



Launched to support the stock market with the support of 4 financial institutions, NIT-EMOF has given a healthy outperformance of over 20.41% against the KSE-100 Index benchmark since launch of the Fund till December 31, 2012. The Fund aims to generate decent returns from a diversified equity base.

A vertical decorative bar on the left side of the purple background, consisting of several colored segments: blue, gold, blue, green, red, and orange.

Faith
in
Opportunity

NIT - EQUITY MARKET OPPORTUNITY FUND

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

INTRODUCTION

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NIT- Equity Market Opportunity Fund** as at December 31, 2012, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial information'), for the half year ended December 31, 2012. The Management Company (National Investment Trust Limited) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2012 and December 31, 2011 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2012.

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 condensed interim financial information as of and for the half year ended December 31, 2012 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: Rashid A. Jafer
Dated: February 7, 2013
Karachi

TRUSTEE REPORT TO THE UNIT HOLDERS

NIT - EQUITY MARKET OPPORTUNITY FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of NIT - Equity Market Opportunity Fund (the Fund) are of the opinion that National Investment Trust Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2012 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

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

Karachi: February 7, 2013

NIT - EQUITY MARKET OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2012

Note	December 31, 2012 (Unaudited)	June 30, 2012 (Audited)
-----Rupees in '000-----		
ASSETS		
Bank balances	913,036	94,882
Investments	5,945,806	6,023,634
Receivable against sale of investments	5,841	-
Dividend and profit receivable	8,683	9,457
Deposit with National Clearing Company of Pakistan Limited	2,500	2,500
Total assets	6,875,866	6,130,473
LIABILITIES		
Payable to National Investment Trust Limited - Management Company	10,053	1,162
Payable to Central Depository Company of Pakistan Limited - Trustee	200	173
Payable to Securities and Exchange Commission of Pakistan	3,130	5,380
Provision for taxation	6,121	6,121
Payable against purchase of investments	-	30,578
Accrued expenses and other liabilities	30,352	18,578
Total liabilities	49,856	61,992
Net Assets	6,826,010	6,068,481
Unit holders' Fund (as per statement attached)	6,826,010	6,068,481
Contingencies and commitments		
-----Number of units-----		
Number of units in issue	46,072,882	45,246,426
----- (Rupees) -----		
Net asset value per unit	148.16	134.12

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - EQUITY MARKET OPPORTUNITY FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

Note	Half year ended December 31, 2012	Half year ended December 31, 2011	Quarter ended December 31, 2012	Quarter ended December 31, 2011
-----Rupees in '000-----				
INCOME				
Dividend income	164,834	165,729	107,473	95,807
Capital gain on sale of investments	414,199	102,516	306,814	58,451
Income from government securities	41,647	20,675	19,923	6,786
Profit on bank deposits	14,490	18,775	10,429	14,152
	635,170	307,695	444,639	175,196
Total income	635,170	307,695	444,639	175,196
EXPENSES				
Impairment loss on equity securities classified as 'available for sale'	23,408	460,930	23,408	390,938
Remuneration of National Investment Trust Limited - Management Company	30,654	5,554	25,133	2,762
Sindh sales tax on remuneration of Management Company	4,905	889	4,022	442
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,142	982	578	488
Annual fee - Securities and Exchange Commission of Pakistan	3,130	2,631	1,591	1,307
Custodian charges of Central Depository Company of Pakistan Limited	22	11	16	3
Settlement and bank charges	149	112	83	77
Auditors' remuneration	107	201	75	175
Legal and Professional charges	197	51	197	-
Printing charges	50	50	25	25
Total expenses	63,764	471,411	55,128	396,217
Net income / (loss) from operating activities	571,406	(163,716)	389,511	(221,021)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	2,229	(3,222)	-	(48,263)
Provision for Workers' Welfare Fund	(11,941)	-	(8,260)	1,321
Net income / (loss) for the period before taxation	561,694	(166,938)	381,251	(267,963)
Taxation	-	-	-	-
Net income / (loss) for the period after taxation	561,694	(166,938)	381,251	(267,963)

NIT - EQUITY MARKET OPPORTUNITY FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
 FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

	Note	Half year ended December 31, 2012	Half year ended December 31, 2011	Quarter ended December 31, 2012	Quarter ended December 31, 2011
-----Rupees in '000-----					
----- In Rupees -----					
Earnings / (loss) per unit	11				
With Impairment loss on equity securities classified as 'available for sale'		12.02	(3.38)	8.27	(5.51)
Without Impairment loss on equity securities classified as 'available for sale'		12.52	5.94	8.78	2.53

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - EQUITY MARKET OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)
 FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

	Note	Half year ended December 31, 2012	Half year ended December 31, 2011	Quarter ended December 31, 2012	Quarter ended December 31, 2011
-----Rupees in '000-----					
Net income / (loss) for the period after taxation		561,694	(166,938)	381,251	(267,963)
Other comprehensive income / (loss)					
Net unrealised appreciation / (diminution) in the fair value of investments classified as 'available for sale'	6.4	418,603	(229,394)	14,574	(155,079)
Total comprehensive income / (loss) for the period		<u>980,297</u>	<u>(396,332)</u>	<u>395,825</u>	<u>(423,042)</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - EQUITY MARKET OPPORTUNITY FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
 FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

	Half year ended December 31, 2012	Half year ended December 31, 2011
	-----Rupees in '000-----	
Undistributed income at the beginning of the period	379,347	418,035
Net income / (loss) for the period after taxation	561,694	(166,938)
Final distribution by issue of bonus units for the year ended June 30, 2012 Rs 6.75 per unit (2011: Rs 8.00 per unit)	(305,413)	(375,735)
Undistributed income / (loss) carried forward	<u>635,628</u>	<u>(124,638)</u>
Undistributed income / (loss) comprising:		
Realised income / (loss)	635,628	(124,638)
Unrealised income	-	-
	<u>635,628</u>	<u>(124,638)</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - EQUITY MARKET OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT
IN UNIT HOLDERS' FUND (UNAUDITED)
 FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

	Note	Half year ended December 31, 2012	Half year ended December 31, 2011
		-----Rupees in '000-----	
Net assets at the beginning of the period		6,068,481	5,712,084
Issue of Nil units (2011: Nil units) for the half year ended December 31, 2012		-	-
Redemption of 1,571,388 units for the half year ended December 31, 2012 (2011: 5,027,381 units)		(220,539)	(551,000)
Issue of 2,397,844 bonus units for the half year ended December 31, 2012 (2011: 3,306,943 bonus units)		305,413	375,735
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed		(2,229)	3,222
Net unrealised appreciation / (diminution) in the fair value of investments classified as 'available for sale'	6.4	418,603	(229,394)
Capital gain on sale of investments		414,199	102,516
Other net income / (loss) for the period		147,495	(269,454)
Final distribution by issue of bonus units of Rs 6.75 per unit for the year ended December 31, 2012 (2011: Rs 8.00 per unit)		(305,413)	(375,735)
		256,281	(542,673)
Net assets at the end of the period		<u>6,826,010</u>	<u>4,767,974</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - EQUITY MARKET OPPORTUNITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
 FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

	Half year ended December 31, 2012	Half year ended December 31, 2011
-----Rupees in '000-----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period before taxation	561,694	(166,938)
Adjustments		
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	(2,229)	3,222
Dividend income	(164,834)	(165,729)
Profit on bank deposits	(14,490)	(18,775)
Impairment loss on equity securities classified as 'available for sale'	23,408	460,930
Remuneration of National Investment Trust Limited - Management Company	30,654	5,554
Sindh Sales Tax on remuneration of Management Company	4,905	889
	439,108	119,153
(Increase) / decrease in assets		
Investments	473,023	347,322
Receivable against sale of investments	(5,841)	21,369
	467,182	368,691
Increase / (decrease) in liabilities		
Payable to Central Depository Company of Pakistan Limited - Trustee	27	(32)
Payable to Securities and Exchange Commission of Pakistan	(2,250)	(2,488)
Payable against purchase of investments	(30,578)	121
Provision for taxation	-	(705)
Accrued expenses and other liabilities	11,774	(225)
	(21,027)	(3,329)
Dividend received	169,372	186,821
Profit received on bank deposits	10,726	15,886
Remuneration paid to National Investment Trust Limited - Management Company inclusive of Sindh Sales Tax	(26,668)	(6,417)
Net cash generated from operating activities	1,038,693	680,805

NIT - EQUITY MARKET OPPORTUNITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
 FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

	Half year ended December 31, 2012	Half year ended December 31, 2011
-----Rupees in '000-----		
CASH FLOW FROM FINANCING ACTIVITIES		
Net payments made against redemption of units	(220,539)	(551,000)
Net cash used in financing activities	(220,539)	(551,000)
Net increase in cash and cash equivalents during the period	818,154	129,805
Cash and cash equivalents at the beginning of the period	94,882	129,649
Cash and cash equivalents at the end of the period	913,036	259,454

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - EQUITY MARKET OPPORTUNITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 The NIT - Equity Market Opportunity Fund (the Fund) was established under a Trust Deed executed between National Investment Trust Limited (NITL) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 18, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Trust Deed was executed on April 01, 2009. The units of the Fund have been initially issued at Rs 100 per unit.

1.2 The Management Company of the Fund has been classified as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is situated at 6th floor, National Bank of Pakistan Building I.I. Chundrigar Road, Karachi.

1.3 The Fund is an open-ended mutual fund. Units are offered for subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. Units of the Fund comprise of the following two types:

Class A: These units are not subject to any restrictions (i.e units can be redeemed at the option of the unit holders).

Class B: These units are issued to unit holders with a firm commitment. The redemption option for these units rests with the Management Company and the unit holders may redeem their units subject to consent of the Management Company.

At present the Fund has only Class 'B' units that were issued to the initial participants. The Management Company intends to issue Class 'A' units in future.

1.4 The objective of the Fund is to invest in the equity market when there is an opportunity to invest the funds in a gainful manner and such investment is for the benefit of the Fund based on long term perspective.

1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned "4-star" rating based on the performance during the twelve months ended June 30, 2012 and has assigned an asset manager rating of "AM2-" to the Management Company.

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 IAS 34: 'Interim Financial Reporting', the Trust Deed, Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), Non Banking Finance Companies and Notified Entities Regulations 2008 (NBFC Regulations) and the directives issued by the SECP. In cases where requirements differ, the requirements of the Trust Deed, NBFC Rules, NBFC Regulations or the said directives take precedence.

2.2 This condensed interim financial information is unaudited. However, a review has been performed by the statutory auditors in accordance with the requirements of the Code of Corporate Governance. This condensed interim financial information is being circulated to the unit holders as required under the NBFC Regulations.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of this condensed interim financial information are the same as those applied in the preparation of the published financial statements of the Fund for the year ended June 30, 2012.

3.1 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period

The following new standards and amendments to existing standards are mandatory for the first time for the financial period beginning on or after July 1, 2012:

Amendment to IFRS 7, 'Financial instruments': The amendment includes new disclosures to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP. The adoption of this amendment did not have any impact on the Fund's condensed interim financial information.

There are certain other new standards, amendments and interpretations that became effective during the period and are mandatory for accounting periods beginning on or after July 1, 2012 but are considered not to be relevant or did not have any significant effect on the Fund's operations and are, therefore, not disclosed in this condensed interim financial information.

NIT - EQUITY MARKET OPPORTUNITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

3.2 Standards, interpretations and amendments to published approved accounting standards as adopted in Pakistan that are

There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that are mandatory for accounting periods beginning on or after July 1, 2013 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are therefore not detailed in this condensed interim financial information.

4 BASIS OF MEASUREMENT

4.1 This condensed interim financial information has been prepared under the historical cost convention, except that certain investments have been marked to market and are carried at fair value.

4.2 Functional and presentation currency

This condensed financial information has been presented in Pakistani Rupee, which is the Fund's functional and presentation currency

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis and the methods used for critical accounting estimates and judgments adopted in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2012.

6 INVESTMENTS

Available for sale

	Note	December 31, 2012 (Unaudited)	June 30, 2012 (Audited)
------(Rupees in '000)-----			
Equity securities	6.1	5,057,799	5,304,684
Government securities - Market Treasury Bills	6.2	888,007	718,950
		<u>5,945,806</u>	<u>6,023,634</u>

6.1 Equity securities - Available for sale

Shares of companies - Fully paid up ordinary shares of Rs 10 each unless otherwise stated

Name of Company	Balance as at December 31, 2012					Carrying Value	Market Value	Appreciation / (Diminution)	Market Value as a percentage of Net Assets	Market Value as a percentage of total investments	Paid-up value of shares held as a percentage of total paid-up capital of the investee company	
	As at July 01, 2012	Purchase during the period	Bonus / Right Issue / Merger and Demerger adjusting effect	Sales during the period	As at December 31, 2012							
					-----Number of shares-----		-----RS. In '000-----					
Oil & Gas												
Attock Petroleum Limited	19,950	-	-	1,576	18,374	6,366	9,407	3,041	0.14	0.16	0.03	
Attock Refinery Limited	1,696,662	-	-	854,100	842,562	93,312	141,197	47,885	2.07	2.37	0.99	
Mari Gas Company Limited	82,742	5,000	-	-	87,742	7,855	8,629	774	0.13	0.15	0.10	
National Refinery Limited	432,055	45,500	-	-	477,555	101,100	101,100	-	1.48	1.70	0.60	
Oil & Gas Development Company	1,932,901	-	-	165,000	1,767,901	198,164	340,515	142,351	4.99	5.73	0.04	
Pakistan Oilfields Limited	997,951	-	-	263,191	734,760	175,075	321,487	146,412	4.71	5.41	0.31	
Pakistan Petroleum Limited	2,302,492	-	575,623	50,000	2,828,115	340,226	499,982	159,756	7.32	8.41	0.17	
Pakistan Refinery Limited	48,659	-	-	-	48,659	2,795	3,372	577	0.05	0.06	0.14	
Pakistan State Oil Company Ltd	1,492,214	-	298,442	-	1,790,656	342,997	415,808	72,811	6.09	6.99	0.87	
	<u>9,005,626</u>	<u>50,500</u>	<u>874,065</u>	<u>1,333,867</u>	<u>8,596,324</u>	<u>1,267,890</u>	<u>1,841,497</u>	<u>573,607</u>	<u>26.98</u>	<u>30.98</u>		

NIT - EQUITY MARKET OPPORTUNITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

6.2 Government securities - Available for sale

Issue Date	Tenor	Face Value			Balance as at December 31, 2012			Appreciation / (Diminution)	Market Value as a percentage of Net Assets	Market value as a percentage of total investments
		As at July 01, 2012	Purchase during the period	Sales / matured during the period	As at Dec 31, 2012	Carrying Value	Market value			
-----Rs. in '000-----										
Market Treasury Bills										
3-May-12	03 Months	30,000	-	30,000	-	-	-	-	-	-
17-May-12	03 Months	450,000	-	450,000	-	-	-	-	-	-
14-Jun-12	03 Months	150,000	-	150,000	-	-	-	-	-	-
25-Aug-11	12 Months	100,000	-	100,000	-	-	-	-	-	-
26-Jul-12	03 Months	-	40,000	40,000	-	-	-	-	-	-
9-Aug-12	03 Months	-	460,000	460,000	-	-	-	-	-	-
23-Aug-12	03 Months	-	100,000	100,000	-	-	-	-	-	-
6-Sep-12	03 Months	-	175,000	175,000	-	-	-	-	-	-
18-Oct-12	03 Months	-	75,000	-	75,000	74,826	74,825	(1)	1.10	1.26
1-Nov-12	03 Months	-	470,000	-	470,000	467,323	467,276	(47)	6.85	7.86
15-Nov-12	03 Months	-	100,000	-	100,000	99,084	99,076	(8)	1.45	1.67
29-Nov-12	03 Months	-	250,000	-	250,000	246,828	246,830	2	3.62	4.15
Total - December 31, 2012		730,000	1,670,000	1,505,000	895,000	888,061	888,007	(54)	13.02	14.94

6.3 Investments include shares with market value of Rs 972.655 million (June 30, 2012: 826.525 million) which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of the Fund's trades in accordance with Circular no 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

6.4 Net unrealised appreciation in fair value of investments classified as 'available for sale'

	December 31, 2012 (Unaudited)	June 30, 2012 (Audited)
	-----Rupees in '000-----	
Market value of investments	5,945,806	6,023,634
Less: Carrying value of investments - net of impairment	4,362,708	4,859,139
	1,583,098	1,164,495
Less: Net unrealised appreciation in fair value of investments at the beginning of the period / year	1,164,495	597,364
Net unrealised appreciation during the period / year	<u>418,603</u>	<u>567,131</u>

6.5 Impairment against equity securities classified as 'available for sale'

During the period the management has carried out a scrip wise analysis of the deficit on revaluation of its portfolio of listed equity securities classified as 'available for sale' and has determined that an amount of Rs. 23.408 million (December 31, 2011:47.983 million) represents a significant decline in the fair value of such equity securities with reference to their cost and accordingly an impairment loss to that extent has been recognised in the condensed interim income statement.

7 PROVISION FOR TAXATION

This represents provision for taxation acquired by the Fund upon transfer of assets held under trust by NITL on behalf of the participants of the proposed NIT - Equity Market Opportunity Fund. The total provision transferred amounted to Rs 43.101 million out of which Rs 0.705 million and Rs. 36.275 million has been paid against tax liability for the tax year 2012 and 2011 respectively.

NIT - EQUITY MARKET OPPORTUNITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2012.

9 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 (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

Subsequent to the year ended June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on December 14, 2010, the Ministry filed its response against the constitutional petition requesting the Court to dismiss the petition. According to the legal counsel who is handling the case there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in Court.

Subsequent to the year ended June 30, 2011, the Honorable Lahore High Court (LHC) in a constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. The Management Company is hopeful that the decision of the LHC, will lend further support to the Constitutional Petition which is pending in the Sindh High Court. However, without prejudice to the above the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs. 30.136 million (including 11.941 million for the current period) in this condensed interim financial information. Had the provision not been made the net asset value per unit of the Fund would have been higher by Rs. 0.6541 per unit.

10 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 if not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund has not recorded provision for taxation as the management company intends to distribute at least 90 percent of the Fund's accounting income for the current period as reduced by capital gains (whether realised or unrealised) to its unit holders.

11 EARNINGS PER UNIT

Net income / (loss) for the period after taxation
 Impairment loss on equity securities classified as 'available for sale'

	Half year ended December 31, 2012		Quarter ended December 31, 2011	
	-----Rupees in '000-----			
Net income / (loss) for the period after taxation	561,694	(166,938)	381,251	(267,963)
Impairment loss on equity securities classified as 'available for sale'	23,408	460,930	23,408	390,938
	<u>585,102</u>	<u>293,992</u>	<u>404,659</u>	<u>122,975</u>

Weighted average number of units outstanding

	-----Number of units-----			
Weighted average number of units outstanding	<u>46,748,551</u>	<u>49,454,125</u>	<u>46,072,882</u>	<u>48,634,444</u>

Earnings / (loss) per unit (basic and diluted)

With Impairment loss on equity securities classified as 'available for sale'

	<u>12.02</u>	<u>(3.38)</u>	<u>8.27</u>	<u>(5.51)</u>
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Without Impairment loss on equity securities classified as 'available for sale'

	<u>12.52</u>	<u>5.94</u>	<u>8.78</u>	<u>2.53</u>
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NIT - EQUITY MARKET OPPORTUNITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

12 TRANSACTIONS WITH CONNECTED PERSONS

12.1 Connected persons include National Investment Trust Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the Fund and the directors and officers of the Management Company and the Trustee.

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

12.3 Remuneration to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

12.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

	Half year ended December 31, 2012		Quarter ended December 31, 2011	
	-----Rupees in '000-----			

12.5 Details of transactions with connected persons are as follows:

National Investment Trust Limited - Management Company

Remuneration of the Management Company	30,654	5,554	25,133	2,762
Sindh sales tax on remuneration of Management Company	4,905	889	4,022	442

Central Depository Company of Pakistan Limited - Trustee

Remuneration	1,142	982	578	488
Custodian charges	22	11	16	3

	Half year ended December 31, 2012		Quarter ended December 31, 2011	
	-----Rupees in '000-----			

National Bank of Pakistan

Issue of 693,940 bonus units [2011: 957,035 bonus units]	88,387	108,738	-	-
Redemption of 689,417 units (2011: 1,454,933 units)	96,725	159,461	96,725	159,461

State Life Insurance Corporation of Pakistan

Issue of 969,818 bonus units (2011: 969,818 bonus units)	89,568	110,191	-	-
Redemption of 698,625 units (2011: 1,474,366 units)	98,017	161,591	98,017	161,591

Employees Old Age Benefit Institution

Issue of 816,146 bonus units (2011: 1,125,573 bonus units)	103,952	127,888	-	-
Redemption of Nil units (2011: Nil units)	-	187,542	-	187,542

NIT - EQUITY MARKET OPPORTUNITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012

	December 31, 2012 (Unaudited)	June 30, 2012 (Audited)
	-----Rupees in '000-----	

12.6 Amounts outstanding as at period / year end

National Investment Trust Limited - Management Company

Remuneration payable	10,053	1,162
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Central Depository Company of Pakistan Limited - Trustee

Remuneration payable	200	173
Custodian charges payable	4	-

National Bank of Pakistan

13,098,922 units held (June 30, 2012: 13,094,399 units)	1,940,694	1,756,221
7,798,027 shares held (June 30, 2012: 8,939,570 shares)	385,145	405,032

State Life Insurance Corporation of Pakistan

13,273,878 units held (June 30, 2012: 13,269,295 units)	1,966,615	1,779,678
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Employees Old Age Benefit Institution

16,216,512 units held (June 30, 2012: 15,400,366 units)	2,402,587	2,065,497
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13 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. No significant changes or reclassifications were made in this condensed interim financial information.

14 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on February 7, 2013 by the Board of Directors of the Management Company.

15 GENERAL

Figures have been rounded off to the nearest thousand Rupees.

**For National Investment Trust Limited
(Management Company)**

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Director**