

NAFA SAVINGS PLUS FUND

MISSION STATEMENT

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

NAFA SAVINGS PLUS FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited - Management Company
(Formerly National Fullerton Asset Management Limited)

Board of Directors of the Management Company

Mr. Qamar Hussain	Chairman
Mr. Shahid Anwar Khan	Director
Mr. Gerard Lee How Cheng	Director
Mr. Patrick Pang Chin Hwang	Director
Mr. Shehryar Farooque	Director
Mr. Kamal Amir Chinoy	Director
Dr. Amjad Waheed	Chief Executive Officer
Dr. Asif A. Brohi	Director

Company Secretary & CFO of the Management Company

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

Mr. Gerard Lee How Cheng	Chairman
Mr. Shahid Anwar Khan	Member
Mr. Shehryar Farooque	Member

Trustee

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

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Samba Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
JS Bank Limited
United Bank Limited
NIB Bank Limited
The Bank of Punjab
KASB Bank Limited
Standard Chartered Bank (PAK) Limited
Arif Habib Bank Limited
Soneri Bank Limited
Royal Bank Of Scotland Limited
National Bank of Pakistan
Habib Bank Limited

NAFA SAVINGS PLUS FUND

Auditors

A.F. Ferguson & Co. Chartered Accountants
State Life Building No. 1-C
I.I Chundrigar Road,
P.O. Box 4716
Karachi.

Legal Advisor

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

Head Office:

9th Floor, Adamjee House,
I.I Chundrigar Road,
Karachi.

Lahore Office:

68-B-1, M. M. Alam Road,
Gulberg 3, Lahore.
UAN: 042-111-111-632,
Phone: 042-35778248-63
Fax: 042-35876806

Islamabad Office:

Plot No. 395, 396
Industrial Area, 1-9/3, Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

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

Multan Office:

82 Khan Centre, Near SP Chowk
Abdali Road, Multan Cantt,
Multan.

NAFA SAVINGS PLUS FUND

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NAFA SAVINGS PLUS FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited (formerly: National Fullerton Asset Management Limited) is pleased to present the unaudited financial statements of NAFA Savings Plus Fund for the quarter ended September 30, 2010.

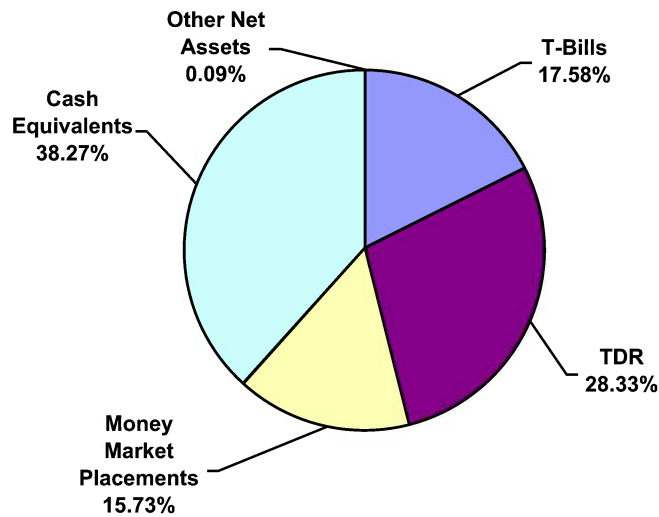
Fund's Performance

The size of NAFA Savings Plus Fund has increased from Rs. 586 million to Rs. 706 million or 20.48% during the period from July 1, 2010 to September 30, 2010. During this period the Unit Price of your Fund has increased from Rs. 10.0438 (Ex-Dividend) to Rs. 10.2788, translating into an annualized return of 9.61%.

Rising Government borrowing and inflation has forced the SBP to raise the Discount Rate by another 50 basis points over the last two months. This has kept money market rates on the higher end. Hence, the return on the Fund has been attractive.

NAFA Savings Plus Fund has earned total income of Rs.20.38 million during the quarter. After deducting expenses of Rs.4.32 million, the net income is Rs.16.06 million, translating into earning per unit of Rs.0.2350.

The asset allocation of the Fund as on September 30, 2010 is as follows:



Income Distribution

The Board of Directors of the Management Company has approved an interim distribution of 2.5110%. After interim distribution, the net asset value per unit will be Rs. 10.0277 on September 30, 2010.

NAFA SAVINGS PLUS FUND

Acknowledgement

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

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

On behalf of the Board of
NBP Fullerton Asset Management Limited
(formerly: National Fullerton Asset Management Limited)

Chief Executive

Director

Date: October 18, 2010
Place: Karachi.

NAFA SAVINGS PLUS FUND

CONDENSED INTERIM STATEMENT OF ASSETS & LIABILITIES AS AT SEPTEMBER 30, 2010

	Note	(Un-audited) September 30, 2010	(Audited) June 30, 2010
----- (Rupees in '000) -----			
ASSETS			
Balances with banks		470,209	232,320
Investments	4	180,376	189,079
Loans and receivables		55,000	159,000
Profit receivable	5	4,664	9,450
Prepayments and other receivables		1,020	428
Preliminary expenses and floatation costs		2,164	2,295
Total assets		713,433	592,572
LIABILITIES			
Payable to the Management Company		3,902	2,868
Payable to the Trustee		105	98
Payable to the Securities and Exchange Commission of Pakistan		116	263
Payable on redemption of units		1,368	1,959
Accrued expenses and other liabilities	6	1,866	1,287
Total Liabilities		7,357	6,475
NET ASSETS		706,076	586,097
UNITHOLDERS' FUND (AS PER STATEMENT ATTACHED)		706,076	586,097
CONTINGENCIES AND COMMITMENTS	7		
			(Number of units)
Number of units in issue		68,692,316	56,661,450
NET ASSET VALUE PER UNIT		10.2788	10.3438
			(Rupees)

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)**

Chief Executive

Director

NAFA SAVINGS PLUS FUND

CONDENSED INTERIM INCOME STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2010 (Un-audited)

	Note	For the Quarter September 30, 2010 (Rupees in '000)
INCOME		
Income from government securities		7,408
Income from term deposit receipts		5,960
Income from money market placements		3,145
Discount income on commercial paper		152
Profit on bank deposits		1,827
Capital loss on sale of investments - net		(78)
Net unrealised diminution in the value of investments at fair value through profit or loss		40
Total income		<u>18,454</u>
EXPENSES		
Remuneration of the Management Company		3,081
Remuneration of the Trustee		308
Annual fee - Securities and Exchange Commission of Pakistan		116
Securities transaction cost		10
Bank charges		54
Annual listing fee		10
Rating fee		50
Auditors' remuneration		107
Printing charges		124
Amortisation of preliminary expenses and floatation costs+		132
Total expenses		<u>3,992</u>
Net income from operating activities		14,462
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed		1,924
Provision for workers' welfare fund		(328)
Net income for the period before taxation		<u>16,058</u>
Taxation	8	-
Net income for the period after taxation		<u><u>16,058</u></u>
Earnings per unit	9	

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)**

Chief Executive

Director

NAFA SAVINGS PLUS FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2010 (Un-audited)

	For the Quarter September 30, 2010
	Rupees in '000
Net income for the period after taxation	16,058
Other comprehensive income for the period	-
Total comprehensive income for the period	<u>16,058</u>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)**

Chief Executive

Director

NAFA SAVINGS PLUS FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2010 (Un-audited)

	For the Quarter September 30, 2010
	Rupees in '000
Undistributed income brought forward	19,234
Final distribution for the year ended June 30, 2010: 3.00% (declared on July 05, 2010)	
- Cash distribution	(1,352)
- Bonus units	(15,562)
Net income for the period	16,058
Element of income and capital gains included in prices of units issued less those in units redeemed - amount representing income that form part of the unit holders' fund	459
	16,517
Undistributed income carried forward	18,837
Undistributed income comprising of:	
Realised income	18,797
Unrealised income / (loss)	40
	18,837

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)**

Chief Executive

Director

NAFA SAVINGS PLUS FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE QUARTER ENDED SEPTEMBER 30, 2010 (Un-audited)

	For the Quarter September 30, 2010
	Rupees in '000
Net assets at the beginning of the period	586,097
Issue of 27,273,398 units - including 1,549,438 bonus units	265,014
Redemption of 15,242,532 units	(157,817)
	107,197
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	
- amount representing (income) / loss and capital (gains) / losses transferred to income statement	(1,924)
- amount representing income that form part of the unit holders' fund - transferred to Distribution Statement	(459)
	(2,383)
Final distribution:	
Issue of 1,549,438 bonus units for the period ended June 30, 2010	15,562
Element of income and capital gains included in prices of units issued less those in units redeemed - amount representing income that form part of the unit holders' fund	459
Net unrealised diminution in the value of investments at fair value through profit or loss	40
Capital loss on sale of investments - net	(78)
Other net income for the period	16,096
Final distribution for the year ended June 30, 2010: 3.00% (Date of distribution: July 05, 2010)	
- Cash distribution	(1,352)
- Bonus units	(15,562)
	(397)
Net Assets at the end of the period	706,076

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)**

Chief Executive

Director

NAFA SAVINGS PLUS FUND

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2010 (Un-audited)

	Note	For the Quarter September 30, 2010
		Rupees in '000
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation		16,058
Adjustments		
Net unrealised diminution in the value of investments at fair value through profit or loss		(40)
Amortisation of preliminary expenses and floatation costs		132
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed		(1,924)
		14,226
(Increase) / decrease in assets		
Investments		8,742
Loans and receivables		104,000
Profit receivable		4,786
Prepayments and other receivables		(592)
		116,936
Increase / (decrease) in liabilities		
Payable to the Management Company		1,034
Payable to the Trustee		7
Payable to Securities and Exchange Commission of Pakistan		(147)
Accrued expenses and other liabilities		579
		1,473
Net cash outflow on operating activities		
		132,635
CASH FLOW FROM FINANCING ACTIVITIES		
Receipts from issue of units		265,014
Payments on redemption of units		(158,408)
Distributions paid		(1,352)
Net cash inflow from financing activities		
		105,254
Net increase in cash and cash equivalents during the period		
		237,889
Cash and cash equivalents at the beginning of the period		232,320
Cash and cash equivalents at the end of the period		
		470,209

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

**For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)**

Chief Executive

Director

NAFA SAVINGS PLUS FUND

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2010 (Un-audited)

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Savings Plus Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited (NAFA) (formerly National Fullerton Asset Management Limited) as management company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on October 09, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

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 SECP. The registered office of the Management Company is situated at 9th Floor, Adamjee House, I.I Chundrigarh Road, Karachi.

The Fund is an open-ended mutual fund and is listed on the Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering to the Fund. The units of the Fund were initially offered for public subscription at par from November 16, 2009 to November 21, 2009.

The objective of the Fund is to provide an open-end income scheme, seeking to minimize risk, preserve capital and generate a reasonable return along with a high degree of liquidity from a portfolio primarily constituted of bank deposits and money market instruments.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM2- to the Management Company. The Fund has been assigned a stability rating of 'AA-(f)'.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2007 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulation or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

The directors of the Asset Management Company declare that these condensed interim financial statements give a true and fair view of the Fund.

3 ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the financial statements for the quarter ended September 30, 2010 are same as those applied in the preparation of annual audited financial statements for the year ended June 30, 2010.

4 INVESTMENTS

At fair value through profit or loss - held for trading

	Note	(Un-audited) September 30, 2010	(Audited) June 30, 2010
		----- (Rupees in '000) -----	
Government securities - Market Treasury Bills	4.1	124,155	189,079
Commercial Paper	4.2	56,221	-
		<u>180,376</u>	<u>189,079</u>

NAFA SAVINGS PLUS FUND

4.1 Investment in government securities - 'At fair value through profit or loss'

Issue date	Tenor	Face value			As at September 30, 2010	Balance as at September 30, 2010 Market Value	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2010	Purchases during the period	Sales / matured during the period				
----- (Rupees in '000) -----								
Market Treasury Bills								
03-Jun-10	3 months	40,000	-	40,000	-	-	-	
03-Jun-10	3 months	50,000	-	50,000	-	-	-	
17-Jun-10	3 months	45,000	-	45,000	-	-	-	
17-Jun-10	6 months	60,000	-	60,000	-	-	-	
13-Aug-09	12 months	-	40,000	40,000	-	-	-	
26-Sep-09	12 months	-	170,000	170,000	-	-	-	
13-Aug-10	3 months	-	35,000	-	35,000	34,593	4.90	
8-Oct-09	12 months	-	80,000	-	80,000	79,822	11.31	
17-Jun-10	6 months	-	10,000	-	10,000	9,740	1.38	
						<u>124,155</u>		
Carrying value before fair value adjustment as at September 30, 2010						<u>124,115</u>		

4.2 Investment in Commercial Papeppppr of Engro Fertilizers Ltd - 'At fair value through profit or loss'

Issue date	Tenor	Face value			As at September 30, 2010	Balance as at September 30, 2010 Market Value	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2010	Purchases during the period	Sales / matured during the period				
----- (Rupees in '000) -----								
24-Sep-10	6 months	-	60,000	-	60,000	56,221	7.96	
						<u>56,221</u>		
Carrying value before fair value adjustment as at September 30, 2010						<u>56,221</u>		

	(Un-audited) September 30, 2010	(Audited) June 30, 2010
	----- (Rupees in '000) -----	
5 PROFIT RECEIVABLE	197	340
Profit on savings deposits	3,219	2,763
Profit on term deposit receipts	858	6,113
Profit on certificates of investment	390	234
Profit on clean placements	<u>4,664</u>	<u>9,450</u>

NAFA SAVINGS PLUS FUND

	Note	Un-Audited September 30, 2010	Audited June 30, 2009
----- (Rupees in '000) -----			
6	ACCRUED EXPENSES AND OTHER LIABILITIES		
	Auditors' remuneration payable	342	235
	Payable to brokers	2	16
	Bank charges payable	17	10
	Provision for workers' welfare fund	1,027	701
	Printing charges payable	432	325
	Others	46	-
		<u>1,866</u>	<u>1,287</u>
7	CONTINGENCIES AND COMMITMENTS		

There were no contingencies and commitments outstanding as at September 30, 2010.

8 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 90 percent of its accounting income for the year / period, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund has not recorded a tax liability in respect of income relating to the current period of NBP Fullerton Asset Management Limited (NAFA) (Formerly National Fullerton Asset Management Limited) as management company has decided to distribute at least 90 percent of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders.

9 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

10 TRANSACTIONS WITH CONNECTED PERSONS

10.1 Connected persons include NBP Fullerton Asset Management Limited being the Management Company (NAFA) (formerly National Fullerton Asset Management Limited), Central Depository Company of Pakistan Limited being Trustee, National Bank of Pakistan (NBP) and Alexandra Fund Management Pte. Limited being the sponsors, NAFA Provident Fund Trust being the employee contribution plan of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company.

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

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

10.4 Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

NAFA SAVINGS PLUS FUND

	Un-Audited Quarter Ended September 30, 2010
	(Rupees in '000)
10.5 Details of the transactions with connected persons are as follows:	
NBP Fullerton Asset Management Limited - Management Company (Formerly National Fullerton Asset Management Limited)	
Management fee for the period	3,081
Central Depository Company of Pakistan Limited - Trustee	
Remuneration for the period	308
National Bank of Pakistan - Sponsor	
Cash dividend paid	900
Alexandra Fund Management Pte. Limited - Sponsor	
Units redeemed / transferred out during the period (2,075,304 units)	21,000
Bonus units issued during the period (122,410 units)	-
Employees of the Management Company	
Units issued / transferred in during the period (26,828 units)	270
Bonus units issued during the period (1,705 units)	-
Units redeemed / transferred out during the period (23,196 units)	236
NAFA Provident Fund Trust - Provident Fund	
Units issued / transferred in during the period (331,565 units)	3,366
Bonus units issued during the period (12,308 units)	-
Units redeemed / transferred out during the period (440,831 units)	4,492

	Un-Audited September 30, 2010	Audited June 30, 2010
	----- (Rupees in '000) -----	
10.6 Amounts outstanding as at period end		
NBP Fullerton Asset Management Limited - Management Company (Formerly National Fullerton Asset Management Limited)		
Management fee payable	1,055	983
Others	2,847	1,885
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	105	98
National Bank of Pakistan - Sponsor		
Investment held by the Sponsor in the Fund (3,000,000 units; June 30, 2010: 3,000,000 units)	30,836	31,031
Balance in current account	227	582
Alexandra Fund Management Pte. Limited - Sponsor		
Investment held by the Sponsor in the Fund (2,145,324 units; June 30, 2010: 4,098,217 units)	22,051	42,391
Employees of the Management Company		
Investment held by the executives in the Fund (62,427 units; June 30, 2010: 16,525,units)	642	171
NAFA Provident Fund Trust - Provident Fund		
Investment held in the Fund (315,106 units; June 30, 2010: 412,064 units)	3,239	4,262

NAFA SAVINGS PLUS FUND

11 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 18, 2010.

12 GENERAL

Figures have been rounded off to the nearest thousand Rupees.

**For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)**

Chief Executive

Director