

## CIMB-Principal Bond Fund (Formerly Lifetime Bond Fund)

An open-ended investment fund which aims to provide you with regular income as well as to achieve medium to long-term capital appreciation through investments primarily in Malaysian bonds.

### FUND IS SUITABLE FOR INVESTORS WHO

- Are looking to diversify their portfolio by investing in Malaysian fixed interest securities;
- Are looking to receive a tax-effective income stream while maintaining the value of your investment over the medium term; and/or
- Are looking for a lower risk investment but can accept that returns may fluctuate over the short term.

### MANAGER'S COMMENTS

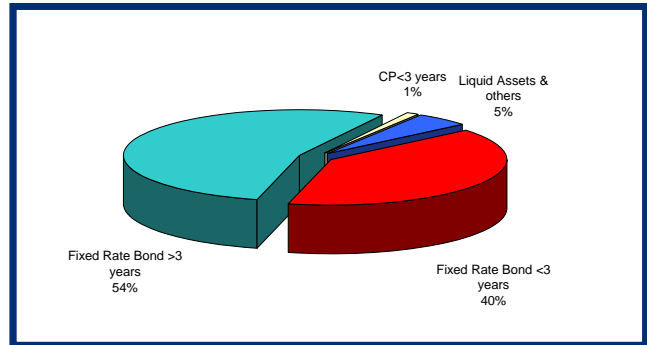
LBF's generated return of 0.56% for the month and 0.48% for 4Q07. The fund outperformed its benchmark of RAM Quant shop All Index by 71 bps and (Medium) Index by 26 bps.

The bond market is expected to be neutral if not slightly soft in the 1Q08 as high inflationary expectation will dampen sentiment. However, we expect BNM to maintain its OPR during the 1H.

In view of the above, we expect to position the fund at short to neutral benchmark duration.

**Fund Performance in December** The Fund increased by 0.56% while the benchmark index increased by 0.15% over the month.

### ASSET ALLOCATION\* (as at 31 December 2007)



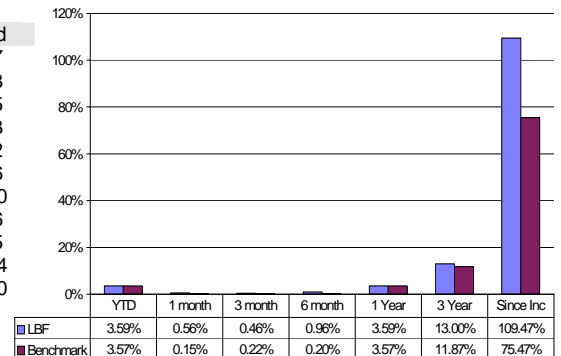
\* as a percentage of NAV. Please note that asset exposures for the funds are subject to frequent change on a daily basis.

### PERFORMANCE RECORD (as at 31 December 2007)

Calendar year return %

Year	Fund
2006	5.47
2005	3.43
2004	9.35
2003	2.03
2002	6.72
2001	7.46
2000	9.90
1999	9.16
1998	7.25
1997	2.04
1996	9.80

Cumulative return over the period %



### FUND DETAILS

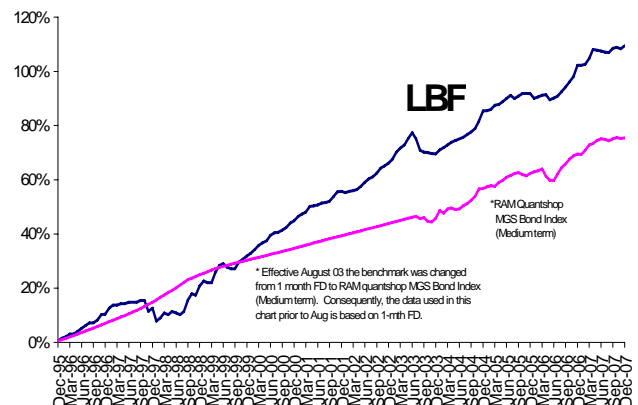
<b>Fund size (31 Dec 07)</b>	<b>RM 212.95 million (187.08 million units)</b>
<b>Unit NAV (31 Dec 07)</b>	<b>RM 1.1383</b>
Fund currency	Ringgit Malaysia
Fund inception	15 November 1995
Domicile	Malaysia
Management fee	1.00% per annum
Trustee fee	0.05% per annum
Dealing	Daily (as per Bursa Malaysia trading day)
Application fee	2%
Redemption payment period	Up to 10 days
Investment manager	CIMB-Principal Asset Management Berhad

### LARGEST HOLDINGS \* (as at 31 December 2007)

Special Power Vehicle	3.00%	19/11/18	6.99%
K'tium L.Raya Utara Timur	8.57%	18/10/18	5.13%
Bank Muamalat (M) Bhd	6.25%	05/09/11	4.95%
Eon Capital Berhad	6.75%	11/12/09	4.87%
Encorp Systembilt Sdn Bhd	0%	03/01/08	3.43%

\* percentage of NAV

### BID TO BID PRICES



Nov. 95 to Dec 07, Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested. Source:- Management Co.

We recommend that you read and understand the contents of the Master Prospectus dated 03 January 2008 which has been duly registered with the Securities Commission before investing and that you keep the said prospectus for your records. Any issue of units to which the Prospectus relates will only be made upon receipt of the completed application form referred to in and accompanying the Prospectus, subject to the terms and conditions therein. You can obtain copies of the prospectus from any of our offices. There are fees and charges involved in investing funds. We suggest that you consider these 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 or purchase units. All performance figures have been verified by Mercer Zainal Consulting Sdn. Bhd. (35090-H). Note: Fund's name changed effective 3 January 2008.