit		326.0210	129.5185	127.8471		327.7553	127.0785	125.8416	

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

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Executive

Director

**HBL ISLAMIC PENSION FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED March 31, 2016**

	For the nine months ended March 31, 2016 (Un-audited)				For the nine months ended March 31, 2015 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Income								
Dividend income	4,532	-	-	4,532	2,726	-	-	2,726
Profit on bank deposits	393	676	619	1,688	385	450	655	1,490
Mark-up / return on investments	-	2,706	1,665	4,371	-	4,178	3,168	7,346
Capital gain on sale of investments	18,584	(770)	(378)	17,436	22,719	-	-	22,719
	23,509	2,612	1,906	28,027	25,830	4,628	3,823	34,281
Expenses								
Remuneration of HBL Asset Management Limited - Pension Fund Manager	2,242	1,216	892	4,350	1,876	1,008	839	3,723
Remuneration of Central Depository Company of Pakistan Limited - Trustee	190	103	75	368	141	76	63	280
Annual fee to the Securities and Exchange Commission of Pakistan	38	20	15	73	31	17	14	62
Auditors' remuneration	75	75	75	225	90	90	90	270
Amortisation of preliminary expenses and floatation costs	-	-	-	-	5	5	5	15
Settlement and bank charges	30	6	6	42	11	7	3	21
Other expenses	8	4	-	12	25	-	-	25
	2,583	1,424	1,063	5,070	2,179	1,203	1,014	4,396
Net income from operating activities	20,926	1,188	843	22,957	23,651	3,425	2,809	29,885
Provision for Workers' Welfare Fund	-	-	-	-	(478)	(71)	(59)	(608)
Net income for the period before taxation	20,926	1,188	843	22,957	23,173	3,354	2,750	29,277
Taxation	-	-	-	-	-	-	-	-
Net income for the period after taxation	20,926	1,188	843	22,957	23,173	3,354	2,750	29,277

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

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Executive

Director

**HBL ISLAMIC PENSION FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2016**

	For the three months ended March 31, 2016 (Un-audited)				For the three months ended March 31, 2015 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Income								
Dividend income	1,688	-	-	1,688	815	-	-	815
Profit on bank deposits	90	285	404	779	87	138	198	423
Mark-up / return on investments	-	814	297	1,111	-	1,456	1,104	2,560
Capital gain on sale of investments	(2,644)	(770)	(378)	(3,792)	16,476	-	-	16,476
	(866)	329	323	(214)	17,378	1,594	1,302	20,274
Expenses								
Remuneration of HBL Asset Management Limited - Pension Fund Manager	741	421	301	1,463	683	344	280	1,307
Remuneration of Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	52	26	21	99
Annual fee to the Securities and Exchange Commission of Pakistan	63	36	25	124	11	6	5	22
Auditors' remuneration	13	7	5	25	25	24	24	73
Amortisation of preliminary expenses and floatation costs	23	25	25	73	-	-	-	-
Settlement and bank charges	-	-	-	-	-	-	1	1
Other expenses	-	-	1	1	3	-	-	3
	840	489	357	1,686	774	400	331	1,505
Net income from operating activities	(1,706)	(160)	(34)	(1,900)	16,604	1,194	971	18,769
Provision for Workers' Welfare Fund	14	-	-	-	(334)	(25)	(21)	(380)
	(1,706)	(160)	(34)	(1,900)	16,270	1,169	950	18,389
Net income for the period before taxation								
Taxation	15	-	-	-	-	-	-	-
Net income for the period after taxation	(1,706)	(160)	(34)	(1,900)	16,270	1,169	950	18,389

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

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Executive

Director

**HBL ISLAMIC PENSION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016**

	For the nine months ended March 31, 2016 (Un-audited)				For the nine months ended March 31, 2015 (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 in '000) -----				----- (Rupees in '000) -----			
Net income for the period after taxation	20,926	1,188	843	22,957	23,173	3,354	2,750	29,277
Other comprehensive income for the period								
<i>Items that may be reclassified subsequently to income statement:</i>								
Net unrealised (diminution) / appreciation in the market value of investments classified as available for sale	(21,487)	353	75	(21,059)	(9,103)	(792)	(676)	(10,571)
Total comprehensive income for the period	(561)	1,541	918	1,898	14,070	2,562	2,074	18,706

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

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Executive

Director

**HBL ISLAMIC PENSION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2016**

	For the three months ended March 31, 2016 (Un-audited)				For the three months ended March 31, 2015 (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 in '000) -----				----- (Rupees in '000) -----			
Net income for the period after taxation	(1,705)	(160)	(34)	(1,899)	16,270	1,169	950	18,389
Other comprehensive income for the period								
<i>Items that may be reclassified subsequently to income statement:</i>								
Net unrealised (diminution) / appreciation in the market value of investments classified as available for sale	2,943	539	134	3,616	(20,083)	368	309	(19,406)
Total comprehensive income for the period	1,238	379	100	1,717	(3,813)	1,537	1,259	(1,017)

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

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Executive

Director

HBL ISLAMIC PENSION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	For the nine months ended March 31, 2016 (Un-audited)				For the nine months ended March 31, 2015 (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 in '000)-----				------(Rupees in '000)-----			
Net assets at beginning of the period	151,736	74,923	58,291	284,950	115,123	63,003	54,736	232,862
Amount received on issuance of units	8,948	12,055	6,000	27,003	8,496	10,510	5,872	24,878
Amount paid on redemption of units	(6,712)	(6,569)	(3,112)	(16,393)	(8,019)	(6,075)	(4,805)	(18,899)
Reallocation among Sub-Funds	(3,211)	2,702	509	-	(803)	1,018	(215)	-
Net income for the period	20,926	1,188	843	22,957	23,173	3,354	2,750	29,277
Net unrealised appreciation / (diminution) in the market value of securities classified as available for sale	(21,487)	353	75	(21,059)	(9,103)	(792)	(676)	(10,571)
Total comprehensive income for the period	(561)	1,541	918	1,898	14,070	2,562	2,074	18,706
Net assets at end of the period	150,200	84,652	62,606	297,458	128,867	71,018	57,662	257,547

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

For HBL Asset Management Limited
(Pension Fund Manager)

Chief Executive

Director

**HBL ISLAMIC PENSION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016**

Note	For the nine months ended March 31, 2016 (Un-audited)				For the nine months ended March 31, 2015 (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 in '000) -----				------(Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the period before taxation	20,926	1,188	843	22,957	23,173	3,354	2,750	29,277
Adjustments:								
Dividend income	(4,532)	-	-	(4,532)	-	-	-	-
Profit on bank deposits	(393)	(676)	(619)	(1,688)	-	-	-	-
Mark-up / return on investments	-	(2,706)	(1,665)	(4,371)	-	-	-	-
Capital (gain) / loss on sale of investments	(18,584)	(770)	-	(19,354)	-	-	-	-
Amortisation of preliminary expenses and floatation costs	-	-	-	-	5	5	5	15
Provision for Workers' Welfare Fund	-	-	-	-	-	-	-	-
	(2,583)	(2,964)	(1,441)	(6,988)	23,178	3,359	2,755	29,292
(Increase) / decrease in assets								
Investments - net	(2,506)	(441)	35,263	32,316	(25,267)	(17,678)	(11,114)	(54,059)
Dividend and profit receivable	-	-	-	-	(1,018)	(1,708)	(1,325)	(4,051)
Advances, deposits, prepayments and other receivables	-	-	-	-	5,369	-	-	5,369
	(2,506)	(441)	35,263	32,316	(20,916)	(19,386)	(12,439)	(52,741)
Increase / (decrease) in liabilities								
Payable to HBL Asset Management Limited - Pension Fund Manager	10	21	4	35	51	20	7	78
Payable to Central Depository Company of Pakistan Limited - Trustee	5	4	(1)	8	3	8	7	18
Payable to Securities and Exchange Commission of Pakistan	(5)	(3)	(5)	(13)	-	(2)	(2)	(4)
Accrued expenses and other liabilities	355	217	179	751	(2,160)	209	183	(1,768)
	365	239	177	781	(2,106)	235	195	(1,676)
Dividend income received	(4,724)	(3,166)	33,999	26,109	156	(15,792)	(9,489)	(25,125)
Mark-up income received	2,753	-	-	2,753	-	-	-	-
	310	449	114	873	-	-	-	-
Net cash (used in) / generated from operating activities	(1,661)	(2,717)	34,113	29,735	156	(15,792)	(9,489)	(25,125)
CASH FLOWS FROM FINANCING ACTIVITIES								
Amount received on issue of units	8,948	12,055	6,000	27,003	8,496	10,510	5,872	24,878
Amount paid on redemption of units	(6,712)	(6,569)	(3,112)	(16,393)	(8,019)	(6,075)	(4,805)	(18,899)
Reallocation among Sub-Funds	(3,211)	2,702	509	-	(803)	1,018	(215)	-
Net cash generated from / (used in) financing activities	(975)	8,188	3,397	10,610	(326)	5,453	852	5,979
Net increase / (decrease) in cash and cash equivalents	(2,636)	5,471	37,510	40,345	(170)	(10,339)	(8,637)	(19,146)
Cash and cash equivalents at beginning of the period	13,986	10,223	3,665	27,874	8,927	14,479	15,238	38,644
Cash and cash equivalents at end of the period	11,350	15,694	41,175	68,219	8,757	4,140	6,601	19,498

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

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Executive

Director

HBL ISLAMIC PENSION FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Islamic Pension Fund ("the Fund") was established under a Trust Deed, dated August 17, 2011, between HBL Asset Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on October 05, 2011.

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 the SECP. The registered office of the Pension Fund Manager is situated at 24-C, Khayaban-e-Hafiz, Phase VI, D.H.A, Karachi, Pakistan.

The Fund is an unlisted 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 Fund has been formed to enable the participants to contribute in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Pension Fund Manager has appointed Mufti Yahya Asim as Shariah Advisor to the Pension Fund to ensure that the activities of the Fund are in compliance with the principles of Shariah.

The Fund consists of three sub-funds namely, HBL Islamic Pension Fund Equity Sub-Fund ("Equity Sub-Fund"), HBL Islamic Pension Fund Debt Sub-Fund ("Debt Sub-Fund") and HBL Islamic 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 Shariah compliant listed equity securities. Investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV or index weight, subject to a maximum of 35% of NAV. Remaining assets of the Equity Sub-Fund may be invested in any government security having less than one year time to maturity, or be deposited with Islamic Commercial banks or Islamic window of a commercial bank 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 assets in the sub-fund shall be invested in debt securities issued by the Federal Government. Up to twenty five percent (25%) may be deposited with banks having not less than 'AA+' rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Money Market Sub-Fund consists of short term debt instruments with weighted average time to maturity not exceeding one year. There is no restriction on the amount of investment in securities issued by the Federal Government and the commercial banks having 'A+' or higher rating provided that deposit with any one bank shall not exceed twenty (20%) of net assets. Investment in securities issued by provincial government, city government, government entity with 'A' or higher rating or a corporate entity with 'A+' or higher rating shall be made up to 10%, 5%, 5% and 5% of net assets of the sub-fund respectively.

The Fund offers five 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 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 allocation to the sub-funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

The Pension Fund Manager also offers a HBL Monthly Islamic Pension Plan ("the Income Plan") to the participants of the Fund or any other approved pension fund, at the retirement date of participants. The Income Plan intends to provide investors a monthly income stream based on investment according to the investor's desired risk exposure, within the prescribed allocation limits.

JCR-VIS Credit Rating Agency has assigned management quality rating of 'AM2-' (June 30, 2015: '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 (IFRSs) 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 IFRSs, 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 audited financial statements of the Fund for the year ended June 30, 2015.

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 has been 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 annual audited financial statements as at and for the period ended June 30, 2015.

2.5 Financial Risk Management

The Fund's financial 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, 2015.

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 audited financial statements of the Fund for the year ended June 30, 2015.

4. BANK BALANCES

	March 31, 2016 (Un-audited)				June 30, 2015 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	------(Rupees in '000)-----				------(Rupees in '000)-----			
Savings accounts	11,350	15,694	41,175	68,219	13,986	10,223	3,665	27,874

5. INVESTMENTS - NET

		March 31, 2016 (Un-audited)				June 30, 2015 (Audited)			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		------(Rupees in '000)-----				------(Rupees in '000)-----			
Investments by category:									
Available for sale investments									
Listed equity securities	5.1	139,457	-	-	139,457	139,609	-	-	139,609
Government of Pakistan									
- Ijarah Sukuks	5.2	-	64,638	19,707	84,345	-	63,046	54,895	117,941
Sukuk certificates - Unlisted	5.3	-	2,127	-	2,127	-	2,155	-	2,155
Redeemable Preference Shares			-	-	-	245	-	-	245
		139,457	66,765	19,707	225,929	139,854	65,201	54,895	259,950

5.1 Listed equity securities

5.1.1 Held by Equity Sub-Fund

Fully paid up ordinary shares of Rs. 10 each except Thal Limited, National Foods Limited and K-Electric Limited which have face value of Rs. 5 each, Rs. 5 each and Rs. 3.5 each respectively.

Name of the investee company	As at July 1, 2015	Purchases during the period	Bonus / Right issue during the period	Sales during the period	As at March 31, 2016	Market value as at March 31, 2016	Market value as a % of net assets of the sub-fund	Market value as a % of total investment of the sub-fund	% of paid-up capital of the investee company
	-----Number of shares-----					(Rupees in '000)	-----%-----		
Oil and Gas Exploration Companies									
Pakistan Petroleum Limited	-	50,000	-	50,000	-	-	-	-	-
Mari Petroleum Company Limited	2,800	20,400	-	15,200	8,000	5,620	3.74	4.03	0.00
Mari Petroleum Co.Preference Shares IPS	-	-	-	-	-	-	-	-	-
Pakistan Oilfields Limited	11,000	24,000	-	35,000	-	-	-	-	-
	13,800	94,400	-	100,200	8,000	5,620	3.74	4.03	
Oil and Gas Marketing Companies									
Pakistan State Oil Company Limited	15,800	28,000	-	15,800	28,000	9,835	6.55	7.05	0.01
Attock Petroleum Limited	9,140	-	-	9,140	-	-	-	-	0.01
	24,940	28,000	-	24,940	28,000	9,835	6.55	7.05	
Fertilizer									
Engro Corporation Limited	37,900	32,700	-	41,700	28,900	9,124	6.07	6.54	0.00
Engro Fertilizers Limited	165,000	-	-	165,000	-	-	-	-	0.00
Fauji Fertilizer Bin Qasim Limited	-	92,500	-	92,500	-	-	-	-	-
Fauji Fertilizer Company Limited	40,200	-	-	40,200	-	-	-	-	-
Fatima Fertilizer Company Limited	-	148,000	-	148,000	-	-	-	-	0.01
	243,100	273,200	-	487,400	28,900	9,124	6.07	6.54	
Chemical									
ICI Pakistan Limited	17,200	-	-	17,200	-	-	-	-	-
Cement									
Lucky Cement Limited	9,300	20,100	-	14,000	15,400	8,265	5.50	5.93	0.00
Fauji Cement Company Limited	124,500	126,000	-	148,000	250,500	10,499	6.99	7.53	0.02
Maple Leaf Cement Factory Limited	-	55,000	93,000	148,000	-	-	-	-	0.01
D.G. Khan Cement Company Limited	69,000	52,000	-	69,000	52,000	9,039	6.02	6.48	-
Pioneer Cement Limited	-	85,500	-	30,000	55,500	5,490	3.66	3.94	0.02
	202,800	338,600	93,000	261,000	373,400	33,293	22.17	23.88	
Food & Personal Care Products									
Engro Foods Limited	41,500	42,100	-	83,600	-	-	-	-	0.00
National Foods Limited	32,750	-	-	32,750	-	-	-	-	-
	74,250	42,100	-	116,350	-	-	-	-	
Power Generation & Distribution									
Hub Power Company Limited	75,133	129,500	-	75,133	129,500	13,538	9.01	9.71	0.01
K-Electric Limited	935,000	750,000	-	935,000	750,000	5,325	3.55	3.82	0.00
Nishat Chunian Power Limited	45,000	-	-	45,000	-	-	-	-	-
Kot Addu Power Company Limited	-	44,000	-	-	44,000	3,395	2.26	2.43	0.00
	1,055,133	923,500	-	1,055,133	923,500	22,258	14.82	15.96	
Automobile Assembler									
Pak Suzuki Motor Company Limited	21,500	-	-	21,500	-	-	-	-	-
Indus Motor Company Limited	6,500	2,500	-	6,500	2,500	2,368	1.58	1.70	-
Hinopak Motors Limited	-	2,600	-	2,600	-	-	-	-	0.02
	28,000	5,100	-	30,600	2,500	2,368	1.58	1.70	
Miscellaneous									
Synthetic Products Enterprises Limited	43,500	-	-	43,500	-	-	-	-	-
Automobile Parts & Accessories									
Thal Limited	33,000	-	-	-	33,000	8,405	5.60	6.03	0.04
Industrial Metals and Mining									
Amreli Steels Limited	-	106,000	-	106,000	-	-	-	0.01	0.04
Mughal Iron & Steel Limited	-	96,000	-	-	96,000	6,569	4.37	4.72	0.04
Crescent Steels and Allied Products Limited	-	152,000	-	90,300	61,700	7,255	4.83	5.20	0.13
	-	354,000	-	196,300	157,700	13,824	9.20	9.93	
Personal Goods (Textile)									
Nishat Mills Limited	-	55,000	-	55,000	-	-	-	-	0.02
Cable And Electrical Goods									
Pak Electron Limited	-	243,000	-	147,000	96,000	5,805	3.86	4.16	0.02
Pak Electron Limited R	-	-	17,500	-	17,500	160	0.11	0.11	-
Paper and Board									
Packages Limited	-	9,400	-	-	9,400	4,907	3.27	3.52	0.01
Industrial Transportation									
Pakistan National Shipping Corporation	-	72,300	-	-	72,300	5,151	3.43	3.69	0.05
Pharmaceuticals									
Ferozsons Laboratories	-	5,000	-	-	5,000	4,374	2.91	3.15	0.02
Searl Pakistan Limited	-	19,600	1,360	6,000	14,960	6,575	4.38	4.71	0.02
Glaxosmithkline Pakistan Limited	-	32,000	-	-	32,000	7,758	5.17	5.56	0.01
	-	56,600	1,360	6,000	51,960	18,707	12.46	13.42	
Total	1,735,723	2,495,200	111,860	2,540,623	1,802,160	139,457	92.86	100.00	
Carrying Cost as at March 31, 2016						135,799			

5.2 Government of Pakistan - Ijarah Sukuks

5.2.1 Held by Debt Sub-Fund

GoP Ijarah Sukuks - Note having face value of Rs. 100 each	Issue date	Face value				Amortised cost as at March 31, 2016	Market value as at March 31, 2016	Market value as a percentage of	
		As at July 1, 2015	Purchases during the period	Sales / matured during the period	As at March 31, 2016			Total investments of the sub-fund	Net assets of the sub-fund
		(Rupees in '000)						%	
GoP Ijarah Sukuk	December 26, 2011	22,600	-	22,600	-	-	-	-	
GoP Ijarah Sukuk	April 30, 2012	4,000	-	4,000	-	-	-	-	
GoP Ijarah Sukuk	June 28, 2012	36,000	-	36,000	-	-	-	-	
GoP Ijarah Sukuk	June 25, 2014	-	51,000	51,000	-	-	-	-	
GoP Ijarah Sukuk	December 18, 2015	-	13,000	-	13,000	13,098	19.62	19.62	
GoP Ijarah Sukuk	February 15, 2016	-	51,000	-	51,000	51,540	77.20	77.20	
		62,600	115,000	113,600	64,000	64,638	96.82	96.82	

5.2.2 Held by Money Market Sub-Fund

GoP Ijarah Sukuk - Note having face value of Rs. 100 each	Issue date	Face value				Amortized cost as at March 31, 2016	Market value as at March 31, 2016	Market value as a percentage of	
		As at July 1, 2015	Purchases during the period	Sales / matured during the period	As at March 31, 2016			Total investments of the sub-fund	Net assets of the sub-fund
		(Rupees in '000)						%	
GoP Ijarah Sukuk	December 26, 2011	16,000	-	16,000	-	-	-	-	
GoP Ijarah Sukuk	April 30, 2012	13,500	-	13,500	-	-	-	-	
GoP Ijarah Sukuk	June 28, 2012	25,000	-	25,000	-	-	-	-	
GoP Ijarah Sukuk	June 25, 2014	-	25,000	25,000	-	-	-	-	
GoP Ijarah Sukuk	February 15, 2016	-	19,500	-	19,500	19,557	100.00	31.48	
		54,500	44,500	79,500	19,500	19,557	100.00	31.48	

5.3 Sukuk certificates - Unlisted

5.3.1 Held by Debt Sub-Fund

Name of the Investee company	Number of certificates				Amortized cost as at March 31, 2016	Market / Carrying value as at March 31, 2016	Market value as a percentage of	
	As at July 1, 2015	Purchases during the period	Sales / matured during the period	As at March 31, 2016			Total investments of the sub-fund	Net assets of the sub-fund
	(Rupees in '000)						%	
Multiutilities								
WAPDA Third Sukuk Company Limited	474	-	-	474	2,031	2,127	3.19	2.51

5.3.2 Significant terms and conditions of Sukuk certificates outstanding as at March 31, 2016 are:

Name of security	Remaining principal (per certificate) (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date
WAPDA Third Sukuk Company Limited	4,286	6 month KIBOR + 1%	14-Oct-13	14-Oct-21

6. DIVIDEND RECEIVABLE AND ACCRUED MARK-UP

	March 31, 2016 (Un-audited)				June 30, 2015 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Dividend receivable	2,051	-	-	2,051	272	-	-	272
Profit accrued on deposits with banks	103	392	540	1,035	20	24	168	212
Mark-up accrued on sukuk certificates	-	187	2,007	2,194	-	45	-	45
Mark-up accrued on investment in GoP Ijarah Sukuks	-	2,523	-	2,523	-	100	209	309
	2,154	3,102	2,547	7,803	292	169	377	838

7. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	March 31, 2016 (Un-audited)				June 30, 2015 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Security deposit with Central Depository Company of Pakistan Limited	100	100	-	200	100	100	-	200

8. PAYABLE TO HBL ASSET MANAGEMENT LIMITED - PENSION FUND MANAGER

	Note	March 31, 2016 (Un-audited)				June 30, 2015 (Audited)			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Management fee	8.1	190	109	78	377	180	90	74	344
Sindh Sales Tax	8.2	31	18	13	62	31	16	13	60
		221	127	91	439	211	106	87	404

8.1 As per rule 11 of the VPS Rules, the Pension Fund Manager is allowed to charge maximum annual management fee of 1.5% of the average of the values of the net assets of each of the Sub-Fund calculated during the period. Accordingly, the management fee has been accrued at 1.5% of the average annual net assets of each of the Sub-Fund.

8.2 This represents amount payable in respect of Sindh Sales Tax at the rate of 14% (June 30, 2015: 15%) on the services provided by the Pension Fund Manager as required by the Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	March 31, 2016 (Un-audited)				June 30, 2015 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Remuneration payable to the Trustee	19	11	5	35	17	9	7	33
Sindh Sales Tax on remuneration of the Trustee	3	2	1	6	-	-	-	-
	22	13	6	41	17	9	7	33

- 9.1** The Sindh Revenue Board through Circular No. SRB-3-4/TP/01/2015/86554 dated June 13, 2015, amended the definition of services of shares, securities and derivatives and included the custodianship services within the purview of the Sindh Sales Tax. Accordingly Sindh Sales Tax of 14 % is applicable on Trustee fee which is now covered under section 2(79A) of the Sindh Sales Tax on Services Act, 2011.

10. ACCRUED EXPENSES AND OTHER LIABILITIES

	March 31, 2016 (Un-audited)				June 30, 2015 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Auditors' remuneration	144	144	144	432	69	69	69	207
Payable to broker	-	-	-	-	-	5	4	9
Federal Excise Duty	784	436	344	1,564	513	289	236	1,038
Provision for Workers' Welfare Fund	1,398	269	223	1,890	1,397	269	223	1,889
Other payable	254	-	-	254	246	-	-	246
	2,580	849	711	4,140	2,225	632	532	3,389

- 10.1** As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Pension Fund Manager was applied with effect from June 13, 2013. The Pension Fund Manager is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law. In prior year, the Honourable High Court of Sindh in a Constitutional petition relating to levy of FED on Mutual Funds has granted a stay order for the recovery of FED. As a matter of abundant caution, the Pension Fund Manager has made a provision with effect from June 13, 2013, aggregating to Rs. 0.784 million, Rs. 0.436 million and Rs. 0.344 million for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. Had the provision not been made Value (NAV) per unit of Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at March 31, 2016 would have been higher by Rs. 1.7017, Rs. 0.6671 and Rs. 0.7025 respectively.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2016.

12. NUMBER OF UNITS IN ISSUE

	March 31, 2016 (Un-audited)				June 30, 2015 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Opening units in issue	462,955	589,580	463,203	1,515,738	442,284	520,412	457,919	1,420,615
Units issued during the period / year	27,880	93,769	47,117	168,766	35,205	93,792	35,829	164,826
Units redeemed during the period / year	(20,662)	(51,000)	(24,662)	(96,324)	(18,092)	(27,904)	(20,839)	(66,835)
Reallocation during the period / year	(9,465)	21,245	4,038	15,818	3,558	3,280	(9,706)	(2,868)
Total units in issue at the end of the period / year	460,708	653,594	489,696	1,603,998	462,955	589,580	463,203	1,515,738

13. CONTRIBUTION TABLE

Contributions received are as follows:

	For the nine months ended March 31, 2016 (Un-audited)							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)	Units	(Rupees in '000)
From:								
Individuals	27,880	8,948	93,769	12,055	47,117	6,000	168,766	27,003

14. 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 (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs, 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*".

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 dated January 4, 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 the Honorable High Court of Sindh on the basis of pending constitutional petition in the said court as referred above.

Furthermore, in 2011 the Honorable 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 Honorable Lahore High Court, will lend further support to the Constitutional Petition which is pending in the Honorable 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 Honorable 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* to the Constitution.

The Finance Act 2015 excluded Mutual Funds and Collective Investment Schemes from definition of Industrial Establishment subject to WWF under WWF Ordinance. The management is of the view that since the change is brought in the definition, therefore, no provision for WWF is required to be made with effect from July 1, 2015 onwards.

However, provision made till June 30, 2015 has not been reversed owing to the fact that the decision of the Sindh High Court on the applicability of WWF (till June 30, 2015) to the CISs is currently pending for adjudication. The provision for WWF made up to June 30, 2015 aggregated to Rs. 1,397,622, Rs. 269,187 and Rs. 223,311 for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. Had the provision not been made, the Net Asset Value (NAV) per unit of Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at March 31, 2016, would have been higher by Rs. 3.0336, Rs. 0.4119 and Rs. 0.4560 respectively.

15. TAXATION

No provision for taxation for the period ended March 31, 2016, has been made in the view of exemption available under clause 57 (3) (viii) of Part I of the Second Schedule of the Income Tax Ordinance, 2001.

16. TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Pension Fund Manager, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, collective investment schemes managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager and the concerned persons. Transactions with connected persons are made in the normal course of business, at contracted rates and terms determined in accordance with market rates. Remuneration payable to Pension Fund Manager and Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in this condensed interim financial information are as follows:

16.1 Transactions during the period

	Nine months ended March 31, 2016 (Un-audited)				Nine months ended March 31, 2015 (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 in '000)-----				------(Rupees in '000)-----			
HBL Asset Management Limited - Pension Fund Manager								
Management remuneration	2,242	1,216	892	4,350	1,876	1,008	839	3,723
Habib Bank Limited - Sponsor								
Bank charges paid	9	4	3	16	1	2	1	4
Profit on bank deposits earned	326	168	194	688	384	288	321	993
Profit received on bank deposits	289	153	334	776	310	138	203	651
Directors and Executives of the Pension Fund Manager and their relatives								
Executives and their relatives								
	-----Number-----				-----Number-----			
Issue of units	-	-	-	-	86	4,111	6,171	10,368
Redemption of units	-	-	-	-	-	3,923	5,955	9,878
Reallocation of units	(70)	187	(1)	116	1,601	(848)	(2,567)	(1,814)
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Amount of units issued	-	-	-	-	22	498	738	1,258
Amount of units redeemed	-	-	-	-	-	476	714	1,190
Amount of units reallocated	(24)	24	-	-	410	(102)	(308)	-
Central Depository Company of Pakistan Limited - Trustee								
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Remuneration	190	103	75	368	141	76	63	280
Central Depository System Charges	16	3	-	19	9	3	-	12
Directors of connected persons								
	-----Number-----				-----Number-----			
Redemption of units	286	1,844	4,843	6,973	495	2,647	6,971	10,113
Reallocation of units	(3,029)	5,112	2,997	5,080	(817)	678	1,108	969
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Amount of units redeemed	93	236	614	943	141	326	844	1,311
Amount of units reallocated	(1,028)	650	378	-	(718)	82	133	(503)

16.2 Balances outstanding as at period / year end

	March 31, 2016 (Un-audited)				June 30, 2015 (Audited)			
	Equity sub-fund	Debt sub-fund	Money Market sub-fund	Total	Equity sub-fund	Debt sub-fund	Money Market sub-fund	Total
	------(Rupees in '000)-----				------(Rupees in '000)-----			
HBL Asset Management Limited - Pension Fund Manager								
Management fee payable	<u>190</u>	<u>109</u>	<u>78</u>	<u>377</u>	<u>180</u>	<u>90</u>	<u>74</u>	<u>344</u>
Sindh Sales Tax payable	<u>31</u>	<u>18</u>	<u>13</u>	<u>62</u>	<u>31</u>	<u>16</u>	<u>13</u>	<u>60</u>
Federal Excise Duty payable	<u>784</u>	<u>436</u>	<u>344</u>	<u>1,564</u>	<u>513</u>	<u>289</u>	<u>236</u>	<u>1,038</u>
Habib Bank Limited - Sponsor								
	-----Number-----				-----Number-----			
Units held	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>900,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>900,000</u>
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Amount of units held	<u>97,806</u>	<u>38,856</u>	<u>38,354</u>	<u>175,016</u>	<u>98,327</u>	<u>38,124</u>	<u>37,752</u>	<u>174,203</u>
Profit accrued on deposits with bank	<u>12</u>	<u>15</u>	<u>5</u>	<u>32</u>	<u>20</u>	<u>24</u>	<u>168</u>	<u>212</u>
Balance in savings account	<u>5,626</u>	<u>1,671</u>	<u>2,599</u>	<u>9,896</u>	<u>12,096</u>	<u>10,156</u>	<u>3,621</u>	<u>25,873</u>
Directors and Executives of the Pension Fund Manager and their relatives								
Executives and their relatives								
	-----Number-----				-----Number-----			
Units held	<u>1,617</u>	<u>1,184</u>	<u>158</u>	<u>2,959</u>	<u>1,687</u>	<u>997</u>	<u>158</u>	<u>2,842</u>
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Amount of units held	<u>527</u>	<u>153</u>	<u>20</u>	<u>700</u>	<u>553</u>	<u>127</u>	<u>20</u>	<u>700</u>
Central Depository Company of Pakistan Limited - Trustee								
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Remuneration payable	<u>19</u>	<u>11</u>	<u>5</u>	<u>35</u>	<u>17</u>	<u>9</u>	<u>7</u>	<u>33</u>
Sindh Sales Tax	<u>3</u>	<u>2</u>	<u>1</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Security deposit receivable	<u>100</u>	<u>100</u>	<u>-</u>	<u>200</u>	<u>100</u>	<u>100</u>	<u>-</u>	<u>200</u>
Directors of connected persons								
	-----Number-----				-----Number-----			
Units held	<u>35,165</u>	<u>73,414</u>	<u>98,769</u>	<u>207,348</u>	<u>38,482</u>	<u>70,145</u>	<u>100,615</u>	<u>209,242</u>
	------(Rupees in '000)-----				------(Rupees in '000)-----			
Amount of units held	<u>11,465</u>	<u>9,508</u>	<u>12,627</u>	<u>33,600</u>	<u>12,613</u>	<u>8,914</u>	<u>12,662</u>	<u>34,189</u>

17. DATE OF AUTHORIZATION FOR ISSUE

The condensed interim financial information was authorised for issue by the Board of Directors of the Pension Fund Manager on March 29, 2016.

18. GENERAL

- 18.1** Certain corresponding figures in the condensed interim cash flow statement have been reclassified for the purpose of better presentation.
- 18.2** Figures have been rounded off to the nearest thousand rupees.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Executive

Director