

OSK-UOB MUHIBBAH INCOME FUND

This fund aims to maximise total returns through a combination of medium to long term growth of capital and current income consistent with the preservation of capital.

THE FUND IS SUITABLE FOR INVESTORS WHO

- are conservative and willing to accept moderate risk in their investments
- seek regular income and growth of capital
- wish to have some equities exposure in a predominantly fixed income portfolio
- require investments that comply with Shariah requirements
- are concerned with socially responsible investing and ethical issues, such as drugs and tobacco, proliferation of weapons, pollution and fair labour practices

MANAGER'S COMMENTS

Equities	1 Mth	3 Mth	YTD	12 Mth
MSCI AC World	(1.2)	(2.1)	9.6	9.6
MSCI World	(1.4)	(2.7)	7.1	7.1
MSCI USA	(0.7)	(3.6)	4.1	4.1
MSCI Europe	(1.8)	(0.8)	11.0	11.0
MSCI Japan	(5.0)	(7.2)	(6.4)	(6.4)
MSCI Asia (ex. Japan)	(0.4)	0.6	37.1	37.1
MSCI Emerging Markets	0.3	3.4	36.5	36.5

Returns in US dollars Source : Bloomberg

- World equity markets were down in the month of December by 1.2% in US dollar terms with Japan being the worst hit market.
- The MSCI AC World Index fell 2.5% in December and ended the year with total returns of 5.0% in Ringgit terms. Similarly, the Dow Jones Islamic Market Index fell 1.5% and finished the year strongly with total returns of 8.8% in Ringgit terms. The Fund's equities were down 1.9% in December but ended the year impressively with total returns of 11.1% since inception (1 April 2007 through 31 December 2007) in Ringgit terms.
- The better performing holdings in the portfolio in December, on an absolute basis, were PT Astra Agro Lestari (Indonesia), Daewoo Shipbuilding & Marine (S. Korea), Hyundai Development (S. Korea), Apache (US), Swatch (Switzerland) and Respironics (US). Respironics' stock price spiked following the announcement that Royal Philips Electronics will be acquiring Respironics for \$66 per share, a 31% premium over the average closing price over the past 30 days. We took opportunity to exit our holding, which led to the Fund's allocation in Healthcare sector temporarily below the benchmark as well as a high cash position. We look to re-deploy the proceeds in the healthcare sector.
- On the negative front, the drag on performance in December was mainly due to holdings allocated in Japan and Taiwan which both markets corrected sharply in view of potential U.S. economy weakening.

5 LARGEST EQUITY HOLDINGS* (as at 31 December 2007)

Rio Tinto PLC	1.73%
CVS Caremark Corporation	1.61%
China Mobile Ltd	1.51%
Freeport-Mcmoran Copper & Gold Inc	1.50%
ABB Ltd - Reg	1.40%

* as percentage of NAV

5 LARGEST BOND HOLDINGS* (as at 31 December 2007)

Jimah Energy Ventures Sdn Bhd – 8.30% (11/11/2016)	9.67%
Konsortium Lapangan Terjaya Sdn Bhd – 6.95% (16/05/11)	7.54%
MTD Infraperdana Bhd – 5.18% (2/10/18)	6.10%
Lafarge Malayan Cement Bhd – ICP (18/2/08)	6.10%
Malakoff Corporation Bhd – ICP (30/4/08)	6.06%

* as percentage of NAV

CALENDAR YEAR RETURN % (in RM terms) *

Fund	1 m	3 m	6 m	Since Launch
Fund	-0.77	-1.68	1.74	3.94
MIF Index #	-0.29	-1.06	0.48	4.84

* NAV to NAV: Performance independently verified by Mercer Zainal Consulting Sdn Bhd (Co. No.: 35090-H)

MIF Index comprises 40% Dow Jones Islamic market World Index; 60% RAM QuantShop GII (medium term) Index.

Source: OSK-UOB Unit Trust Management Berhad

Investors are advised to read and understand the contents of the Master Prospectus dated 17 August 2007, which has been registered with the Securities Commission who takes no responsibility for its contents, before investing. Among others, investors should consider the fees and charges involved. Investors should also note that the price of units and distributions payable, if any, may go down as well as up. Any issue of units to which the Master Prospectus relates will only be made on receipt of a form of application referred to in the Master Prospectus. A copy of the Master Prospectus can be obtained from any of our offices listed below.

This factsheet is prepared for information purposes only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Past performance is not necessarily a guide to future performance. Returns may vary from year to year.

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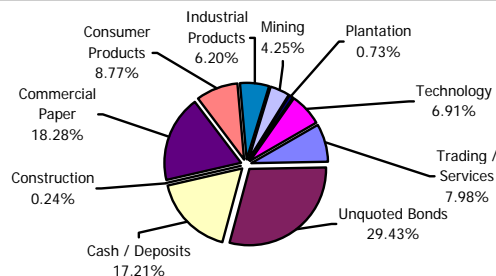
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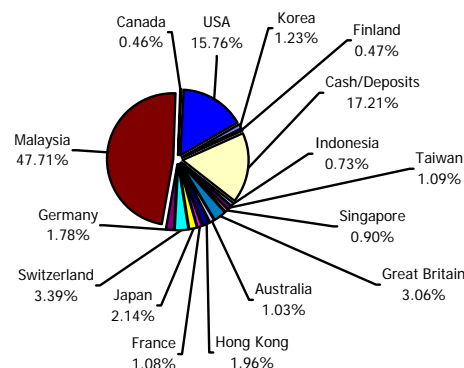
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SECTOR ALLOCATION (as at 31 December 2007)



as percentage of NAV

COUNTRY ASSET ALLOCATION (as at 31 December 2007)



* as percentage of NAV

FUND DETAILS

Unit NAV (31 December 2007)	RM0.4903
Fund Size (31 December 2007)	RM81.51 million
Units in Circulation	166.24 million
Fund Currency	Ringgit Malaysia
Fund Inception	12 March 2007
Domicile	Malaysia
Management Fee	1.5% of NAV per annum*
Trustee Fee	0.08% of NAV per annum, minimum RM18,000* p.a.
Dealing	Monday - Friday
Sales Charge	Up to 6% of investment amount
Redemption Fee	Nil
Switching Fee	RM25 per switch
MER	Not applicable as newly launched
Redemption payment period	10 days
Investment Manager	OSK-UOB Unit Trust Management Berhad

* For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is inclusive of the management fee and trustee fee for the relevant day.