

NIT - GOVERNMENT BOND FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
 AS AT MARCH 31, 2012

	Note	(Unaudited) March 31, 2012	(Audited) June 30, 2011
-----Rupees in '000-----			
ASSETS			
Bank balances		53,244	168,615
Investments	4	2,467,669	2,985,908
Accrued income		30,530	35,505
Security deposits		100	100
Preliminary expenses and floatation costs		1,972	2,530
Total assets		2,553,515	3,192,658
LIABILITIES			
Payable to National Investment Trust Limited - Management Company		7,325	7,279
Payable to Central Depository Company of Pakistan Limited - Trustee		239	263
Payable to Securities and Exchange Commission of Pakistan		1,561	2,335
Accrued expenses and other liabilities		18,368	11,740
Payable against redemption of units		-	115,537
Total liabilities		27,493	137,154
NET ASSETS		2,526,022	3,055,504
Unit holders' fund (as per statement attached)		2,526,022	3,055,504
Contingencies and commitments	5		
Number of units			
Number of units in issue		233,450,245	274,851,693
-----Rupees-----			
Net asset value per unit		10.8204	11.1169

The annexed notes 1 to 12 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 - GOVERNMENT BOND FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Note	Nine months ended		Quarter ended	
		March 31,		March 31,	
		2012	2011	2012	2011
-----Rupees in '000-----					
INCOME					
Income from government securities		175,236	208,831	47,540	67,429
Profit on bank deposits		28,109	18,712	14,974	5,994
Mark-up on fixed income securities		58,735	51,488	21,067	16,721
Income from reverse repurchase transactions		65	212	-	212
Capital gain / (loss) on sale of investments		474	(2,964)	439	36
Total income		262,619	276,279	84,020	90,392
EXPENSES					
Remuneration of National Investment Trust Limited - Management Company		26,026	29,003	8,625	9,129
Sindh Sales Tax on Management Fee		4,164	-	1,380	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,126	2,303	708	732
Annual fee - Securities and Exchange Commission of Pakistan		1,561	1,739	520	547
Amortisation of preliminary expenses and floatation costs		559	561	185	184
Securities transaction costs		144	116	46	8
Auditors' remuneration		198	357	5	81
Settlement and bank charges		282	250	10	101
Listing fee		60	48	-	12
Printing charges		75	75	25	25
Other charges		100	75	-	75
Total expenses		35,295	34,527	11,504	10,894
Net income from operating activities		227,324	241,752	72,516	79,498
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed		(25,943)	(24,886)	(23,238)	(3,472)
Provision for Workers' Welfare Fund	6	(4,026)	(1,952)	(984)	(346)
Net income for the period before taxation		197,355	214,914	48,294	75,680

NIT - GOVERNMENT BOND FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Note	Nine months ended		Quarter ended	
		March 31,		March 31,	
		2012	2011	2012	2011
-----Rupees in '000-----					
Taxation	7	-	-	-	-
Net income for the period after taxation		197,355	214,914	48,294	75,680
Earnings per unit (in Rupees)	8	0.7700	0.7218	0.1900	0.2718

The annexed notes 1 to 12 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 - GOVERNMENT BOND FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)**

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2012	2011	2012	2011
-----Rupees in '000-----					
Net income for the period after taxation		197,355	214,914	48,294	75,680
Other comprehensive income					
Net unrealised appreciation/ (diminution) in the fair value of investments classified as "available for sale"	4.2	(32,399)	3,240	(38,962)	3,877
Total comprehensive income for the period		<u>164,956</u>	<u>218,154</u>	<u>9,332</u>	<u>79,557</u>

The annexed notes 1 to 12 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 - GOVERNMENT BOND FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)**

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2012	2011	2012	2011
-----Rupees in '000-----					
Undistributed income at the beginning of the period		308,215	231,742	176,909	142,684
Final Distribution for the year ended June 30, 2011 Rs.1.0201 per unit (2010: Rs. 0.65 per unit)					
- Cash Distribution		(101,483)	(67,551)	-	-
- Units under Cumulative Investment Plan		(2,093)	(12,813)	-	-
- Bonus Units		(176,791)	(147,928)	-	-
Net income for the period after taxation		197,355	214,914	48,294	75,680
Undistributed income carried forward		<u>225,203</u>	<u>218,364</u>	<u>225,203</u>	<u>218,364</u>
Undistributed income comprising of:					
Realised income		225,203	218,364	225,203	218,364
Unrealised income		-	-	-	-
		<u>225,203</u>	<u>218,364</u>	<u>225,203</u>	<u>218,364</u>

The annexed notes 1 to 12 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 - GOVERNMENT BOND FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN
UNIT HOLDERS' FUND (UNAUDITED)**

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

Note	Nine months ended March 31, 2012	Nine months ended March 31, 2011	Quarter ended March 31, 2012	Quarter ended March 31, 2011
-----Rupees in '000-----				
Net assets at the beginning of the period	3,055,504	3,739,773	2,801,270	2,791,691
Issue of 62,878,053 units (2011:199,309,993 units) and 9,385,210 units (2011: 71,876,030 units) for the nine months and quarter ended March 31, 2012	656,963	2,048,766	101,529	766,117
Redemption of 121,996,445 units (2011:299,470,327 units) and 38,054,532 units (2011: 71,401,843 units) for the nine months and quarter ended March 31, 2012	(1,275,861) (618,898)	(3,087,885) (1,039,119)	(411,506) (309,977)	(764,508) 1,609
Issue of 17,509,646 (2011:14,795,785) and nil unit as bonus units for the nine months and quarter ended March 31, 2012	176,791	147,928	-	-
Issue of 207,298 units (2011: 1,281,583) and 152,866 units (2011: nil units) under Cumulative Investment Plan for the nine months and quarter ended March 31, 2012	2,093	12,813	-	-
	<u>2,615,490</u>	<u>2,861,395</u>	<u>2,491,293</u>	<u>2,793,300</u>
Net element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	25,943	24,886	23,238	3,286
Net unrealised appreciation/ (diminution) in the fair value of investments classified as 'available for sale'	4.2 (32,399)	3,240	(36,803)	3,877

**NIT - GOVERNMENT BOND FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN
UNIT HOLDERS' FUND (UNAUDITED)**

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

Note	Nine months ended March 31, 2012	Nine months ended March 31, 2011	Quarter ended March 31, 2012	Quarter ended March 31, 2011
-----Rupees in '000-----				
Capital gain / (loss) on sale of investments	474	(2,964)	439	36
Other net income for the period	196,881	217,878	47,855	75,644
Final Distribution for the year ended June 30, 2011: Rs.1.0201 per unit - (Date of distribution: July 5, 2011)				-
- Cash Distribution	(101,483)	(67,551)	-	-
- Units under Cumulative Investment Plan	(2,093)	(12,813)	-	-
- Bonus Units	(176,791)	(147,928)	-	-
	(83,012)	(13,378)	48,294	75,680
Net assets at the end of the period	<u>2,526,022</u>	<u>2,876,143</u>	<u>2,526,022</u>	<u>2,876,143</u>

The annexed notes 1 to 12 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 - GOVERNMENT BOND FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Nine months ended March 31, 2012	Nine months ended March 31, 2011	Quarter ended March 31, 2012	Quarter ended March 31, 2011
-----Rupees in '000-----				
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period before taxation	197,355	214,914	48,294	75,680
Adjustments:				
Amortisation of listing fee	-	48	-	12
Capital gain on sale of government securities	(474)	-	(439)	-
Amortisation of preliminary expenses and floatation costs	559	561	185	184
Remuneration of National Investment Trust Limited - Management Company	26,026	29,003	8,625	9,129
Sindh Sales Tax on Management Fee	4,164	-	1,380	-
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	25,943	24,886	23,238	3,286
	253,573	269,412	81,283	88,291
Decrease / (increase) in assets				
Investments	486,314	555,563	(177,449)	(118,758)
Un amortized listing fee	-	(12)	-	(24)
Receivable against sale of units	-	-	-	-
Accrued income	4,975	-	19,522	-
Advances, deposits, prepayments and other receivables	-	9,690	-	15,562
	491,289	565,241	(157,927)	(103,220)
(Decrease) / increase in liabilities				
Payable to National Investment Trust Limited - Management Company	55	392	13	3,313
Payable to Central Depository Company of Pakistan Limited - Trustee	(24)	(31)	(3)	3
Payable to Securities and Exchange Commission of Pakistan	(774)	94	520	548
Payable against redemption of units	(115,537)	-	-	-
Accrued expenses and other liabilities	6,628	1,737	1,416	289
	(109,652)	2,192	1,946	4,153
Remuneration paid to the Management Company inclusive of sales tax	(30,200)	(30,010)	(10,148)	(9,365)
Net cash inflow / (outflow) from operating activities	605,010	806,835	(84,846)	(20,141)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts from issue of units	656,963	2,209,507	101,529	766,017
Payments on redemption of units	(1,275,861)	(3,087,885)	(411,506)	(764,562)
Dividend paid	(101,483)	(228,292)	-	-
Net cash (outflow) / inflow from/ on financing activities	(720,381)	(1,106,670)	(309,977)	1,455
Net increase / (decrease) in cash and cash equivalents during the period	(115,371)	(299,835)	(394,823)	(18,686)

NIT - GOVERNMENT BOND FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Nine months ended March 31, 2012	Nine months ended March 31, 2011	Quarter ended March 31, 2012	Quarter ended March 31, 2011
-----Rupees in '000-----				
Cash and cash equivalents at the beginning of the period	168,615	341,572	448,067	60,423
Cash and cash equivalents at the end of the period	53,244	41,737	53,244	41,737

The annexed notes 1 to 12 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 - GOVERNMENT BOND FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

1 LEGAL STATUS AND NATURE OF BUSINESS

The NIT - Government Bond 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) vide its letter no. NBFC-II/NITL/896/2009 dated September 24, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Trust Deed was executed on September 4, 2009. The units of the Fund have been initially issued at Rs. 10 per unit.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 6th floor, National Bank of Pakistan Building, I. I. Chundrigar Road, Karachi.

The Fund is an open-ended mutual fund and is listed on Karachi, Lahore and Islamabad stock exchanges. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The units of the Fund were initially offered for public subscription at par from November 16, 2009 to November 18, 2009 (both days inclusive).

The objective of the Fund is to generate competitive stream of return with moderate level of risk for its unit holders, by investing primarily in government securities.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset management rating of 'AA(f)' to the fund.

JCR-VIS assigned as asset management rating of "AM2-" to the Management Company. However, JCR-VIS withdrew due to non-renewal of agreement and Pakistan Credit Rating Agency (PACRA) has been assigned the task for rating of 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.

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 annual published financial statements of the Fund for the year ended June 30, 2011.

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 periods beginning July 1, 2011:

IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003. The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The adoption of the revised standard did not have any impact on the Fund's condensed interim financial information.

NIT - GOVERNMENT BOND FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

IFRS 7 (amendment) 'Financial instruments: Disclosures'. This amendment was part of the IASB's annual improvement project published in May 2010. The amendment emphasises the interaction between quantitative and qualitative disclosures about the nature and extent of risks associated with financial instruments. Adoption of this amendment did not have any impact on the Fund's condensed interim financial information.

There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that became effective during the period and are mandatory for accounting periods beginning on or after July 1, 2011 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.

3.2 Standards, interpretations and amendments to published approved accounting standards as adopted in Pakistan that are not yet effective

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, 2011 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 INVESTMENTS

Available for sale

Government securities:

- Market Treasury Bills
- Pakistan Investment Bonds
- National Savings Certificates

Note	(Unaudited) March 31, 2012	(Audited) June 30, 2011
	-----Rupees in '000-----	
4.1	1,805,520	2,436,135
	192,158	45,737
	469,991	504,036
	<u>2,467,669</u>	<u>2,985,908</u>

NIT - GOVERNMENT BOND FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

4.1 Investment in government securities - Available for sale

Issue date	Tenor	Face value				Balance as at March 31, 2012			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2011	Purchases during the period	Sales / matured during the period	As at March 31, 2012	Carrying value	Market value	Appreciation / (Diminution)		
(Rupees in '000)										
Market Treasury Bills										
July 15, 2010	12 months	50,000	-	50,000	-	-	-	-	-	-
March 10, 2011	6 months	100,000	-	100,000	-	-	-	-	-	-
March 24, 2011	6 months	300,000	-	300,000	-	-	-	-	-	-
April 7, 2011	6 months	200,000	-	200,000	-	-	-	-	-	-
April 21, 2011	6 months	160,000	-	160,000	-	-	-	-	-	-
May 5, 2011	3 months	250,000	-	250,000	-	-	-	-	-	-
May 5, 2011	6 months	265,000	-	265,000	-	-	-	-	-	-
May 19, 2011	3 months	100,000	-	100,000	-	-	-	-	-	-
May 19, 2011	6 months	350,000	-	350,000	-	-	-	-	-	-
May 19, 2011	12 months	-	80,000	-	80,000	78,850	78,801	(49)	3.12%	3.19%
June 2, 2011	3 months	250,000	-	250,000	-	-	-	-	-	-
June 2, 2011	6 months	150,000	-	150,000	-	-	-	-	-	-
June 16, 2011	3 months	100,000	-	100,000	-	-	-	-	-	-
June 16, 2011	6 months	250,000	-	250,000	-	-	-	-	-	-
July 14, 2011	6 months	-	75,000	75,000	-	-	-	-	-	-
July 14, 2011	3 months	-	50,000	50,000	-	-	-	-	-	-
February 10, 2011	6 months	-	15,000	15,000	-	-	-	-	-	-
March 10, 2011	6 months	-	31,000	31,000	-	-	-	-	-	-
April 7, 2011	6 months	-	110,000	110,000	-	-	-	-	-	-
April 21, 2011	6 months	-	50,000	50,000	-	-	-	-	-	-
August 11, 2011	6 months	-	20,000	20,000	-	-	-	-	-	-
August 25, 2011	6 months	-	100,000	100,000	-	-	-	-	-	-
August 25, 2011	12 months	-	125,000	-	125,000	119,154	119,364	210	4.73%	4.84%
September 8, 2011	12 months	-	335,000	-	335,000	317,900	318,496	596	12.61%	12.91%
September 22, 2011	12 months	-	100,000	-	100,000	94,471	94,659	188	3.75%	3.84%
October 6, 2011	12 months	-	392,000	200,000	192,000	180,884	180,956	72	7.16%	7.33%
November 3, 2011	12 months	-	406,000	-	406,000	380,760	379,360	(1,400)	15.02%	15.37%
November 17, 2011	12 months	-	40,000	-	40,000	37,357	37,215	(142)	1.47%	1.51%
December 1, 2011	12 months	-	175,000	-	175,000	162,638	162,122	(516)	6.42%	6.57%
December 1, 2011	3 months	-	75,000	75,000	-	-	-	-	-	-
February 9, 2012	6 months	-	45,000	-	45,000	43,219	43,160	(59)	1.71%	1.75%
February 23, 2012	3 months	-	100,000	-	100,000	98,560	98,501	(59)	3.90%	3.99%
March 22, 2012	3 months	-	300,000	-	300,000	292,970	292,886	(84)	11.59%	11.87%
		2,525,000	2,624,000	3,251,000	1,898,000	1,806,763	1,805,520	(1,243)	0.71	0.73
Pakistan Investment Bonds										
September 3, 2009	10 years	50,000	-	-	50,000	48,763	47,282	(1,481)	1.87%	1.92%
July 22, 2010	5 years	-	50,000	-	50,000	49,076	48,435	(641)	1.92%	1.96%
August 18, 2011	5 years	-	50,000	-	50,000	48,585	47,720	(865)	1.89%	1.93%
August 18, 2011	3 years	-	50,000	-	50,000	48,116	48,721	605	1.93%	1.97%
		50,000	150,000	-	200,000	194,540	192,158	(2,382)	0.08	0.08
National Savings Certificates										
	3 years	500,000	-	10.00	499,990	499,990	469,991	(29,999)	18.61%	19.05%
		3,075,000	2,774,000	3,251,010	2,597,990	2,501,293	2,467,669	(33,624)	0.98	1.00

NIT - GOVERNMENT BOND FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

4.2 Net unrealised diminution in the fair value of investments classified as 'available for sale'

	(Unaudited) March 31, 2012	(Audited) June 30, 2011
	-----Rupees in '000-----	
Fair value of investments	2,467,669	2,985,908
Less: Carrying value of investments	(2,501,293)	(2,987,133)
	(33,624)	(1,225)
Less: Net unrealised diminution in the fair value of investments at the beginning of the period / year	(1,225)	(4,156)
	<u>(32,399)</u>	<u>2,931</u>

5 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2012 and June 30, 2011.

6 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 Honourable High Court of Sindh, challenging the applicability of WWF to the CISs, which is pending adjudication. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements for the year ended June 30, 2010.

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 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, pending the decision of the said constitutional petition, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 14.567 million (including Rs 4.026 million for the current period) in this condensed interim financial information.

7 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, subject to the condition that not less than ninety 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 ninety percent of the Fund's accounting income, if any, for the year ending June 30, 2011 as reduced by capital gains, whether realised or unrealised, to its unit holders.

NIT - GOVERNMENT BOND FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

		-----Unaudited-----			
		Nine months ended March 31, 2012	Nine months ended March 31, 2011	Quarter ended March 31, 2012	Quarter ended March 31, 2011
8	EARNINGS PER UNIT	-----Rupees in '000-----			
	Net income for the period after taxation	197,355	214,914	48,294	75,680
	Weighted average number of units outstanding	254,891,984	297,760,128	256,097,485	297,760,128
	Earnings per unit	0.77	0.72	0.19	0.27

9 TRANSACTIONS WITH CONNECTED PERSONS

9.1 Connected persons include the Management Company (National Investment Trust Limited), 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.

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

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

		-----Unaudited-----			
		Nine months ended March 31, 2012	Nine months ended March 31, 2011	Quarter ended March 31, 2012	Quarter ended March 31, 2011
9.4	Transactions during the period:	-----Rupees in '000-----			
	National Investment Trust Limited - Management Company				
	Issue of 1,936,820 bonus units (2011: 1,628,166 units)	19,556	16,265	-	-
	Front end load on sale of units	55	74	13	14
	Remuneration of the management company	26,026	29,003	8,625	9,129
	Sindh Sales Tax on Management Fee	4,164	-	1,380	-
	Central Depository Company of Pakistan Limited - Trustee				
	Remuneration of the Trustee	2,126	2,303	708	732
	National Investment Trust Limited Provident Fund				
	Issue of 409,791 bonus units (2011: 457,924 units)	4,138	-	-	-
	National Investment Trust Limited Employees Pension Fund				
	Issue of 710,503 bonus units (2011: 735,731)	7,174	-	-	-

NIT - GOVERNMENT BOND FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

		(Unaudited) March 31, 2012	(Audited) June 30, 2011
		-----Rupees in '000-----	
9.5	Amounts outstanding as at period end:		
	National Investment Trust Limited - Management Company		
	21,107,184 units held (June 30, 2011: 19,170,364 units)	228,325	213,115
	Management fee and other payables	7,325	7,279
	Central Depository Company of Pakistan Limited - Trustee		
	Trustee fee payable	236	263
	National Investment Trust Limited Provident Fund		
	4,465,840 units held (June 30, 2011: 4,056,049 units)	48,309	45,091
	Payable against redemption of units	-	41,938
	National Investment Trust Limited Pension Fund		
	7,742,953 units held (June 30, 2011: 7,032,451 units)	83,759	78,179
	Payable against redemption of units	-	73,385

10 CORRESPONDING FIGURES

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

11 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on **April 11, 2012** by the Board of Directors of the Management Company.

12 GENERAL

Figures have been rounded off to the nearest thousand rupees.

	For National Investment Trust Limited (Management Company)		
Sd/-	Sd/-	Sd/-	
Managing Director	Director	Director	