

FUND OBJECTIVE

The objective of the Fund is to grow the value of investments over the long term through investment in a diversified mix of Malaysian assets.

FUND IS SUITABLE FOR INVESTORS WHO

- have a medium to long term investment horizon;
- want a balanced portfolio that includes equities and fixed income securities;
- recognise that a well-diversified fund tends to produce a smoother return over time than a fund which invests in only one asset class such as equities;
- wants a portfolio with preference to higher equity exposure for potentially higher capital appreciation; and/or
- are willing to take moderate risks for moderate capital appreciation.

FUND REVIEW

The Fund fell -1.87% in February, underperforming the benchmark by 0.40%. YTD, the Fund lost -0.76% while the benchmark shed -0.93%. The underperformance from Equity came mainly from the Industrial, Oil & Gas, Financial, Healthcare and Consumer Goods sectors. These included positions in POS, SapuraCrest, Perisai, AMMB, Faber and Genting Plantations, as well as an underweight position in Tenaga and Telekom. Main contributors for fixed income were the toll road and power related bonds in the Fund.

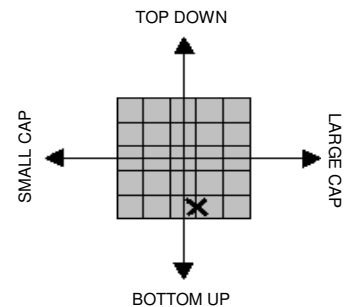
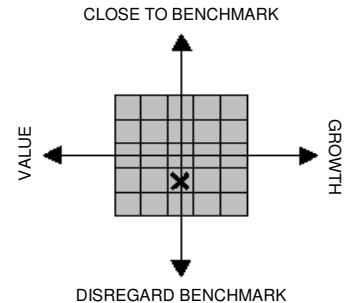
Global fears of possible oil disruptions have heightened from spreading unrest and violence in Libya and Bahrain, pushing oil prices across USD100/barrel, the highest in 2 years. This is primarily driven by financial speculation, not real end-demand. However, sustained high prices beyond 3 months can dent the global economic recovery. As such, we are more defensively positioned in this environment, paying careful attention to portfolio risk and volatility.

During the month, we reduced portfolio beta and took some profit on the Construction sector on names such as IJM, MRCB, and WCT, as well as Aviation stocks such as AirAsia, MAS and Malaysia Airports. We increased the layer of defensives such as Digi, Petronas Gas, Petronas Dagangan and POS. We also added to our glove holdings in expectation of the peaking of latex prices. Going forward, we will maintain our strategy of being highly invested, while monitoring portfolio volatility. For fixed income, we believe bonds will be supported against excessive yield rising due to ample liquidity in the market. We continue to maintain our strategy with an overweight in the corporate debt segment and aim to switch to new issuances if the primary bond yields are attractive.

FUND MANAGER

Arnold Lim Boon Lay , Executive Vice President. Head of Retail Equities. After five years at Citibank NA Kuala Lumpur, Mr Lim moved to the investment industry in 1989. His experience includes managing venture capital investments, unit trust funds and other institutional funds. During Mr Lim's tenure as General Manager of a local asset management house, its discretionary fund composite was ranked No 1 (94-98) on Information Ratio by Watson Wyatt. Mr Lim was also previously Head of Research of ING Barings Malaysia. AsiaMoney ranked him as 2nd best strategist in 2001. Master of Business Administration (University of California, Berkeley); Chartered Financial Analyst. He holds a Capital Markets Services Representative's License for fund management under CMSA.

INVESTMENT STYLE



Benchmark (YTD) -0.93%
70% FTSE Bursa Malaysia Top 100 Index + 30% CIMB Bank 1-month FD Rate

*Based on the fund's portfolio returns as at 15 February 2011, the Volatility Factor (VF) for this fund is 15.13 and is classified as "Moderate" (source: Lipper). "Moderate" includes funds with VF that are above 11.845 but not more than 15.505. The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

We recommend that you read and understand the contents of the Master Prospectus Issue No. 14 dated 30 June 2010 and its Supplemental Master Prospectus dated 27 September 2010 and Second Supplemental Master Prospectus dated 14 January 2011 which have been duly registered with the Securities Commission, before investing and that you keep the said Prospectuses for your records. Any issue of units to which the Prospectuses relate will only be made upon receipt of the completed application form referred to and accompanying the Prospectuses, subject to the terms and conditions therein. Investments in the Fund are exposed to credit/default risk, interest rate risk, counterparty risk, company specific risk and stock specific risk. You can obtain a copy of the Prospectuses from the head office of CIMB-Principal Asset Management Berhad or from any of our approved distributors. There are fees and charges involved in investing in the funds. We suggest that you consider these fees and charges carefully prior to making an investment. Unit prices and income distributions, if any, may fall or rise. Past performance is not reflective of future performance and income distributions are not guaranteed. You are also advised to read and understand the contents of the Unit Trust Loan Financing Risk Disclosure Statement before deciding to borrow to purchase units. All performance figures have been verified by Mercer Zainal Consulting Sdn. Bhd. (35090-H).

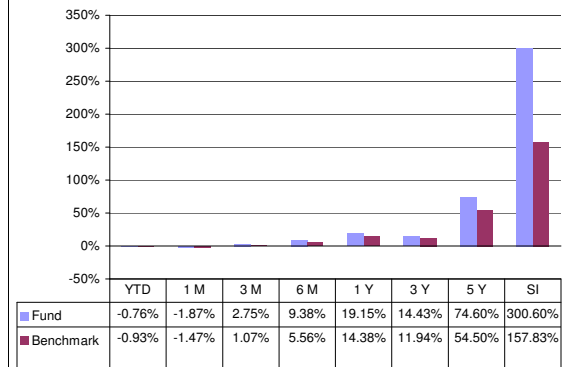
CIMB-Principal Balanced Fund

FUND INFORMATION

Launch date	12/03/1998
Fund category*	Balanced
Fund type	Growth
Fund Size in RM (as at 28/02/2011)	RM103.77 million
Current Price (as at 28/02/2011)	RM0.4418
Initial investment	Minimum RM500
Subsequent investment	RM200 or more at any time
Sales charge	Up to 5%
Annual management fee	Up to 1.85% per annum
Exit fees	None
Annual expense ratio (as at 31/12/2009)	2.29%
Manager	CIMB-Principal Asset Management Berhad

* as per S&P, Micropal or Lipper

PERFORMANCE RECORD AS AT 28/02/2011



RISK AS AT 28/02/2011

3-Year Annualized Volatility**	15.07
3-Year Annualized Sharpe Ratio**	0.18
HSBC Risk Classification	3

** 3-year Volatility and Sharpe Ratio figures are based on bid prices, adjusted for dividends re-invested and in MYR.

FUNDS NAV AS AT 28/02/2011

52-Week High	0.4646
52-Week Low	0.4418

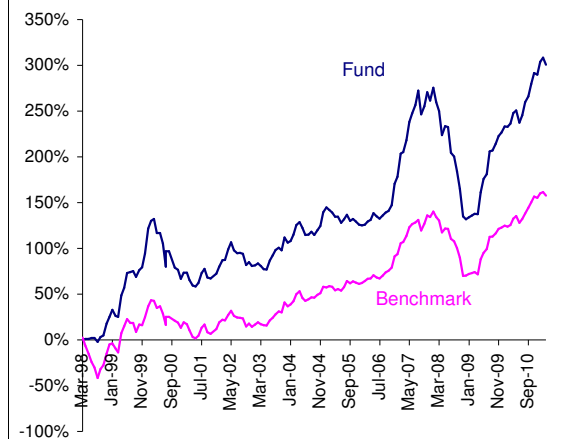
TRAILING RETURNS

	3 M	6 M	1 Y	3 Y	5 Y
Absolute***	2.75%	9.38%	19.15%	74.60%	300.60%
Annualized***	N/A	N/A	19.15%	20.41%	31.99%

*** Returns To Date (%)

Performance figures are based on bid-to-bid prices, dividends re-invested in MYR.

NAV TO NAV AS AT 28/02/2011



CALENDAR YEAR RETURNS

	2006	2007	2008	2009	2010
Fund (%)	23.66	34.93	-37.7	42.47	21.09
Benchmark (%)	19.37	24.11	-28.44	30.8	15.75

Performance figures are based on bid-to-bid prices, dividends re-invested in MYR.

SECTOR ALLOCATION AS AT 28/02/2011

Bonds	27.19%
Finance	19.71%
Trading/Services	19.18%
Plantation	10.36%
Industrials Products	6.91%
Construction	3.99%
Properties	1.80%
IPC	2.22%
Cash	8.64%
Total	100%

TOP 10 HOLDINGS AS AT 28/02/2011

Holdings	% of Fund
CIMB Group Holdings Berhad	10.36
Malayan Banking Berhad	10.07
Sime Darby Berhad	9.86
Axiata Group Berhad	8.34
Jimah Energy Ventures Sdn Bhd 8.2% 10/11/2017	6.70
Public Bank Berhad - Local	6.40
Genting Berhad	6.25
Konsortium Lebuh Utara Timur 6.97% 28/10/2025	6.13
IOI Corporation Berhad	5.70
AMMB Holdings Berhad	4.71
Top 10 Holdings % of Shareholder	74.52