

Bridging Global Divides | annual report | 2005



Cover Rationale

The use of the world map with specific focus to Malaysia depicts the global opportunities now available for the unit trust industry with the liberalisation of the foreign exchange administration rules. This forward move, reflected by the coloured pins and strings symbolises our member companies venturing beyond borders, *bridging global divides*, in its quest to diversify investment portfolios for better fund performance. It also represents FMUTM's strength, resourcefulness and ability to provide an excellent alliance and base for our members to face the rising challenges both from within the country and in the global arena.



Federation of Malaysian Unit Trust Managers

19-07-3, 7th Floor, PNB Damansara, No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur.

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FEDERATION OF MALAYSIAN UNIT TRUST MANAGERS
(272577-P)



OUR VISION

To develop the unit trust industry as the preferred vehicle for savings and retirement.

OUR MISSION

To educate and develop awareness of the investing public and to further enhance the prestige and reputation of member companies, both locally and internationally.

OUR OBJECTIVES

- To improve the regulatory, fiscal and legal environment for unit trusts;
- To formulate sound and ethical business practices to promote the interest of the unit trust industry and provide investor protection;
- To provide information, assistance and other services to its Member; and
- To promote public awareness of the benefits and risks of investing in unit trusts.

OUR VALUES

PROFESSIONALISM
INTEGRITY
CONSISTENCY

These values are important to the growth and image of the unit trust industry.

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twelfth (12th) Annual General Meeting of the Federation of Malaysian Unit Trust Managers ("FMUTM") will be held at Prince Room 2, 3rd Floor, Prince Hotel & Residence Kuala Lumpur, Jalan Conlay, 50450 Kuala Lumpur on Tuesday, 20 June 2006, at 10.00 a.m.

AGENDA

- To adopt and confirm the Minutes of the Eleventh (11th) Annual General Meeting held on 27 May 2005.
- To receive the President's Report.
- To receive and consider the audited accounts and the report of the Council of FMUTM for the financial year ended 31 December 2005.
- To re-appoint Messrs KPMG as the Auditors of FMUTM and authorise the Council to fix their remuneration.
- To elect Council members of FMUTM to hold office until the Annual General Meeting of 2008.
- To deal with any other ordinary business for which due notice shall have been received.
- Special business.
 - To consider and to pass, if thought fit, the following special resolutions:-

THAT the Council be authorised and empowered not to proceed with the proposed amendment to the Articles of Association as a result of the rejection of any of the resolutions below which the Council deem is not to the best interest of the Federation in implementing only the accepted resolutions.

- To consider and to pass, if thought fit, the following special resolutions, with or without modifications:-

THAT subject to FMUTM obtaining the relevant approvals and consents from the Securities Commission, the Minister charged with the responsibility for companies, and other relevant authorities, if any, the Articles of Association of FMUTM be amended as follows:

7.2.1 Special Resolution 1

THAT the proposed amendments to the Articles pertinent to and under the captions of "APPLICATION FOR MEMBERSHIP", "APPLICATION FEE AND ANNUAL MEMBERSHIP SUBSCRIPTION FEE" and "CESSATION OF MEMBERSHIP" and the proposed deletion to the Articles pertinent to and under the caption "LEVIES" in the draft amended Articles attached hereto marked as "Appendix A" are hereby approved for adoption.

7.2.2 Special Resolution 2

THAT the proposed amendments to the Articles pertinent to and under the captions of "GENERAL MEETING" and "PROCEEDINGS AT GENERAL MEETING" in the draft amended Articles attached here to marked as "Appendix A" are hereby approved for adoption.

7.2.3 Special Resolution 3

THAT the proposed amendments to the Articles pertinent to and under the captions of "THE COUNCIL", "ELECTION OF THE COUNCIL", "REMOVAL OF COUNCIL MEMBERS", "POWERS AND DUTIES OF THE COUNCIL" and "PROCEEDINGS OF THE COUNCIL" in the draft amended Articles attached hereto marked as "Appendix A" are hereby approved for adoption.



7.2.4 Special Resolution 4

THAT the proposed amendments to the words under the caption of “INTERPRETATION”, “NOTICES” and “INDEMNITY” in the draft amended Articles attached hereto marked as “Appendix A” are hereby approved for adoption.

- 7.3 **THAT** Council be authorised and empowered to carry out all the necessary formalities in effecting the aforesaid amendments and FURTHER THAT the Council be authorised and empowered to assent to any conditions, modifications, variations and/or amendments as may be required or permitted by the Securities Commission, the Minister charged with the responsibility for companies and/or other relevant authorities.

By Order of the Council,

Bernard Chang Tze Wah
Secretary

17 May 2006

Note:
A member of FMUTM, entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of FMUTM. The Form of Proxy must be deposited with the Secretary at the Registered Office of the Company at RDL Corporate Services Sdn Bhd, 18th Floor, Wisma Sime Darby, Jalan Raja Laut, 50350 Kuala Lumpur not later than 5 p.m. on 16 June 2006.

LIST OF RETIRING COUNCIL MEMBERS

In accordance with Article 53 of FMUTM’s Articles of Association, the following members of the Council will be retiring at the Twelfth (12th) Annual General Meeting of FMUTM to be held on Tuesday, 20th June 2006.

ELECTED COUNCIL MEMBERS

- 1. **YM Tunku Dato’ Ya’acob Tunku Tan Sri Abdullah**
(President)
- 2. **Mr. Low Hong Ceong, Paul**
(Vice President)
- 3. **Mr. Cheah Chuan Lok**
- 4. **Mr. Cheah Swee Leng, Edmond**
- 5. **En. Mansoor Ahmad**
- 6. **En. Nor’Azamin Salleh**
- 7. **En. Shamsul Anuar Ahamad Ibrahim**
- 8. **Mr. Tan Keah Huat**
- 9. **Mr. Toh Chin Hian, Mark**
- 10. **En. Wan Kamaruzaman Wan Ahmad**
(Resigned 1 December 2005)




INDEPENDENT COUNCIL MEMBERS

- 11. **Mr. Christopher Foo Kah Foong**
- 12. **En. Mohammad Faiz Mohammad Azmi**
- 13. **Prof. Dr. Saiful Azhar Rosly**

All retiring members of the Council with the exception of Cheah Swee Leng, Edmond and Nor’Azamin Salleh will be offering themselves for re-election.

The newly elected President shall in consultation with the elected members of the Council appoint three (3) persons to be Independent Council members.

MEMBERS' ATTENDANCE RECORD

Council Members	2005 Council Meetings	92nd	93rd	94th	95th	96th	97th	Total
		10 Mar 2005	17 May 2005	29 Jul 2005	26 Aug 2005	6 Oct 2005	16 Dec 2005	
1. YM Tunku Dato' Ya'acob Tunku Tan Sri Abdullah		●	●	●	●	●	●	6/6
2. Mr. Low Hong Ceong, Paul		●	●	●	■	●	●	5/6
3. Mr. Cheah Chuan Lok		●	■	●	●	●	●	5/6
4. Mr. Cheah Swee Leng, Edmond		●	●	●	■	■	●	4/6
5. En. Mansoor Ahmad		●	●	●	●	●	■	5/6
6. En. Nor'Azamin Salleh		●	●	●	■	●	●	5/6
7. En. Shamsul Anuar Ahmad Ibrahim		●	●	●	■	●	●	5/6
8. Mr. Tan Keah Huat		●	●	■	●	●	●	5/6
9. Mr. Toh Chin Hian, Mark		●	●	●	■	■	●	4/6
10. En. Wan Kamaruzaman Wan Ahmad		●	●	●	●	●	■	5/6
11. Mr. Christopher Foo Kah Foong		●	●	●	●	●	■	5/6
12. En. Mohammad Faiz Mohammad Azmi		●	■	●	●	●	■	4/6
13. Prof. Dr. Saiful Azhar Rosly		●	●	●	●	●	■	5/6
In Attendance								
14. Mr. Lee Siew Hoong		●	●	●	●	●	●	6/6
 Present  Absent  Resigned from the Council								

CORPORATE INFORMATION

COUNCIL MEMBERS

YM Tunku Dato' Ya'acob Tunku Tan Sri Abdullah
President
Chairman, Self-Regulatory Organisation Committee

Mr. Low Hong Ceong, Paul
Vice President
Chairman, Industry Development Committee

Mr. Cheah Chuan Lok
Chairman, Education and Conference Committee
Deputy Chairman, Industry Development Committee

Mr. Cheah Swee Leng, Edmond
Chairman, Secretariat

En. Mansoor Ahmad
Deputy Chairman, Distribution Standards Committee

En. Nor'Azamin Salleh
Deputy Chairman, Technical Committee

En. Shamsul Anuar Ahmad Ibrahim
Deputy Chairman, Self-Regulatory Organisation Committee

Mr. Tan Keah Huat
Chairman, Technical Committee

Mr. Toh Chin Hian, Mark
Chairman, Distribution Standards Committee

En. Wan Kamaruzaman Wan Ahmad
Chairman, Compliance and Disciplinary Committee
(Resigned 1 December 2005)

Mr. Christopher Foo Kah Foong
Independent Councillor
Chairman, Compliance and Disciplinary Committee
(With effect from 16 December 2005)

En. Mohammad Faiz Mohammad Azmi
Independent Councillor
Chairman, Audit Committee

Prof. Dr. Saiful Azhar Rosly
Independent Councillor

MANAGEMENT

Mr. Lee Siew Hoong
Executive Director

PAST COUNCIL PRESIDENTS

1993 (Pro tem Council)
Mr. Soh Teck Toh, Steven

1994 – 1995
Y. Bhg. Dato' Malek Merican

1996 – 1997
Y. Bhg. Dato' Kamaruddin Mohammed

1998 – 2003
Y. Bhg. Dato' Abdul Azim Mohd Zabidi

2004 – Present
YM Tunku Dato' Ya'acob Tunku Tan Sri Abdullah

REGISTERED OFFICE

RDL Corporate Services Sdn. Bhd.
18th Floor, Wisma Sime Darby
Jalan Raja Laut
50350 Kuala Lumpur
Tel: 603 - 2694 9999
Fax: 603 - 2698 4759

En. Bernard Chang Tze Wah
Company Secretary

AUDITORS & TAX CONSULTANT

KPMG
Wisma KPMG
Jalan Dungun
Damansara Heights
50490 Kuala Lumpur
Tel: 603 - 2095 3388
Fax: 603 - 2095 2177

BANKERS

Malayan Banking Berhad
Ground Floor, Block C
Kompleks Pejabat Damansara
Jalan Semantan, Bukit Damansara
50490 Kuala Lumpur
Tel: 603 - 2095 0663
Fax: 603 - 2095 0142

Malayan Banking Berhad
AG 1-2 & AG 9-10, Block A
Plaza Pekeliling
No. 2, Jalan Tun Razak
50500 Kuala Lumpur
Tel: 603 - 4041 6049
Fax: 603 - 4041 5161

PRESIDENT'S STATEMENT

YM TUNKU DATO' YA'ACOB TUNKU TAN SRI ABDULLAH

On behalf of the Council Members of the Federation of Malaysian Unit Trust Managers (FMUTM), I have great pleasure in presenting to you the 12th Annual Report and Audited Financial Statements for the 12 months ending 31 December 2005.

With my term as President of the Federation now into the second year, I have had the opportunity to reflect on the developments of the unit trust industry over the last 18 months. The year 2005 marked notable progress in the growth of the unit trust industry in terms of fund size and the increased investment opportunities with the easing of overseas investments rules in April.

ECONOMY

During the year under review, the Malaysian economy recorded an expansion of 5.3% in real Gross Domestic Product (GDP), compared to 7.1% last year. This drop in GDP growth was principally caused by the negative growth of the construction and building materials sector.

Looking forward, the growth prospect for Malaysia remains favourable in 2006 with GDP projected to grow at 6.0%.

According to a Bank Negara statement, the outlook for global growth remains strong and would be driven by the upturn in the global investment and electronics cycle. Additional support is expected to come from Japan and the euro area, as the domestic demand strengthens in these economies. Regional demand is also expected to remain robust with the sustained economic expansion in China, India and South Korea. Commodity prices have also shown signs of remaining firm. These trends would continue to have positive impact on both exports and private consumption.

The Malaysian economic growth momentum is expected to be maintained, well supported by both domestic and external demand. However, the GDP growth is highly dependent on whether or not oil prices will continue to rise drastically (currently at US\$ 70 per barrel), whether there is a major interest rate hike, and whether the world economy is affected by any viral epidemic, any of which could scuttle economic growth.

UNIT TRUST INDUSTRY

For the year 2005, the unit trust industry in Malaysia has again experienced another year of strong growth, taking the net asset value (NAV) of managed funds to 14.2% of Bursa Malaysia's market capitalisation.

The industry's NAV at the close of 2005 of RM98.5 billion represents an increase of 12.7%, compared to last year's NAV of RM87.4 billion. This clearly demonstrates the continued tremendous appeal of unit trusts to Malaysians as a form of savings and investments. 51 new funds were launched during the year, a slight dip from the previous year of 61 new funds, bringing the total number of funds to 325. The industry recorded annual net sales (net of repurchases) of RM14.9 billion compared with RM12.6 billion in 2004.

The announcement by Bank Negara Malaysia (BNM) in April 2005 on the liberalisation of overseas investments rules, had certainly opened the door for member UTMCS (Unit Trust Management Companies), to cast the net wider to seek higher returns for our investors. The recent increase in overseas investment limit from 10% to a 30%, has seen UTMCS launching numerous new offshore funds, or realigning investment strategies of domestic funds, to invest offshore up to the permitted limit. For the year under review, 10 offshore funds were launched with an intended overseas investment exposure of more than 50%.

We are optimistic that more offshore funds will be launched in the coming year, which will provide the breadth needed by the industry to develop further, as well as give the opportunity for unit trust funds to deliver better returns to investors.

The introduction of new guidelines for Real Estate Investment Trusts (REITs) together with the tax incentives offered, has also spurred the growth of another asset class, that was previously deemed unexciting. Given the poor performance of the local stock market over the last few years, REITs have certainly provided an option to investors to add to their diversified investment portfolio.

During the middle of the year, the Securities Commission (SC) also introduced new guidelines for Exchange Traded Funds (ETF), which is essentially a unit trust fund. ETFs are listed in Bursa Malaysia and provide an investment alternative for retail investors. However, ETF being a new product and with limited promotion, has not yet caught on with local investors at this moment. We believe over time, ETF will become another acceptable asset class for investors, as in other developed countries.

REVIEW OF OPERATIONS DURING THE YEAR

Unlike previous years, the emphasis for the Council during the year, was to reduce annual operating surpluses, to a level of a balanced budget. The Federation's strategy is to utilise the annual income received, to provide more membership benefits for UTMCS, PDUTs (Persons Dealing in Unit Trusts) and programmes to further enhance the integrity and image of the industry.

This change in approach is targeted at bringing the Federation to the next phase of development. This entails, among other things, embarking on professional development and educational opportunities for PDUTs, promoting a culture of high standards for fund governance, and managing projects to increase public awareness of unit trust investments.

Members will note that FMUTM made a profit after tax of RM986 for the year 2005 as compared to a profit of RM760,000 for last year. The drop in profit after tax is primarily due to expenditure incurred in the numerous activities carried out during the year, namely:

- Rental cost increased with the additional office space taken up within the same building. The expanded office accommodated the expanded role that SC wanted FMUTM to play as a more effective membership body in terms of regulating members' affairs and also taking initiatives to enhance the integrity and image of the industry;
- Staff cost increase with employee numbers increasing from 15 to 25, to cope with the additional projects and activities to be carried out;
- Conducting studies and surveys among members on industry practices, on an on-going basis, as part of the overall effort to raise the level of current practices to international standards. Member participation in these surveys have been encouraging, and their feedback has been vital in ensuring that critical issues are considered, before compliance policies and procedures are developed;
- Engaging relevant authorities on critical issues that have a significant impact on the industry. During the year, the Federation had sought the services of professional consultants, to present the industry's stand and views, on several technical issues, including the following:
 - a. Appeal to the Ministry of Finance and Inland Revenue Board to treat accretion of discount of bonds as capital and not income in nature.
 - b. Clarification of new tax rules with the Inland Revenue Board and appealing for further tax concessions to be given to REITs.
 - c. Presenting to the Ministry of Finance the industry views on the treatment of the Goods and Service Tax (GST) to ensure it will not be a burden to the investors, UTMCS and PDUT's when the GST is later implemented.
 - d. Presentation to the Ministry of Finance on a Private Pension Plan involving unit trusts, with specific focus on the self-employed and non-working spouses, to encourage them to plan early for their retirement.
- A three month billboard advertising campaign was launched to promote public awareness on addressing one's financial independence through "Investing in Unit Trusts". The advertising campaign was timely, reasonably priced and found to be far reaching in communicating to the investors, that unit trust investments is well suited to serve a variety of their needs;
- Increase in seminars organised for PDUTs, on a nationwide basis, compared to the previous Klang Valley-centric seminars. The seminars cover a wide range of topics to enhance the PDUTs knowledge and also to develop them professionally to enable them to carry out their role effectively;
- FMUTM also participated in investment exhibitions for the public organized by the SC and BNM;
- Stepping up our communications with the news media to raise the level of public awareness of the benefits of unit trust investments;



- Setting up a Complaints Bureau to receive, investigate and resolve complaints involving any misconduct and improper sales;
- A provision of RM246,000 was made in respect of 2 legal suits, one involving an ex-employee, as a result of events occurring several years ago;
- Additional costs were incurred in conducting computerised examinations for PDUTs as compared to a paper and pencil examination environment;
- Updating and revising the 2nd edition of the unit trust study manual for the PDUT;
- Lastly; engaging the industry as a single voice, in discussing issues with the regulators. FMUTM has consistently called on the SC to ensure that any guidelines set by the latter should spur, not hinder, the growth of the unit trust industry. The Federation places great importance to ensure that unit trust investments will remain as an attractive, competitive and cost effective means for investors to access the capital market to realise their long term financial goals;

The above activities were taken with a view to further strengthen our commitment to serve the interest of our members, our investors and the unit trust industry. The Federation has taken the approach that it must not only operate effectively, but must also be seen and heard to be operating as a credible body, in order to promote policies that will benefit investors and the industry, in the long run.

During the year, our Complaints Bureau has received a total of 28 complaints from our investors/public. We are glad to report that all these complaints have been satisfactorily dealt with. As a matter of fact, most complaints are centered on low returns from unit trusts investments due to the poor market conditions rather than misconduct or mis-selling by our members or PDUTs.

THE YEAR AHEAD

For the year ahead, we are poised to build on our current progress to a higher level.

Firstly, in early 2005 we have seen efforts by the SC to consolidate the investment management industry, with the introduction of a single licensing for the unit trust management and asset management industries. Recently, we have been engaged by the SC to explore the idea of a Self Regulatory Organisation (SRO) framework for the investment management industry.

The concept of a SRO is to bring a higher degree of participation by the industry players, on issues that directly affect them, and at the same time are expected to respond promptly and effectively to changes with minimal involvement of the regulators. It is believed that under the SRO environment, industry players are the best persons to find the most efficient, practical and acceptable solutions, when faced with any issues. Among the things expected of a SRO are responsibilities for market integrity and consumer protection, consumer education, oversight of members' practices, oversee schemes for complaints and dispute resolution for investors.

The possibility of self regulation of the unit trust industry by FMUTM or any other body cannot be discounted at this stage.

Secondly, notwithstanding the above, in order to stay relevant, FMUTM has to strengthen itself structurally to be more efficient, and effective in order to continue its activities in the future. In this respect, FMUTM will be proposing at this Annual General Meeting, to amend the Memorandum and Articles of Association, to affect changes to the Council composition, voting rights at the members' general meeting and membership fee structure. By now, you will have received the details of the proposed amendments, and I would strongly urge members to put aside individual interests, and collectively vote for the amendments, for the betterment of the industry.

These amendments are important for the Federation, to ensure equitable representation for the broad range of FMUTM membership, from the smallest to the biggest players, on the Council. The amendments would also further allow the Federation, to undertake more industry projects in the years, ahead without having to face severe funding constraints.

Thirdly, we will continue to support regulations and compliances that place investors' interests first. In addition to supporting strong regulations, the industry has repeatedly demonstrated its willingness to go beyond the letter of the law, to protect its reputation and integrity, by developing best practice standards.

The introduction of the practice of mandating the 4.00 pm cut-off time for receiving applications and redemptions last year, has been well accepted by our members, as it has effectively helped to reduce market timing opportunities, which had in recent years scandalised certain countries. Moving forward we expect more practice standards will be issued, after consultations with our members and the SC, so that our practices can be on par with international standards. This is critical in ensuring a culture, where investors' interests come first, and to continue to build on investors' confidence.

Fourthly, we shall continue to have a strong working relationship with our regulators, especially the SC, and engage them to further develop the vibrancy and competitiveness of the unit trust industry. This is important in moving the industry forward, and working out challenging issues, as the unit trust industry is still relative young. There is certainly an urgent need to increase the array of approved financial instruments, that can be invested, and to further develop investment opportunities for the industry. We have to constantly explore innovative products that meet our investors' needs, since the latter are constantly demanding innovative and performance-orientated products, more service-driven, price sensitive, transparent and competitive products.

Fifthly, we will strive to continue to raise investors' awareness, through campaigns like billboard advertising, in promoting the need to save and plan early, for their future financial independence. It is FMUTM's ultimate objective to promote unit trusts as the ideal investments with the following requisites to fulfill most of the investors needs: flexibility, liquidity, efficient, transparent, professionally managed, innovative, and reasonable priced and has stringent regulatory controls in funds management. In addition, we will intensify our efforts to encourage PDUT self-development, professionalism, and develop a culture of strong service, when dealing with investors. This will be achieved through the numerous seminars that are held nationwide by the Federation.

Lastly, we are exploring the idea of designing and developing an online centralised price feed system, which will capture daily fund prices and historical price data on funds from our members, for dissemination to news media and authorised users. The information in the price feed system, will eventually allow authorised users, to develop performance charts and obtain investment information readily.

CONCLUSION

We all owe a special debt of gratitude to the many participants in the fund industry who have volunteered their time and expertise on the Council and at the various committees. Because of their input and participation, investors and the industry has been well served. At this juncture, I wish to place on record my heartfelt gratitude to my colleagues on the Council and the other volunteers for their selfless efforts and time.

During the year the Secretariat was expanded at the non-management level to further cope and meet the high expectations of our members. On behalf of the Council, I would like to convey my appreciation to our Secretariat staff for their untiring efforts and dedication. Without their unwavering support and hard work, FMUTM would not have successfully carried out its role and responsibilities and fulfilled its objectives last year.

Together with my Council members, we believe FMUTM is in good stead and will be able to face the new challenges that lies ahead. We appreciate your support of FMUTM and pledge to work hard in the year ahead to continue to earn your confidence.

In conclusion, I would also like to take this opportunity to thank the Securities Commission for their support and patronage, as well as for their confidence and trust in our vision of the industry and its future.

YM Tunku Dato' Ya'acob Tunku Tan Sri Abdullah
President

28 March 2006

COUNCIL MEMBERS AND MANAGEMENT

YM TUNKU DATO' YA'ACOB TUNKU TAN SRI ABDULLAH



YM Tunku Dato' Ya'acob was appointed a Council Member of the Federation of Malaysian Unit Trust Managers (FMUTM) in April 2002, and is currently serving as its President, a post he assumed since 2004. He also chairs the Self-Regulatory Organisation (SRO) Committee of the FMUTM.

YM Tunku Dato' Ya'acob is presently the Deputy President of the Federation of Public Listed Companies (FPLC), Chairman of the National Insurance Association of Malaysia (NIAM) and was the Past President of the Financial Planning Association of Malaysia (FPAM).

YM Tunku Dato' Ya'acob holds a B. Sc. (Honours) in Economics and Accounting from the City University, London and is also a Fellow of the Institute of Chartered Accountants of England and Wales (ICAEW). He was attached to the offices of PricewaterhouseCoopers in London and Kuala Lumpur from 1982 to 1987.

YM Tunku Dato' Ya'acob served as the Chief General Manager of Malaysian Assurance Alliance Berhad (MAA Assurance) from 1987 to 1995 and was its Managing Director/Chief Executive Officer until May 2000 when he became Chairman of MAA Assurance, a position he still holds today. He is also the Deputy Group Managing Director of the Melewar Group Berhad, an investment holding company.

YM Tunku Dato' Ya'acob also holds the posts of Managing Director/Chief Executive Officer of MAA Holdings Berhad, Managing Director of Melewar Industrial Group, Director of Mycron Steel Berhad, Director of Trenergy Malaysia Berhad, and Chairman of Toyochem Corporation Berhad, all of which are public listed companies on Bursa Malaysia. He also holds directorships in several private limited companies.

MR. LOW HONG CEONG, PAUL

Mr. Paul Low is the Deputy Chief Executive Officer of Public Mutual Berhad. He is responsible for the company's performance and leads the company in the formulation of its business strategies and future plans. He holds an MBA from McNeese State University, Louisiana, USA and is a Certified Financial Planner (CFP).

Mr. Paul Low has been in the financial service circuit since 1986 which includes international experiences in the USA. Before his return to Malaysia in 1993, he was with Northwestern Mutual and Metlife in the USA. He was also the Founder and President of Malaysian-California Chamber of Commerce 1992/1993 and President of St. Louis Chinese Junior Chamber of Commerce USA in 1987/1988.

Mr. Paul Low is currently a Council Member chairing the Industry Development Committee as well as Vice President of the FMUTM.



MR. CHEAH CHUAN LOK



Mr. Cheah is the Chief Executive Officer of AmInvestment Services Berhad (formerly known as AMMB Investment Services Berhad) and responsible for the general management of the company. Prior to his present appointment, he was a Fund Manager and also the Head of Equity Research of AMMB Asset Management Sdn. Bhd.

Mr. Cheah holds an MBA from Maryhurst College, Oregon, USA. He is currently a Council Member of the FMUTM as well as Chairman of the Education and Conference Committee and Deputy Chairman of the Industry Development Committee.

MR. CHEAH SWEE LENG, EDMOND

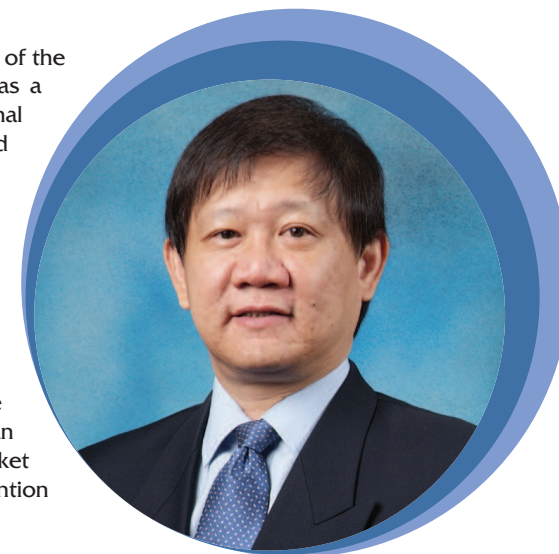
Mr. Edmond Cheah, BA (Hons), Certified Financial Planner (CFP), is a member of the Institute of Chartered Accountants of England and Wales (ICAEW) as well as a Chartered Accountant of the Malaysian Institute of Accountants. His professional experience has been in the fields of audit, merchant banking, corporate and financial advising, portfolio and investment management and unit trust management.

Mr. Edmond Cheah was previously the Chief Executive Officer cum Executive Director and Investment Committee Member of Public Mutual Berhad, the largest private unit trust management company in Malaysia.

Mr. Edmond Cheah is currently a board member and immediate Past President of FPAM, a Council Member and Chairman, Secretariat of the FMUTM. He was also a Task Force member on Islamic Finance for Labuan Offshore Financial Services Authority (LOFSA), a member of the Securities Market Consultative Panel of Bursa Malaysia and Treasurer of the Society for the Prevention of Cruelty to Animals (SPCA).

Mr. Edmond Cheah also sits on the Board of Adventa Berhad, a company listed on the second board of Bursa Malaysia. He is an Independent Non-Executive Chairman of the Board as well as a member of the Remuneration, Nomination and Audit Committee of the company. He also sits as an independent director for some public listed companies.

Mr. Edmond Cheah has co-authored a financial planning book entitled "Financial Freedom – Your Guide to Lifetime Financial Planning" and a second book entitled "Financial Freedom – Through Malaysian Equities and Unit Trusts".





EN. MANSOOR AHMAD

En. Mansoor is the Chief Executive Officer/Executive Director of ASM Mara Unit Trust Management Berhad. He holds a Bachelor of Economics (Honours) from the University of Malaya and an MBA from the Australian Graduate School of Management, University of New South Wales, Sydney, Australia.

En. Mansoor's involvement in the financial services sector started in 1975 when, as a Research Officer with Kompleks Kewangan Malaysia Berhad, he provided extensive economic and company research for the purpose of investments within the group. Moving on, he joined Amanah Saham Mara Berhad in 1983, assuming the post of Investment Manager where he was responsible for the investment management of the company's unit trust funds. In 1994, En. Mansoor rose to helm the company's fund management and venture capital investment as its Assistant General Manager and General Manager. Expanding his experience and exposure in the financial services, he embarked on fund management and marketing activities in 1999 as General Manager of ASM Asset Management Sdn. Bhd.

En. Mansoor is currently a Council Member of the FMUTM and Deputy Chairman of the Distribution Standards Committee.

EN. NOR'AZAMIN SALLEH

En. Nor'Azamin is currently the Executive Director of Avenue Asset Management Services Sdn. Bhd. His main responsibility is to oversee and map the strategic direction for both the Asset Management and Unit Trust business of the Group. He has over seven years of working experience in fund management and unit trust industry.

Previously, he was the Chief Operating Officer and Executive Director of Commerce Asset Fund Managers and Commerce Trust Berhad. En. Nor'Azamin is also active in the industry where he has been elected as a committee member of the Federation of Unit Trust Malaysia for 2004-2005.

En. Nor'Azamin Salleh graduated from Australia National University with a Bachelor of Commerce and later completed his MBA from Open Business School, UK. He is also a Chartered Accountant (Malaysia), Certified Practicing Accountant (Australia), Certified Risk Managers, Certified Financial Planner as well as a member of Securities Commission's Islamic Capital Working Group.

En. Nor'Azamin is currently a Council Member of the FMUTM and Deputy Chairman of the Technical Committee.



EN. SHAMSUL ANUAR AHAMAD IBRAHIM

En. Shamsul Anuar, a fellow of the Association of Chartered Certified Accountants (FCCA), is the Chief Executive Officer of Amanah Saham Sarawak Berhad (ASSB). He has been with ASSB since 1993 as the Finance and Administration Manager, then General Manager before being promoted to his present position on 21 October 2003. He started his career as a Lecturer in the Faculty of Accountancy, UiTM in 1989. Prior to joining ASSB in October 1993, he was the Finance and Administration Manager of Syarikat Perumahan PJ Sdn. Bhd. In addition, he represents Permodalan ASSAR Sdn. Bhd., the parent company of ASSB, as Director and/or Management Exco in the various companies under its wing.

Being active in top management level for the past eleven years, he acquired extensive experience in the investment management, operational and financial matters of ASSB. His sharp analytical skills have benefited the company considerably.

En. Shamsul is currently a Council Member of the FMUTM and Deputy Chairman of the SRO Committee.

MR. TAN KEAH HUAT

Mr. Tan is the Chief Executive Officer of Apex Investment Services Berhad and Director of Apex Asset Management Sdn. Bhd. He holds a B. Sc. (Honours) in Actuarial Science from the University of Western Ontario, Canada and he is also a Certified Financial Planner (CFP).

Mr. Tan has been involved in the fund management industry since 1995 and previously held the position of Chief Executive Officer in AMMB Investment Services Berhad. His responsibilities also extend to the roles of Investment Committee Member, Chairman of Fixed Income Risk Committee and Chairman of Derivative Risk Management Committee.

Mr. Tan is currently a Council Member of the FMUTM, chairing the Technical Committee.



MR. TOH CHIN HIAN, MARK

Mr. Mark Toh is an Associate of the Chartered Insurance Institute (UK) with a Masters degree from the University of Keele, UK. He began his career with the Prudential Assurance Company Ltd., holding various positions until his appointment in 1991 by a local banking group, to start up and manage a group of financial services companies that included unit trusts, asset management, trustee and will-writing. In 2000, he rejoined Prudential as the Chief Executive Officer of Prudential Unit Trusts Berhad, bringing along with him more than 25 years of both local and international experience in the financial services industry.

Mr. Mark Toh is a Board Member of the FPAM and also currently a Council Member of the FMUTM, chairing the Distribution Standards Committee.





EN. WAN KAMARUZAMAN WAN AHMAD

En. Wan Kamaruzaman graduated from University of Malaya with an honours degree in Economics (Analytical Economics). He started his career with Malayan Banking Berhad, where he held various positions and gathered wide experience in FOREX and money market dealings. He also acquired overseas working experience as Chief Dealer at Maybank's Hamburg Branch and as Treasury Manager at its London Branch.

En. Wan Kamaruzaman joined Affin Moneybrokers Sdn. Bhd. as its Chief Executive Officer in 1994. During his tenure at Affin Moneybrokers, he was able to guide the company to achieve good and consistent corporate results as reflected by the "Highest Dividend Award" conferred on the company by LTAT from 1995 to 2002.

During his tenure with Affin Moneybrokers, En. Wan Kamaruzaman was also an Associate Fellow of Institute of Bankers Malaysia and Honorary Secretary of Persatuan Pasaran Kewangan Malaysia. He joined Affin Trust Management Berhad in September 2003 as Acting Chief Executive Officer and subsequently became its Chief Executive Officer.

Prior to En. Wan Kamaruzaman resignation as a Council Member of the FMUTM, he held the post of Chairman of the Compliance and Disciplinary Committee.

MR. CHRISTOPHER FOO KAH FOONG

Mr. Christopher Foo has been a partner of a legal firm, Messrs Raja, Darryl & Loh, since March 1994. Prior to this, he was a partner of another legal firm for more than 10 years. He obtained his LLB (Honours) from the University of Malaya and was admitted as an Advocate & Solicitor of the High Court of Malaya in January 1981.

Mr. Christopher Foo has contributed and provided advice to various unit trust management companies and trustees on legal matters pertaining to the unit trust industry such as the establishment of funds, the preparation of various legal documentation and organisation of unitholders' meetings, amongst others.

Mr. Christopher Foo was appointed an Independent Councillor of the FMUTM since November 2000.



EN. MOHAMMAD FAIZ MOHAMMAD AZMI

En. Mohammad Faiz is currently a partner and head of the Financial Services Group in PricewaterhouseCoopers Malaysia, which specialises in providing services to clients in the financial industry. He holds an honours degree in Law from Durham University, UK. Besides being called to the English Bar, he is also a member of the Malaysian Institute of Accountants as well as the Institute of Chartered Accountants of England and Wales (ICAEW). His audit clients include banks, stockbroking firms, fund management firms and funds.

En. Mohammad Faiz also acts as a trainer in his firm's banking and securities courses. He is a Director in Financial Risk Management, a unit specialising in offering advice on risk management and accounting matters, particularly on special products and transactions. He represents his firm on the Malaysian Accounting Standards Board's (MASB) committees on Islamic Accounting, IAS39 and Bank Reporting.

En. Mohammad Faiz was appointed an Independent Councillor of the FMUTM since June 2001.

PROF. DR. SAIFUL AZHAR ROSLY

Dr. Saiful Azhar Rosly is Professor of Economics at the International Islamic University Malaysia. He specialises in Islamic economics, banking and finance. He also teaches money and banking and monetary economics. Prof. Saiful obtained his Bachelor and Masters in Economics from Northern Illinois University, DeKalb USA. He pursued his Ph.D studies at the National University of Malaysia (Universiti Kebangsaan Malaysia or UKM) specialising in input-output study of the Malaysian manufacturing sector.

At present Prof. Saiful Azhar serves as advisor and consultant in a number of financial organisations in Malaysia. He is currently a member of the Shariah panel of Permodalan Usahawan Nasional Berhad (PUNB), Commerce International Merchant Bank (CIMB) and EON Finance Berhad. He is also resident advisor to SilverLake Malaysia. He sat on the National Economic Development Council on Islamic Banking and Finance (MAPEN2). He has written for several reputed journals, including 'The Thunderbird Business Review', 'The International Journal of Islamic Financial Services', 'Arab Law Quarterly', 'International Journal of Social Economics' and 'IIUM Journal of Economics and Management'. Presently, he writes a monthly column on Islamic capital markets for Bursa Malaysia's 'Investors' Digest'. Prof. Saiful Azhar was also a columnist for the Sun newspaper and ZoomFinance from 1995-2000.

Prof. Saiful Azhar is currently the Director of Research with the Malaysian Institute of Economic Research (MIER). He is also an independent director for EON Capital Islamic Bank and Resource Person for the International Center of Education in Islamic Finance (INCEIF).

Prof. Saiful Azhar was appointed an Independent Councillor of the FMUTM since December 2000.





MR. LEE SIEW HOONG

Mr. Lee Siew Hoong joined the FMUTM as its Executive Director in September 2004, bringing with him a wealth of experience in the financial sector. An accountant by training, his career spanned the gamut of a start-up as an Articled Clerk with an accounting firm to his last-held position as the Principal Officer of FPAM.

During his 12-year tenure with the accounting firm, Mr. Lee held increasingly responsible and varied positions, culminating in his becoming a Senior Manager. Moving on, he broadened his considerable experience by assuming the post of Company Secretary cum Asset Administration Manager in a finance company, particularly involved in loan recovery matters. Three years later, he added to his widening work portfolio, becoming a Dealer Representative in an 8-year stint with a reputable stockbroking firm.

Taking on a fresh challenge, Mr. Lee joined the FPAM in 2000 where, as its Principal Officer, he was directly responsible for the smooth running of the organisation as a whole, as well as charting strategic directions for a continued membership build-up towards the objective of promoting and developing the Malaysian financial planning industry.

Mr. Lee is a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a member of the Malaysian Institute of Certified Public Accountants (MICPA).

MALAYSIAN UNIT TRUST INDUSTRY REVIEW 2005

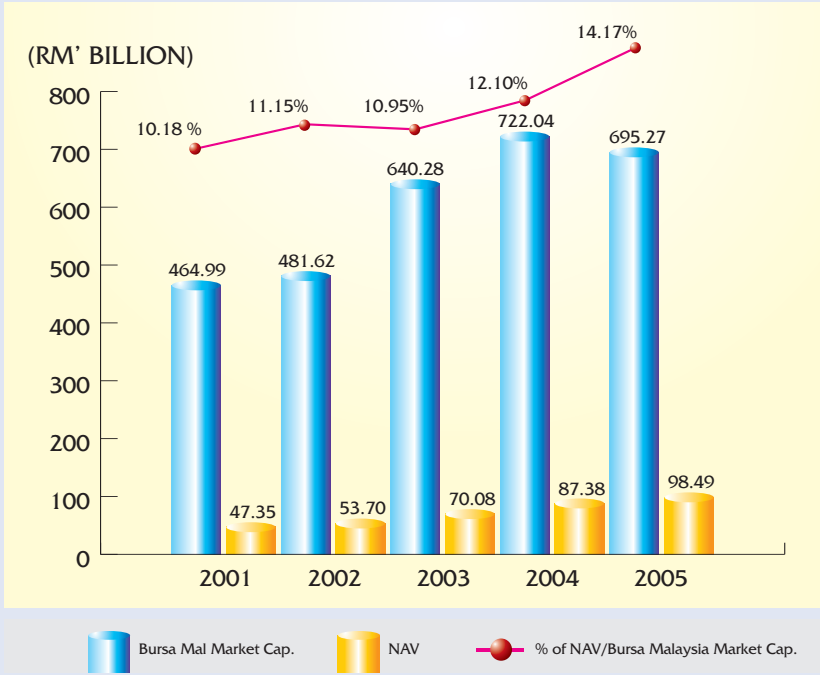
ANALYSIS OF THE NET ASSET VALUE (NAV) OF THE INDUSTRY

Unit Trust Funds

Despite the challenging landscape, Malaysia's unit trust fund industry had another year of significant growth in 2005. Total NAV of the industry climbed 12.7% over the past year, posting yet another record of RM98.5 billion year-on-year, representing 14.2% of the market capitalisation on Bursa Malaysia, the highest since 1992. (Chart 1).

Chart 1:
Total NAV vs Bursa Malaysia capitalisation as at 31 December (2001-2005)

Source: Securities Commission

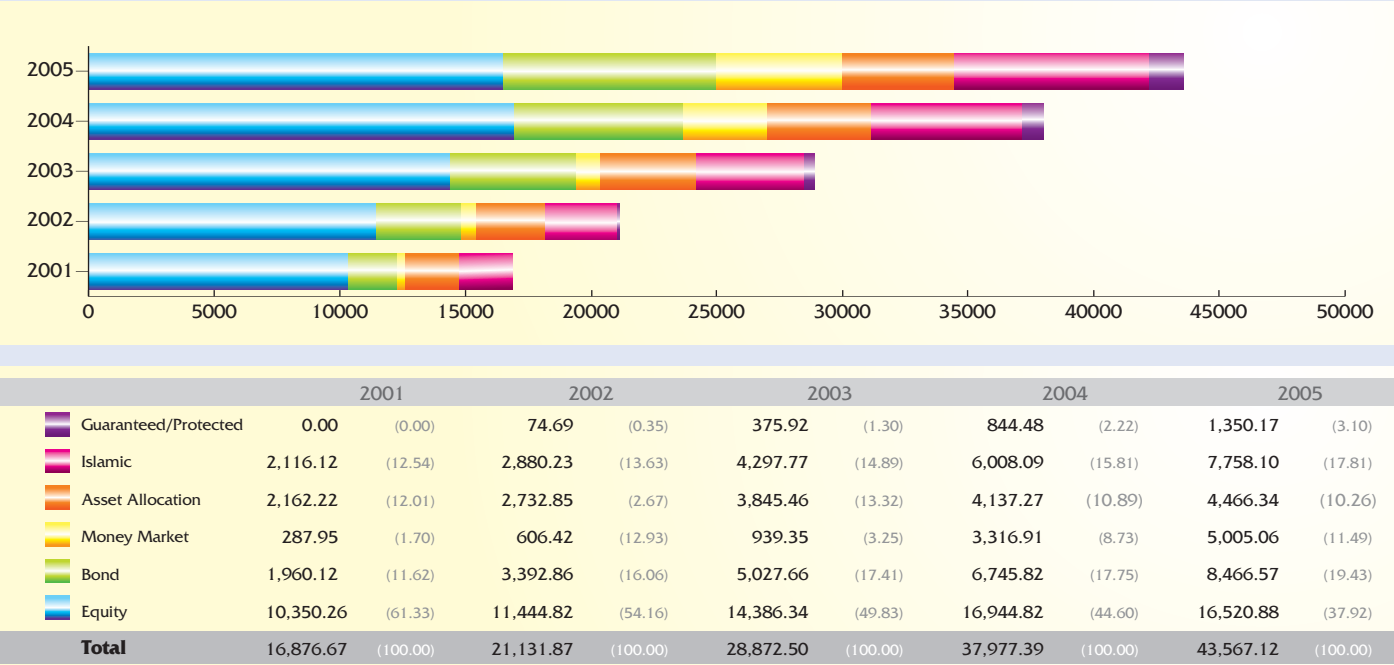


Except equity funds, all types of private sector funds registered net increases in NAV during the year (Chart 2). Equity funds suffered its first year of decline in total NAV, on the back of Bursa Malaysia's lacklustre showing this year that has kept investors at bay besides taking a toll on the NAV of such funds. Nevertheless, following the broader liberalisation of the markets, a barrage of new funds was introduced to meet the burgeoning demands for overseas investments and have helped softened the blow. Despite a 2.5% reduction in NAV of equity funds from RM16.9 billion to RM16.5 billion, the equity funds have nonetheless continued to be the major asset class for private unit trust funds as at end of 2005.

There was also steady growth in assets accumulated by Islamic/Syariah funds which have added 29.1% or RM1.8 billion to RM7.8 billion at the end of the year. First introduced in Malaysia in 1993, the schemes have since expanded the range of products and are becoming increasingly popular among both Muslim and non-Muslim investors.



Chart 2: Net Asset Value by Types of Funds as at 31 December (2001-2005) (RM million)



Source: Lipper Asia Ltd.
Based on respondent private funds as categorised by Lipper Asia Ltd and adopted by members.

- Notes:**
- Based on Lipper's fund investment objectives, these funds have been grouped into the following six types:
 - (a) Guaranteed/Protected funds : Comprises Capital Guaranteed funds and Capital Protected funds.
 - (b) Money Market funds : Include all money market funds.
 - (c) Asset Allocation funds : Include Mixed Asset Growth funds and Mixed Asset Income funds.
 - (d) Islamic funds : Bond Islamic/Syariah funds, Equity Islamic/Syariah funds, Mixed Asset Islamic/Syariah Balanced funds and Islamic/Syariah Equity Index Tracking funds.
 - (e) Bond funds : Include all General Bond funds.
 - (f) Equity : Include Equity ASEAN fund, Equity Asia Pacific Ex-Japan funds, Equity Global funds, Equity Growth funds, Equity Income funds, Equity Index Tracking funds, Equity Info & Technology funds, and Equity Small Companies funds.
 - The private sector fund classification may differ between the Securities Commission and Lipper.
 - The above excludes Exchange Traded Funds and Real-Estate Investment Trusts.

Generally, bond funds continued to do well with total NAV increasing 50.9% to RM8.4 billion, representing 19.4% of total industry assets. These funds registered strong gains on the back of resilient Ringgit bond market in the first half of the year despite signs of brittle external conditions. However, the NAV of bond funds was adversely affected particularly towards the end of the year as bond prices fell in line with the domestic rate hike.

As investors shied away from equity market, assets in money market funds increased for the fourth year in a row, adding 50.89% or RM1.7 billion - climbed to RM5.1 billion at the end of the year, breaking the RM5 billion threshold for the first time in history. Assets for capital guaranteed/protected funds also increased 59.9% to RM1.4 billion, the highest since its debut in 2002.

NEW FUNDS LAUNCHED

A total of 51 new unit trust funds (excluding ETF and REITs) were launched in 2005, a relatively smaller number of unit trusts compared to last year, details of which are listed in the following Table 1. During the period under review, one fund matured and this brought the total number of unit trust funds in circulation to 325.

Table 1: New Funds Launched in 2005

No.	Fund	Launch Date	Approved Fund Size (million units)	Unit Trust Management Company
1.	Hwang-DBS Select Income	06/01/2005	600	Hwang-DBS Investment Management Berhad
2.	HLG Dividend	06/01/2005	1,300	HLG Unit Trust Berhad
3.	OSK-UOB Growth and Income Focus	07/01/2005	400	OSK-UOB Unit Trust Management Behad
4.	TA Dana OptiMix	17/01/2005	800	TA Unit Trust Management Behad
5.	Public Enhanced Bond	19/01/2005	500	Public Mutual Berhad
6.	Prudential Dana Wafi	21/02/2005	600	Prudential Unit Trusts Berhad
7.	RHB GoldenLife - Today	21/02/2005	Combined fund size = 800 million units	RHB Unit Trust Management Berhad
8.	RHB GoldenLife - 2030	21/02/2005		RHB Unit Trust Management Berhad
9.	RHB GoldenLife - 2020	21/02/2005		RHB Unit Trust Management Berhad
10.	RHB GoldenLife - 2010	21/02/2005		RHB Unit Trust Management Berhad
11.	Lifetime Dana Wafiq	23/02/2005	500	CIMB-Principal Asset Management Berhad
12.	HLG Strategic	08/03/2005	800	HLG Unit Trust Berhad
13.	Avenue Asnita Bond	18/03/2005	500	Avenue Invest Berhad
14.	Avenue Tactical Extra	18/03/2005	200	Avenue Invest Berhad
15.	Avenue Dividend Extra	18/03/2005	500	Avenue Invest Berhad
16.	AmDividend Income	28/03/2005	1,000	AmInvestment Services Berhad
17.	Hwang-DBS Select Cash	31/03/2005	600	Hwang-DBS Investment Management Berhad
18.	PRU Institutional Income	07/04/2005	500	Prudential Unit Trusts Berhad
19.	Hwang-DBS Enhanced Deposit	18/04/2005	600	Hwang-DBS Investment Management Berhad
20.	Public Dividend Select	03/05/2005	2,000	Public Mutual Berhad
21.	AmIncome Extra	12/05/2005	400	AmInvestment Services Berhad
22.	TA CashPLUS	06/06/2005	600	TA Unit Trust Management Behad
23.	TA Islamic CashPLUS	06/06/2005	600	TA Unit Trust Management Behad
24.	OSK-UOB Capital Guaranteed - Series 2	08/06/2005	450	OSK-UOB Unit Trust Management Behad
25.	Mayban i - 2008	16/06/2005	300	Mayban Unit Trust Berhad
26.	Pacific Focus 18	16/06/2005	300	Pacific Mutual Berhad

No.	Fund	Launch Date	Approved Fund Size (million units)	Unit Trust Management Company
27.	MAAKL Pacific	23/06/2005	600	MAAKL Mutual Berhad
28.	Hwang-DBS IM Guaranteed	28/06/2005	350	Hwang-DBS Investment Management Berhad
29.	Public Islamic Opportunities	28/06/2005	1,000	Public Mutual Berhad
30.	AmConstant 07/08	08/07/2005	150	AmInvestment Services Berhad
31.	RHB Dividend Valued Equity	13/07/2005	500	RHB Unit Trust Management Berhad
32.	Global Titans	18/07/2005	500	CIMB-Principal Asset Management Berhad
33.	Prudential Asia Pacific Equity	21/07/2005	600	Prudential Unit Trusts Berhad
34.	SBB Returns Guaranteed (Series 1)	23/08/2005	200	SBB Mutual Berhad
35.	SBB Dana Al-I'tidal	23/08/2005	400	SBB Mutual Berhad
36.	PB Islamic Equity	05/09/2005	2,000	Public Mutual Berhad
37.	MAAKL Al-Fauzan	06/09/2005	1,000	MAAKL Mutual Berhad
38.	MAAKL Eagle	06/09/2005	1,000	MAAKL Mutual Berhad
39.	Public Islamic Balanced	20/09/2005	1,000	Public Mutual Berhad
40.	Alliance Islamic Money Market	06/10/2005	200	Alliance Unit Trust Management Berhad
41.	Pacific Cash	07/10/2005	1,000	Pacific Mutual Berhad
42.	HLG Institutional Bond	10/10/2005	400	HLG Unit Trust Berhad
43.	Prudential Capital Guaranteed II	10/10/2005	600	Prudential Unit Trusts Berhad
44.	AmGlobal Property Equities	25/10/2005	150	AmInvestment Services Berhad
45.	OSK-UOB Global Equity Yield	09/11/2005	500	OSK-UOB Unit Trust Management Berhad
46.	SBB Global Growth	17/11/2005	400	SBB Mutual Berhad
47.	Prudential Asia Select Income	18/11/2005	600	Prudential Unit Trusts Berhad
48.	Hidden Values	22/11/2005	500	CIMB-Principal Asset Management Berhad
49.	Public Select Bond	22/11/2005	500	Public Mutual Berhad
50.	Public Far-East Select	22/11/2005	1,500	Public Mutual Berhad
51.	TA South East Asia Equity	28/11/2005	300	TA Unit Trust Management Behad

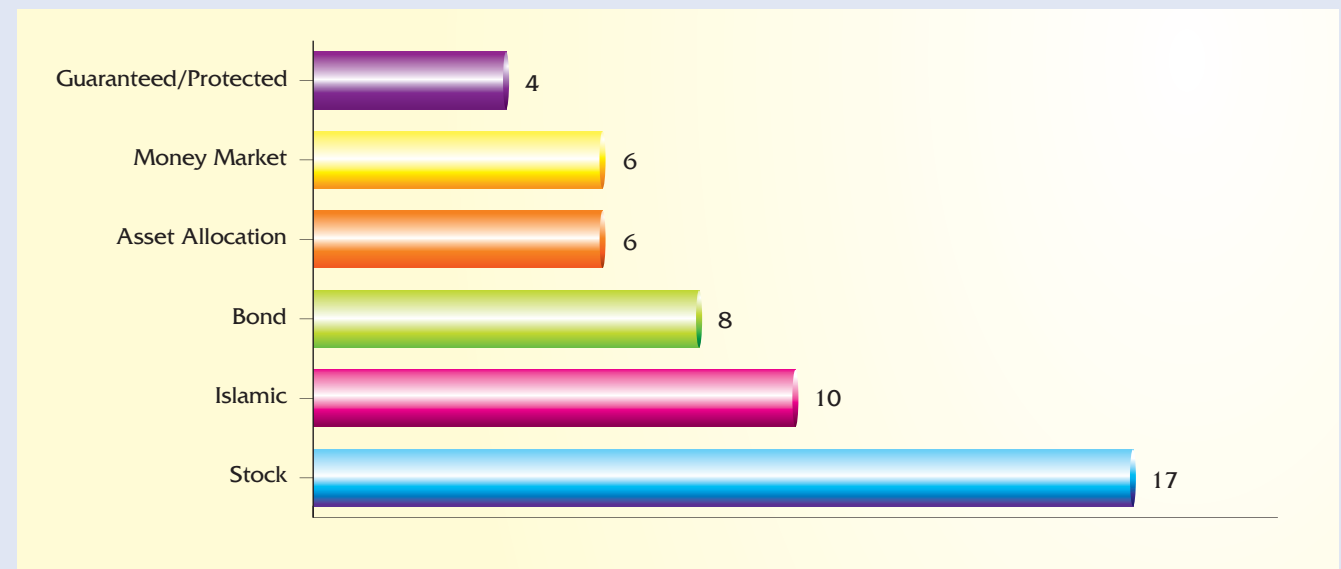
Source: FMUTM Analysis.

Overall, the types of new funds launched were very much in line with those of previous years whereby equity funds continued to make up the largest number i.e., 17, or 33.3% of new funds launched (Chart 3). Apart from noticeable increases in funds focusing on dividend-yielding equities of established Malaysian companies, the launch of a spate of foreign equity funds marked a refreshing development in the industry. This was brought by the liberalisation of the BNM's foreign exchange administrative rules in April 2005 that allowed investment management companies to invest abroad up to 30% of resident NAV. The lifting of the major capital controls saw unit trust management companies actively tying up with foreign partners to enhance their fund management capabilities and as at December 2005, 10 foreign funds with 50% intended overseas exposures were launched.

Still another trend carried over from 2004 and the year before was Islamic/Syariah funds and bond funds registering relatively commendable increases in their offerings that grew by 10 and eight funds respectively. Investors were evidently getting more receptive to Islamic/Syariah funds given the increasingly wider range of product choices available to meet different risk-return profiles. Bond funds, especially those of shorter durations remained popular among investors who are seeking relatively stable returns, given the lacklustre performance of the domestic bourse during the year.

Money market sector and capital guaranteed/protected sector again successfully rolled out six and four new funds respectively during the year. The year 2005 also saw the very first capital guaranteed fund launched three years ago maturing whereby investors were offered to invest in another new capital guaranteed fund as part of their options.

Chart 3: New Unit Trust Funds Launched in 2005



Source: FMUTM Analysis.

The above excludes ETF and REITs. In 2005, a total of 1 ETF and 3 REITs were listed.

Exchange Traded Funds (ETFs) and Real-Estate Investment Trusts (REITs)

The year 2005 also witnessed the debut of the first ETF in Malaysia-ABF Malaysia Bond Index Fund (ABFM) that was launched in 18 July 2005 and with NAV standing at RM564.9 million as at end of the year. ABFM is one of the country's sub-funds within the Second Asian Bond Funds (ABF2). ABF2 is part of the broader Asia Pacific cooperative efforts initiated by the EMEAP (Executives' Meeting of East Asia and Pacific Central Bank Group) that aims to broaden and deepen the domestic and regional bond markets in Asia.

The ABFM invests in a basket of Ringgit denominated Government and quasi-Government bonds that are tracked by iBoxx ABF Malaysia Bond Index. It will provide investors with a low cost and index-driven investment vehicle, which offers flexibility as well as accessibility to invest in the Malaysian bond market.

One cannot reflect on 2005 without noting the successful launch of three REITs upon the issuance of the Guidelines on Real Estate Investment Trusts, a revision and renamed version of the earlier Guidelines on Property Trust Funds.

The country's first real estate investment trust issued under the revised REIT guidelines i.e. the AXIS-REIT was listed by the AXIS Group in August 2005. Comprising five suburban office and warehouse properties, the AXIS-REIT raised RM123 million via its IPO. This was followed in December 2005 by the YTL Group's Starhill REIT, which comprises three of Kuala Lumpur's top retail and property icons - namely the Starhill and Lot 10 shopping complexes and the JW Marriott Hotel. Valued at RM1.10 billion as at December 2005, the Starhill REIT is to date Malaysia's biggest property trust.

December 2005 also saw the listing on UOAREIT on Bursa Malaysia's main board, hence increased the total number of listed REITs or property trusts to six and catapulted the total market capitalisation of such funds to slightly above RM2.0 billion as at end of the year.



PERFORMANCE OF MALAYSIAN UNIT TRUSTS IN 2005

MALAYSIA ANNUAL REVIEW

Asia performed well in 2005, with many of its economies experiencing robust growth despite a year clouded by skyrocketing oil prices, inflationary pressures, interest rates hikes, natural disasters, and worries of a bird flu pandemic. As in the previous year Asian stock markets were again among the best performing bourses in the world in 2005, with only China and Malaysia bucking the trend.

In a year when key Asian markets such as India rallied to historical highs and Korea leapt a massive 53.96% to finish at the top of the market scoreboard, the Malaysian bourse was notable for its tepid performance, with the benchmark Kuala Lumpur Composite Index (KLCI) closing the year at 899.79 points - down marginally 0.84%. With the exception of China and Malaysia, equity funds also outperformed bond funds in the markets reviewed.

The main theme that reverberated throughout the fixed income universe in 2005 was the rise in short-term rates and the flattening of the U.S. yield curve, and investors may continue to seek refuge in higher-yielding Asian and emerging markets fixed income investments. Among the noteworthy news in 2005 was also the revaluation of the Chinese yuan and dismantling of the Malaysia ringgit peg to the U.S. dollar in July, and these will continue to have a wide-ranging impact on the regional markets and Asian currencies in the year ahead.

Local fund managers, on the other hand, had an exciting year as the lifting of capital controls in April permitted development of new business opportunities. Malaysian regulators now allow local management companies, unit trusts, and insurance firms to invest up to 30% of their clients' funds in foreign assets - up from the previous 10% maximum limit. This led to a flurry of activity on the business front as local managers sought to establish tie-ups with foreign players to enhance their asset management capabilities, and many new funds investing overseas were launched during the year.

Performance-wise, Malaysian unit trusts had a generally disappointing year in 2005 and on average recorded a loss of 4.07%. Among the funds with a 12-month performance record as of the end of December, only the fixed income, money market, and guaranteed/protected sectors and a single equity category managed to turn in positive numbers.

Bond funds as a whole did well as strong demand for Malaysian paper kept yields low, although an upturn in long-term yields toward year-end eroded fixed income valuations. Bond Islamic/Syariah was the best performing sector for the year, gaining 5.43% in value, while Bond General was second with a 4.74% return. Money market funds appreciated 2.62% on average and were ranked third overall.

Equity Index-Tracking funds beat the 0.84% loss of the benchmark KL Composite Index to record a 2.34% gain. All other equity sectors, however, ended in the red, with the Equity State Fund sector finishing last overall - down a hefty 20.52%. The Equity Small Companies and Equity Info & Technology sectors fell 17.74% and 16.28%, respectively - albeit outperforming the KL Second Board Index return of minus 27.40%. The Equity Growth and Equity Islamic/Syariah sectors lost relatively smaller values of 7.17% and 8.28%, respectively, while Equity Income funds were down 4.11%.

Returns of mixed-asset funds came in midway between those of the equity and fixed income offerings. Mixed-Asset Islamic/Syariah and Mixed-Asset Growth ended the year down 5.13% and 2.61%, respectively, while Mixed-Asset Income slipped 1.15% in value.

Malaysia again had a very good year in terms of new product offerings, with 51 new unit trusts being put up for sale in 2005. The total number, however, did come in slightly below the bumper crop of 61 fund launches in 2004, although the asset composition of the unit trusts remained largely similar.

For the year alone 10 funds or nearly a quarter of the total offerings for the year were foreign unit trusts with predominant overseas exposures, the majority of which invest in regional Asian bourses. Several global funds were also offered for sale while a global equity fund investing in real estate sector companies and REITs was set up to tap investor demand for property exposure overseas. Given the lacklustre performance of the domestic bourse during the year, these funds have been very successful in capturing the retail market.

Table 2: Malaysian Fund IPOs Investing Overseas, For Year 2005

Fund	Foreign Exposure / Market	Portfolio Manager	Launch Date
MAAKL Pacific	Up to 100% / Asia-Pacific (ex-Japan)	Meridian Asset Mgt Sdn Bhd	Jun 23
RHB Dividend Valued Equity	Up to 70% / Asia-Pacific (ex-Japan)	UOB-OSK Asset Mgt Sdn Bhd	Jul 13
CIMB-Principal Global Titans	Up to 100% / Global	CIMB-Principal Asset Mgt Bhd	Jul 18
Prudential Asia Pacific Equity	Up to 99% / Asia-Pacific (ex-Japan)	Prudential Unit Trusts Bhd (ext manager: Prudential Asset Mgt (HK) Ltd)	Jul 21
AmGlobal Property Equities	Minimum 95% / Global	AmInvestment Mgt Sdn Bhd (Henderson Global Investors for sub-fund)	Oct 25
OSK-UOB Global Yield	Up to 95% / Global	OSK-UOB Unit Trust Mgt Bhd	Nov 9
SBB Global Growth	Up to 98% / Global	SBB Asset Mgt Sdn Bhd (sub-managed by Franklin-Templeton Asset Mgt Ltd)	Nov 17
Public Far-East Select	Up to 70% / Asia-Pacific (ex-Japan)	Public Mutual Berhad	Nov 22
CIMB-Principal Hidden Values	Up to 70% / South-East Asia + India	CIMB-Principal Asset Mgt Bhd	Nov 22
TA South East Asia Equity	Up to 100% / South-East Asia	TA Unit Trust Mgt Bhd (ext manager: Lion Capital Management Ltd)	Nov 28

Note: The above funds with foreign exposure of more than 50%.
Source: Lipper

Table 3: Best Performing Sectors as of December 2005

	One Year	Three Years	Five Years
Equity Funds	Best: Index Tracking	Best: Index Tracking	Best: Index Tracking
Bond Funds	Best: Islamic/Syariah	Best: Islamic/Syariah	Best: Islamic/Syariah
Mixed-Asset Funds	Best: Income	Best: Growth	Best: Income

Source: Lipper Malaysia Classification

OPERATIONAL REVIEW 2005

Malaysia's macroeconomic fundamentals remain sound. Current forecasts for Malaysia's economy point toward a growth expansion of 5.0%-5.5% in 2006. Clearer earnings visibility on the corporate front in 2006, however, will be needed for the market to be re-rated at a higher price-earnings multiple; the Malaysian market is currently trading at higher forward PE ratios than the Hong Kong and Singapore markets. An improving outlook for global equities amid signs of an end to the current U.S. Federal Reserve tightening cycle may nonetheless spur foreign fund managers to re-enter the market.

Malaysia is also lagging behind other Asian nations in its monetary tightening, and negative real interest rates have resulted in an outflow of foreign capital from the country. Further interest rate hikes are expected in 2006 - to stem the outflows - although a more-accommodative monetary policy from the U.S. Federal Reserve may bring some respite. While this will invariably impact returns of bond funds, robust market demand for long-term Malaysian paper may keep yields down. Local investors are thus likely to continue to diversify their portfolios overseas until a clearer picture of the market emerges. A stronger ringgit in 2006 as Bank Negara lets the currency respond to market expectations - after keeping it on a tight leash since July 21 will also impact business and investment decisions in the marketplace.

The best performing funds for the year were recognised at the Edge-Lipper Malaysian Unit Trust Fund Awards, with awards given out to a total of 19 recipients. The Lipper Consistent Return methodology was adopted as the global standard to select winning funds over three, five and ten-year periods. Fund families with high average scores for all funds within a particular asset class or overall were also awarded.

The Lipper Fund Awards programme, which was run across 18 countries in Asia, Europe and the United States, highlights funds that have excelled in delivering consistently strong risk-adjusted performance, relative to peers, among the 125,000 funds that Lipper tracks globally.

Extracted from Lipper – Global Themes in the Mutual Fund Industry 2005 Malaysia

REGISTRATION OF PERSONS DEALING IN UNIT TRUST (PDUTs)

The total number of PDUTs (Table 4) stood at 34,439 as at 31 December 2005 compared to 32,027 as at 31 December 2004, which saw an encouraging growth of 7.5% during the year. The increase was in tandem with the higher number of candidates sitting for the Computerised Unit Trust Examination (CUTE) during the year.

From the total of 34,439 registered PDUTs, 86.4% of them were attached to Ordinary Members while the remaining 13.6% were with Associate Members. Further analysis (Chart 4) shows that 78.2% or 26,960 of the registered PDUTs were tied agents. The number of Tied Agents witnessed an increase of 4.3% to 78.2% of total PDUTs in 2005 compared to 73.9% in 2004 due to recruitment initiatives by some companies.

Related Party Corporate Representatives, Third Party Corporate Representatives and UTM staff comprise 4.4%, 13.6% and 3.8% of the registered PDUTs respectively. Although the composition of UTM staff saw only a marginal change to 3.8% in 2005 from 4.1% in 2004, more apparent changes were seen in the composition of Tied Agents, Related and Third Party Corporate Representatives. 2005 saw a significant decline in the makeup of Related Corporate Representatives of 4.4% of total PDUTs, from 10.9% in 2004 due to amongst others, conversion to Third Party Corporate Representatives in response to change in business focus.

Table 4: Total PDUTs registered with FMUTM as at 31 December 2005

No.	Ordinary Members	31 December 2005	31 December 2004
1.	Affin Trust Management Berhad	114	141
2.	Alliance Unit Trust Management Berhad	112	103
3.	Amanah Saham Kedah Berhad	23	24
4.	Amanah Saham Nasional Berhad	323	343
5.	Amanah Saham Sarawak Berhad	47	50
6.	AmInvestment Services Berhad	980	1,060
7.	AmProperty Trust Management Berhad	0	0
8.	Apex Investment Services Berhad	487	539
9.	Asia Unit Trusts Berhad	249	337
10.	ASM Mara Unit Trust Management Berhad	446	416
11.	Avenue Invest Berhad	47	42
12.	BIMB Unit Trust Management Berhad	63	50
13.	CIMB-Principal Asset Management Berhad	209	236
14.	CMS Trust Management Berhad	221	249
15.	HLG Unit Trust Berhad	575	1,717
16.	Hwang-DBS Investment Management Berhad	196	183
17.	ING Funds Berhad	792	881
18.	Kenanga Unit Trust Berhad	98	120
19.	KLCity Unit Trust Berhad	160	261
20.	KSC Capital Berhad	2	1
21.	MAAKL Mutual Berhad	1,284	840
22.	Mayban Unit Trust Berhad	518	1,579
23.	OSK-UOB Unit Trust Management Berhad	528	558
24.	Pacific Mutual Fund Berhad	1,357	1,222
25.	Pelaburan Hartanah Nasional Berhad	0	0
26.	Pelaburan Johor Berhad	24	17
27.	Pengurusan Kumipa Berhad	16	13
28.	Permodalan BSN Berhad	46	50
29.	Pheim Unit Trusts Berhad	27	34
Sub-Total		8,944	11,066

No.	Ordinary Members	31 December 2005	31 December 2004
Sub-Total (brought forward from previous page)		8,944	11,066
30.	Phillip Mutual Berhad	14	22
31.	Prudential Unit Trusts Berhad	2,696	2,738
32.	PTB Unit Trust Berhad	13	11
33.	Public Mutual Berhad	12,807	9,970
34.	RHB Unit Trust Management Berhad	222	237
35.	Saham Sabah Berhad	30	37
36.	SBB Mutual Berhad	4,636	4,381
37.	TA Unit Trust Management Berhad	402	290
38.	Tabung Amanah Saham Selangor	0	11
Sub-Total		29,764	28,763
No.	Associate Members	31 December 2005	31 December 2004
1.	Affin Bank Berhad	199	154
2.	Affin Securities Sdn Bhd	32	14
3.	Alliance Bank Malaysia Berhad	322	256
4.	AmBank (M) Berhad	11	0
5.	AmFinance Berhad	0	0
6.	AmMerchant Bank Berhad	25	32
7.	CIMB Securities Sdn Bhd	27	30
8.	Citibank Berhad	214	203
9.	Commerce International Merchant Bankers Berhad	21	16
10.	ECM Libra Securities Sdn Bhd	33	0
11.	ENG Securities Sdn Bhd	4	6
12.	EON Bank Berhad	546	348
13.	Hong Leong Bank Berhad	688	29
14.	HSBC Bank Malaysia Berhad	461	406
15.	Inter-Pacific Securities Sdn Bhd	3	5
16.	Malacca Securities Sdn Bhd	9	2
17.	Mayban Securities Sdn Bhd	0	0
18.	Malayan Banking Berhad	421	0
19.	OCBC Bank (Malaysia) Berhad	331	388
20.	RHB Bank Berhad	742	775
21.	Southern Bank Berhad	171	216
22.	Standard Chartered Bank Malaysia Berhad	218	191
23.	United Overseas Bank (Malaysia) Berhad	197	193
Sub-Total		4,675	3,264
Grand Total		34,439	32,027

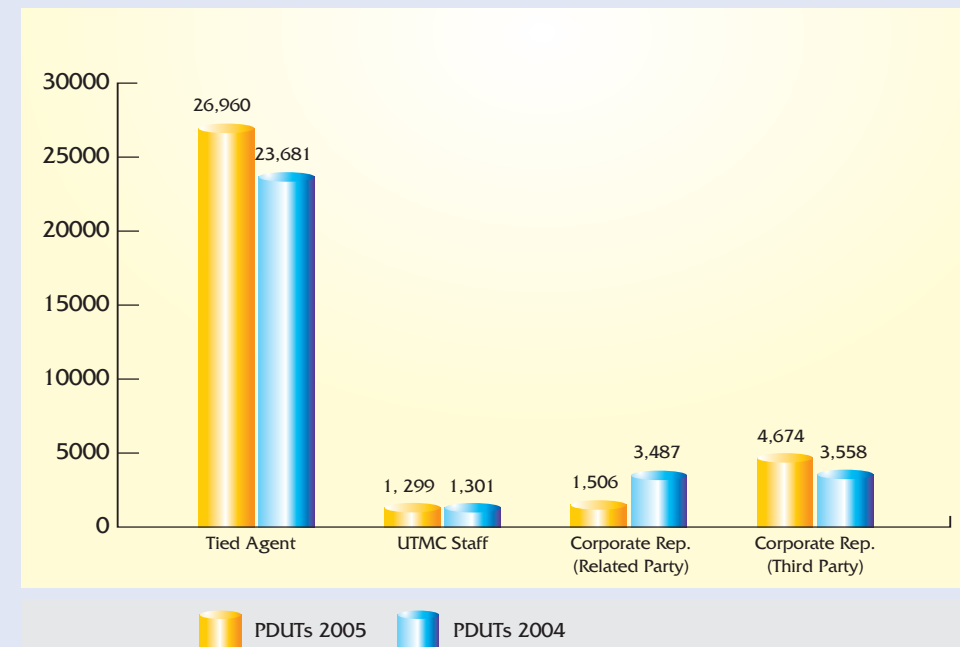
Source: FMUTM

Notes:

1. The statistics show the number of PDUTs who have passed the CUTE and have been issued with FMUTM registration numbers.
2. Termination and re-registration of PDUTs with different member companies and non-renewal cases are also accounted for.
3. AmFinance Berhad merged with AmBank (M) Berhad in 2005.

**Chart 4:
PDUTs for 2005 and 2004**

Source: FMUTM

**COMPUTERISED UNIT TRUST EXAMINATION (CUTE)**

The first CUTE session commenced on 22 July 2004 with the manual examination being conducted concurrently until October 2004. Starting November 2004, CUTE was fully implemented.

CUTE are conducted at MIMOS centres in the Klang Valley, Penang, Johor Bahru, Ipoh, Kota Kinabalu, Kuantan, Kuching, Alor Setar, Kota Bharu, Kuala Terengganu and Seremban. CUTE sessions in the Klang Valley are scheduled eight times per month on Thursday and Saturday. In Penang and Johor Bahru, CUTE is held two times per month, on the 2nd Thursday and 4th Saturday in Penang and 2nd and 4th Saturday in Johor Bahru. CUTE is conducted once a month on the 4th Saturday for Ipoh, Kota Kinabalu, Kuantan and Kuching and once every quarter of the year, also on the 4th Saturday for Alor Setar, Kota Bharu, Kuala Terengganu and Seremban. Ad hoc CUTE sessions would be arranged at various MIMOS centres as and when needed.

Responding to Members' requests and the strong demand for additional CUTE sessions particularly in the Klang Valley, FMUTM has arranged for a new CUTE location at Informatics, Kuala Lumpur, which started to conduct its first CUTE session in October 2005. CUTE sessions at Informatics Kuala Lumpur are conducted four times per month on Saturday.

The number of CUTE registration, including re-sit in 2005 is shown in Table 5 and recorded an average attendance of 87.1% and passing rate of 67.6%. From the CUTE candidates who were present, 71.7% took the examination in English, 10.1% in Bahasa Melayu and 5.3% in Chinese.

Table 5: CUTE Registration from January 2005 to December 2005

Month		Location		Monthly Registration
		Klang Valley Registration	Nationwide Registration	
January	2005	515	262	777
February	2005	384	165	549
March	2005	501	346	847
April	2005	455	283	738
May	2005	539	372	911
June	2005	546	436	982
July	2005	818	448	1266
August	2005	890	377	1267
September	2005	534	510	1044
October	2005	522	517	1039
November	2005	579	432	1011
December	2005	601	422	1023
Total				11,454

Source : FMUTM

REGISTRATION OF INSTITUTIONAL UNIT TRUST AGENTS (IUTAs)

During 2005, seven IUTA applications were approved for third party distributorship and one for related party. AmBank Berhad, one of the third party IUTAs approved was previously a related party IUTA.

As at 31 December 2005, the total number of registered IUTAs stood at thirty seven (37) following the withdrawal of Deutsche Bank (Malaysia) Berhad as an IUTA and the mergers of Affin-ACF Finance Berhad, AmFinance Berhad, Mayban Finance Berhad and EON Finance Berhad with their respective banking arms.

The total number of approved IUTAs as at 31 December 2005 comprised of eighteen (18) banks (including two merchant banks and a finance company), seven (7) UTMCS, and 12 stockbroking firms. Out of the 37 IUTAs, 29 IUTAs are doing third party distribution and the remaining are all related party distributors.

	Name of IUTAs Approved IUTAs (in year 2005)	Effective Date *	Type of Distributorship
1.	RHB Unit Trust Management Berhad	1 Jan 2005	Third Party
2.	AmBank Berhad	15 Feb 2005	Third Party
3.	ECM-Libra Securities Sdn Bhd	15 Mar 2005	Third Party
4.	Malacca Securities Sdn Bhd	15 Mar 2005	Third Party
5.	CMS Trust Management Berhad	15 Apr 2005	Third Party
6.	Mayban Securities Sdn Bhd	15 Apr 2005	Third Party
7.	Phillip Mutual Berhad	1 May 2005	Third Party
8.	Kuala Lumpur City Securities Sdn Bhd	1 Aug 2005	Related Party
	Approved IUTAs (in previous years)		
1.	Citibank Berhad	1 May 2000	Third Party
2.	Standard Chartered Bank (Malaysia) Berhad	1 May 2000	Third Party
3.	HSBC Bank (Malaysia) Berhad	1 May 2000	Third Party
4.	OCBC Bank (Malaysia) Berhad	1 May 2000	Third Party
5.	OSK Securities Berhad	15 Jul 2000	Related Party
6.	SBB Mutual Berhad	1 Sep 2000	Third Party
7.	Public Bank Berhad	1 Oct 2000	Related Party
8.	Southern Bank Berhad	15 Oct 2000	Third Party
9.	Bumiputra-Commerce Bank Berhad	1 Nov 2000	Related Party
10.	Apex Investment Services Berhad	1 Nov 2000	Third Party
11.	AmInvestment Services Berhad	15 Jun 2001	Third Party
12.	AmSecurities Sdn Bhd	15 Jun 2001	Related Party
13.	Alliance Bank (Malaysia) Berhad	1 Aug 2001	Third Party
14.	SBB Securities Sdn Bhd	1 Sep 2001	Related Party
15.	RHB Securities Sdn Bhd	1 Oct 2001	Related Party
16.	CIMB Securities Sdn Bhd	1 Dec 2001	Third Party
17.	United Overseas Bank (Malaysia) Berhad	15 Mar 2002	Third Party
18.	Commerce International Merchant Bankers Berhad	1 May 2002	Third Party
19.	Kenanga Unit Trust Berhad	1 Jul 2002	Third Party
20.	Malayan Banking Berhad	15 Sep 2002	Third Party
21.	Southern Finance Berhad	15 Oct 2002	Related Party
22.	RHB Bank Berhad	1 Feb 2003	Third Party
23.	Affin Bank Berhad	1 Mar 2003	Third Party
24.	Inter-Pacific Securities Sdn Bhd	15 Mar 2003	Third Party
25.	ENG Securities Sdn Bhd	1 Jun 2003	Third Party
26.	AmMerchant Bank Berhad	1 Sep 2003	Third Party
27.	EON Bank Berhad	15 Sep 2003	Third Party
28.	Affin Securities Sdn Bhd	15 Jun 2004	Third Party
29.	Hong Leong Bank Berhad	1 Oct 2004	Third Party

* Effective date of distribution to market unit trusts

DEVELOPMENT INITIATIVES WITH REGULATORS AND AUTHORITIES

During the year under review, FMUTM continued to nurture and work closely with the regulators, authorities and other relevant organisations. In its part, FMUTM adopted a proactive approach, providing constructive views and suggestions during discussions on issues of mutual concern for the benefit of the industry. This section covers the main developmental dialogue and work undertaken during the period.

1. SECURITIES COMMISSION (SC)

- a) Meeting with Securities Commission 5 January**
- The purpose of this meeting was to seek FMUTM's views on the possibility of introducing the out-performance fee for new funds to be launched.
 - The meeting also discussed any prevailing issues relating to the out-performance fee.
 - In addition, discussion on issues such as overseas investments, advertisement and promotions, public awareness programmes, private pension funds and tax incentives for the industry were also looked into.
- b) Meeting with Securities Commission 17 January**
- This meeting was called to seek industry feedback on the introduction of bond pricing agencies for "marked-to-market" valuation of bonds.
- c) Meeting with Securities Commission 31 March**
- This meeting was called to deliberate on the Securities Commission's request for additional disclosure requirement on fees and charges in the application form and sales confirmation statements to unit holders.
- d) Meeting with Securities Commission 6 May**
- This meeting discussed the final amendments to the due-diligence audit checklist for IUTAs.
- e) Meeting with Securities Commission 25 May**
- This meeting discussed the liberalisation of foreign exchange administration rules and its impact on the capital market. This session was conducted by a representative from Bank Negara Malaysia.
 - This was a joint session held with Malaysian Association of Asset Managers (MAAM).
- f) Meeting with Securities Commission 27 May**
- A follow-up meeting on the due-diligence audit checklist for IUTAs.
 - Further fine tuning of the due-diligence audit checklist with the Securities Commission.
- g) Meeting with Securities Commission 31 May**
- A briefing by a representative from Bank Negara Malaysia to some of the capital market participants on what to expect when the Anti-Money Laundering Act (AMLA) is implemented for the unit trust industry.
- h) Meeting with Securities Commission 14 June**
- This meeting sought the industry feedback to the Securities Commission on the introduction of the Exchange Traded Funds (ETF) guidelines. The Securities Commission also indicated the timeline of when the first bonded ETF will be launched.
- i) Dialogue with Securities Commission 15 September**
- The industry dialogue deliberated upon the timeline for submission of UTF returns, post vetting of advertisements and promotional materials, the possibility of introducing abridged prospectus, yearly renewal of syariah qualified adviser, the possibility of admitting insurance companies in selling unit trust schemes and the standard practice note to be issued by FMUTM on dealing cut-off time.
- j) Meeting with Securities Commission 14 December**
- Launch of the Compliance and Risk-based Supervision framework for UTMCS.

2. BURSA MALAYSIA (Bursa)

a) Dialogue & Luncheon with Bursa Malaysia

1 September

- The annual dialogue discussed how both Bursa Malaysia and FMUTM can enhance and co-operate in the development of the capital market.

3. BANK NEGARA MALAYSIA (BNM)

a) Dialogue with Bank Negara Malaysia

2 August

- The dialogue discussed the developments and potentials for the banking industry to further co-operate with UTMCS to develop and grow the unit trust industry.
- The dialogue also touched on possible liberalisation of investment guidelines for the banks and insurance companies to invest in unit trusts.
- In addition, other issues that were discussed included the shared infrastructure and manpower to handle the overall fund management within a group of companies that has unit trust and insurance businesses.

b) Meeting with Bank Negara Malaysia

16 August

- A follow-up session on the liberalisation of exchange rules for investments abroad.

4. THE EMPLOYEES PROVIDENT FUND (EPF)

a) Meeting with Employee Provident Fund

5 January

- The discussion included several proposed improvements on the operational and administrative aspects of the members' investment scheme with a view to facilitate speedy approvals and reduce delays in fund disbursements.
- FMUTM's concept of a private pension plan was also discussed.

5. THE ROYAL MALAYSIAN CUSTOMS (RMC)

a) Presentation by The Royal Malaysian Customs

17 March

- Representatives from the Royal Malaysian Customs presented an overview on the structure and framework of the GST. In addition, the meeting discussed and clarified issues relevant to the GST.

b) Meeting with The Royal Malaysian Customs

8 April

- This meeting saw feedback from the capital market industry players on the proposed GST framework. The Royal Malaysian Customs noted the feedback and suggestions made and promised to study the issues raised when drafting the proposed GST framework.

6. THE MINISTRY OF FINANCE (MOF)

a) Dialogue with Ministry of Finance

25 July

- Participants were given the first draft of the proposed GST framework prepared by the Ministry of Finance outlining the effects of GST on the unit trust industry. Views and opinions were sought from industry players.
- Thereafter the FMUTM Council appointed KPMG Tax Services to submit a proposal to the Ministry of Finance outlining the unit trust industry's stand on the implementation of GST on unit trust investments.

b) Meeting with Ministry of Finance

23 August

- This meeting followed-up on its previous discussion pertaining to the implementation of GST and sought further clarification from the Ministry of Finance before the final proposal from KPMG Tax Services was submitted to the Ministry of Finance.

REPORT FROM THE COUNCIL

The Council has established various committees with specific objectives to serve the interest of its members and the investing public. The activities of the committees for the year under review are summarised below.

1. Self-Regulatory Organisation Committee

YM Tunku Dato' Ya'acob Tunku Tan Sri Abdullah – Chairman

En. Shamsul Anuar Ahamad Ibrahim – Deputy Chairman

Areas of focus:

- To liaise with Securities Commission and other relevant parties on all matters relating to the formation of a Self Regulatory Organisation (SRO).
- To deliberate and define the powers and scope of responsibilities for FMUTM as an SRO.
- To present for approval to all members a proposal for the formation of an SRO.

Activities:

a) 1st Self Regulatory Organisation Committee Meeting

25 February

- issue(s) discussed included
 - deliberation on the proposed structure for Federation of Malaysian Investment Managers (FMIM), including its financial structure, organisation structure, fee structure, membership, voting system and disciplinary proceedings.
 - Work towards submitting a proposal to Securities Commission by the first quarter of the year to amend FMUTM's Memorandum and Articles of Association thereby strengthening the association internally.

2. Industry Development Committee

Mr. Low Hong Ceong, Paul – Chairman

Mr. Cheah Chuan Lok – Deputy Chairman

Areas of focus:

- To be responsible for the orderly and efficient development and growth of the local unit trust industry.
- To coordinate and prepare a private pension fund proposal on behalf of the unit trust industry to the government.
- To develop an efficient IT system for timely and effective collation and dissemination of industry facts and figures to members.
- To coordinate liaison with the Government, the Securities Commission or any other authorities on policies, amendments, new proposals or any other matters regarding the development of the industry.
- To be responsible on matters relating to the managed funds industry at the international level.
- To establish and foster friendly relationship with foreign funds associations to facilitate exchange of information that can help accelerate the development of our industry.

Activities:

a) Meeting with National Economic Action Council (NEAC)

24 February

- issue(s) discussed included
 - FMUTM's proposed private pension plan and also to sought NEAC views on the plan.

b) 1st Industry Development Committee Meeting

27 April

- issue(s) discussed included
 - the requirements for additional disclosure on initial sales charges to unit holders, as requested by Securities Commission and the impact to the industry.
 - the committee made recommendations to the Council to write to Securities Commission to defer the implementation on the additional disclosure as no countries have implemented such disclosure policy and the present disclosure policies to investors are deemed sufficient.

c) 2nd Industry Development Committee Meeting

27 June

- issue(s) discussed included
 - working out the best arrangement/tie-up with foreign fund managers for overseas investments.
 - discussing the potential impact to the industry and feedback to the Securities Commission that the industry is not ready for foreign unit trust schemes to be sold in the local market.
 - reviewing the draft proposal on the private pension plan with the financial consultants, NMG Financial Consultants, Singapore.

3. Distribution Standards Committee

Mr. Toh Chin Hian, Mark – Chairman
En. Mansoor Ahmad – Deputy Chairman

Areas of focus:

- To strengthen the rules on registrations and business conduct/practices of Persons Dealing in Unit Trust (PDUTs) and IUTAs.
- To regularly review and ensure minimum standards or qualifications of the candidates for the purpose of unit trust examinations (UTE) and registration with FMUTM are met.
- To coordinate reviews of the Guidelines on Unit Trust Funds or draft rules as and when appropriate.
- To coordinate liaison with the Securities Commission on guidelines or policies pertaining to all unit trust examinations and distributions.

Activities:

- a) 1st Distribution Standards Committee Meeting** **7 April**
- issue(s) discussed included
 - a review of the advertisement and promotion guidelines taking into account the new developments in the industry since it was issued. The review also included whether rules on limiting the value of gifts to be given to investors should be introduced.
 - the review of the guidelines for IUTA. Presently, the guidelines are meant for financial institutions and in line with overseas development, FMUTM proposes to increase the distribution channels of IUTA to include financial planners. The proposal to include financial planners as IUTA (IA) has been submitted to the Securities Commission.
- b) 2nd Distribution Standards Committee Meeting** **12 April**
- issue(s) discussed included
 - the implementation plan for the revision of the Unit Trust Examination Manual (2nd edition for PDUTs) and commissioning of the project since the 1st edition was written in 1998.
- c) 3rd Distribution Standards Committee Meeting** **27 October**
- issue(s) discussed included
 - an overview given to the IUTAs on the rationale and operational aspects of the due diligence audit to be conducted.
 - clarifying the procedures and time frame for this due-diligence audit which is to be conducted on IUTAs.

4. Technical Committee

Mr. Tan Keah Huat – Chairman
En. Nor'Azamin Salleh – Deputy Chairman

Areas of focus:

- To develop best practices in line with international standards for products and investments guidelines for the conduct of unit trust activities in Malaysia.
- To coordinate liaison with federal and state government, and the Securities Commission on guidelines or policies pertaining to state unit trust funds and syariah trust funds.
- To coordinate liaison with the government, Inland Revenue Board or other authorities on all matters pertaining to tax and accounting for unit trust funds.
- To develop, in conjunction with other authorities, the accounting and reporting standards for unit trusts.

Activities:

- a) Presentation on "The General Overview of Goods and Service Tax" by PricewaterhouseCoopers Taxation Services** **14 April**
- held at FMUTM's seminar room, PWC presented an overview on the GST framework and key issues that may affect the unit trust industry.
- b) 1st Technical Committee Meeting** **6 July**
- issue(s) discussed included
 - the terms of reference of the technical committee.
 - follow up on the projects that the committee is embarking upon which includes standard deed for unit trust funds, introducing uniform pricing of units, proposed improvements in administrative procedures for EPF members' investment schemes, update on the status on the introduction of bond pricing agencies for "marked-to-market" for fixed income investments, update on our appeal to Inland Revenue Board on accretion of discount on zero coupon bonds, tax issues on REITs, GST and conceptual framework for equity based ETFs.

c) Presentation on "Equity based Exchange Traded Funds (ETF)" by Bursa Malaysia

12 July

- held at FMUTM's seminar room, Bursa presented the conceptual framework of the infrastructure to facilitate the offering of equity based ETF as an investment product in Bursa's securities market.

d) 2nd Technical Committee Meeting

4 August

- issue(s) discussed included
 - follow up on projects that the committee is currently embarking upon.
 - discussion with KPMG Tax Services on what is best for the unit trust industry if the GST is implemented taking into account of the various practices in other countries.

e) 3rd Technical Committee Meeting

29 August

- issue(s) discussed included
 - an updated status of the GST and the government's view on the proposed tax treatment to be implemented to the unit trust industry.
 - brainstorming with KPMG Tax Services to prepare a proposal for the unit trust industry on GST for submission to the tax review panel at the Ministry of Finance.

f) 4th Technical Committee Meeting

29 September

- issue(s) discussed included
 - reviewing members' survey results on EPF members investment scheme in terms of timing for unit booking, duration for EPF payment disbursement, suggestions to minimise rejection cases and other matters to be discussed at the annual EPF-FMUTM dialogue.
 - Members' suggestions on improving the administrative and operational aspects on EPF Members' Investment scheme were compiled and sent to EPF for consideration.
 - Reviewing members' survey results on historical and forward pricing for valuation of funds and recommending best practices for the industry.

g) Presentation on "International Financial Reporting Standards (IFRS) For Funds in Year 2006" by PricewaterhouseCoopers (PWC)

1 December

- held at FMUTM's seminar room, PWC presented the overview on IRFS and the accounting issues that will impact the industry.

5. Compliance and Disciplinary Committee

En. Wan Kamaruzaman Wan Ahmad – Chairman

Areas of focus:

- To strengthen all aspects of the legal and institutional framework for corporate governance and best practices for our members and industry players.
- To liaise with the regulatory authorities to strengthen regulatory enforcement.
- To be responsible for the setting up of a compliance, disciplinary and appeals body in FMUTM and to receive, hear complaints and appeals from the consumers/members.

Activities:

- a) 1st Compliance & Disciplinary Committee Meeting** **1 March**
- issue(s) discussed included
 - the terms of reference of the compliance and disciplinary committee.
- b) 2nd Compliance & Disciplinary Committee Meeting** **7 July**
- issue(s) discussed included
 - a review of the existing by-laws relating to the procedures for disciplinary proceedings.
 - discussing the proposal to amend and update the disciplinary proceedings in line with the Securities Commission's aspirations that FMUTM should take an active role in member conduct, ethics and discipline.
- c) 3rd Compliance & Disciplinary Committee Meeting** **13 September**
- issue(s) discussed included
 - further discussion on the proposed amended by-laws relating to the procedure for disciplinary proceedings taking into account of the Council's feedback on its initial proposal.

6. Education and Conference

Mr. Cheah Chuan Lok – Chairman

Areas of focus:

- To organise education and training programmes for staff of member companies and PDUTs.
- * To organise public awareness programmes to educate the public on unit trust.
- * To liaise with local or overseas professional institutions and organisations in matters relating to education and training.
- * To develop, in conjunction with other Committees of the FMUTM, a career path for PDUTs.

Activities:

- a) Half-Day Seminar for PDUTs, Petaling Jaya 25 May**
- the inaugural seminar saw 50 participants sitting through two sessions – a presentation on “Successful Agency Building” and a panel discussion on “Overseas Investments in the Wake of more Liberal Foreign Exchange Administration Rules”.
- b) 1st Education & Conference Committee Meeting 15 June**
- issue(s) discussed included
 - half-day PDUT seminars in terms of feedback, schedule and potential speakers and topics.
 - annual investment exhibition and seminar roadshow in terms of possible themes and venue.
 - proposal on mandatory continuing examination and certification programme. Proposal was rejected as the timing is not right for implementation.
 - annual convention of unit trust consultants in terms of possible themes and speakers.
- c) Half-Day Seminar for PDUTs, Johor Bahru 17 September**
- d) Half-Day Seminar for PDUTs, Ipoh 1 October**
- the seminar saw 100 and 120 participants respectively, sitting through sessions entitled “The Affluent Mindset” and “Secrets of a ‘MDRT’ PDUT”.
- e) Half-Day Seminar for PDUTs, Penang 7 October**
- this session saw 95 participants attending the talk entitled “Tax Audits, The 2006 Budget Proposal and You!”.
- f) Annual Convention Of Unit Trust Consultants: “P. I. E. – Professionalism, Innovation & Education” 14 November**
- 1,000 delegates attended the 5th Annual Convention of Unit Trust Consultants. Distinguished speakers hailing from Singapore and Malaysia participated in sharing their knowledge and experiences with delegates. A Press Conference was also held in conjunction with the convention which saw the media out in force enquiring on the latest development on the unit trust industry.
- g) 2nd Education & Conference Committee Meeting 22 December**
- issue(s) discussed included
 - reviewing the feedback from the half-day PDUT seminars in terms of relevance of topic, content, speakers, venue, etc.
 - setting a timetable for half-day PDUT seminar for 2006 in terms of direction, potential topics and speakers.

7. Audit Committee

En. Mohammad Faiz Mohammad Azmi – Chairman

Areas of focus:

- To review the maintenance of an adequate and effective accounting system and internal control.
- To review the Federation’s accounting policies and reporting requirement, focusing particularly on:
 - any major changes in accounting policies and practices.
 - compliance with accounting standards and regulatory requirements.
- To consider and recommend the appointment of the external auditors, their remuneration and any issues regarding their performance.
- To discuss the intended scope of external audit.
- To review the findings of the external auditors and that the issues raised are satisfactorily addressed by the management.
- To review the audited financial statements prior to submission to the Council.
- To report to the Council on its findings.

Activities:

- a) 1st Audit Committee Meeting 9 December**
- issue(s) discussed included
 - its term of references for the committee.
 - to appoint KPMG, to conduct an independent audit on FMUTM’s expenses based on a certain set of criteria.

8. Secretariat

Mr. Edmond Cheah Swee Leng – Chairman

Areas of focus:

- To be responsible for the smooth operations of the Secretariat.
- To be responsible for the preparation of budget and financial statement of the FMUTM.
- To supervise and oversee the administration of the staff employed by FMUTM.
- To organise Annual General Meeting and Council Meetings.
- To enhance communication channels among FMUTM’s members, Committees and other parties related to the industry.
- To enhance and reinforce the corporate image of unit trust products and services, the industry and FMUTM.

Activities:

- a) 11th Annual General Meeting 27 May**
- held at Hilton Hotel, Kuala Lumpur, the 11th AGM was attended by about 40 delegates, drawn from Ordinary and Associate Members. Proceedings went smoothly and matters were resolved speedily. The Press Conference that followed saw the media out in full force; FMUTM’s President, took the opportunity to announce the setting up of a complaints bureau at the Secretariat to receive, investigate and resolve public complaints on misconduct and misselling by our members or PDUTs.
- b) Participated in the Exhibition for Investors’ Conference organised by Bank Negara Malaysia 22–23 June**
- at the invitation of the organiser, FMUTM took part in the booth exhibition, held in conjunction with the 30th Annual Meeting of the Board of Governors of the Islamic Development Banks and the “Malaysia: An Investment Destination” Conference. The event provided an excellent opportunity for exhibitors to establish networks with international delegates from more than 50 countries, showcasing their Islamic products and services.
- c) FMUTM Golf Tournament : Dato’ Kamaruddin Mohammed Challenge Trophy 30 July**
- the 7th edition of our annual golf tournament since 1997, saw a record of 48 players taking to the KLGCC East Course.
- d) Participated in the Annual Inter-Unit Trust Bowling Tournament organised by ASM MARA Unit Trust Management Berhad 6 August**
- at the invitation of the Sports and Welfare Club of ASMKL, FMUTM took part in the annual Inter-Unit Trust Bowling Tournament. There were 26 participating teams drawn from the capital market. The outing not only gave both players and sponsors a rolling good time but also the opportunity to foster friendship and bond budding acquaintances within the unit trust community.
- e) Participated in the Investor Education Exhibition by Securities Commission 4 October**
- at the invitation of the organiser, FMUTM took part in the booth exhibition, held in conjunction with the nationwide Investor Education Campaign. This event is aimed at educating the public on the do’s and don’ts on investing and to encourage them to be more savvy when it comes to investing with their monies.

CALENDAR OF EVENTS FOR THE YEAR 2005

January

5 January 2005
Meeting with Securities Commission
5 January 2005
Meeting with Employees Provident Fund
17 January 2005
Meeting with Securities Commission

February

22 February 2005
The Edge-Lipper Malaysian Unit Trust Fund Awards 2005
24 February 2005
Meeting with National Economic Action Council
25 February 2005
1st Self Regulatory Organisation Committee Meeting

March

1 March 2005
1st Compliance & Disciplinary Committee Meeting
10 March 2005
92nd Council Meeting
17 March 2005
Presentation by The Royal Malaysian Customs
29 March 2005
The Star/Standard & Poor's Investment Funds Award Malaysia 2005

31 March 2005

Meeting with Securities Commission

April

7 April 2005
1st Distribution Standards Committee Meeting
8 April 2005
Meeting with The Royal Malaysian Customs
12 April 2005
2nd Distribution Standards Committee Meeting
14 April 2005
Presentation on "The General Overview of Goods and Service Tax" by PricewaterhouseCoopers Taxation Services
27 April 2005
1st Industry Development Committee Meeting
29 April 2005
6th Council Brainstorming Session Bangkok, Thailand

May

6 May 2005
Meeting Securities Commission
11 – 13 May 2005
Investment Company Institute's 2005 General Membership Meeting Washington, DC

17 May 2005

93rd Council Meeting

25 May 2005

Half-Day Seminar for PDUTs

Petaling Jaya

25 May 2005

Meeting with Securities Commission

27 May 2005

11th Annual General Meeting

27 May 2005

Meeting with Securities Commission

31 May 2005

Meeting with Securities Commission

June

14 June 2005

Meeting with Securities Commission

15 June 2005

1st Education & Conference Committee Meeting

22 – 23 June 2005

Participated in the Exhibition for Investors' Conference organised by Bank Negara Malaysia

27 June 2005

2nd Industry Development Committee Meeting

July

6 July 2005

1st Technical Committee Meeting

7 July 2005

2nd Compliance & Disciplinary Committee Meeting

12 July 2005

Presentation on "Equity Based Exchange Traded Funds (ETF)" by Bursa Malaysia

25 July 2005

Dialogue with Ministry of Finance

29 July 2005

94th Council Meeting

30 July 2005

FMUTM Golf Tournament: Dato' Kamaruddin Mohammed Challenge Trophy

August

2 August 2005

Dialogue with Bank Negara Malaysia

4 August 2005

2nd Technical Committee Meeting

6 August 2005

Participated in the Annual Inter-Unit Trust Bowling Tournament organised by ASM MARA Unit Trust Management Berhad

16 August 2005

Meeting with Bank Negara Malaysia

23 August 2005

Meeting with Ministry of Finance

26 August 2005

95th Council Meeting

29 August 2005

3rd Technical Committee Meeting

September

1 September 2005

Dialogue & Luncheon with Bursa Malaysia

13 September 2005

3rd Compliance & Disciplinary Committee Meeting

15 September 2005

Dialogue with Securities Commission

17 September 2005

Half-Day Seminar for PDUTs

Johor Bahru

29 September 2005

4th Technical Committee Meeting

October

1 October 2005

Half-Day Seminar for PDUTs

Ipoh

4 October 2005

Participated in the Investor Education Exhibition held in conjunction with the nationwide Investor Education Campaign by Securities Commission

6 October 2005

96th Council Meeting

7 October 2005

Half-Day Seminar for PDUTs

Penang

17 – 21 October 2005

19th IIFA Conference

USA

27 October 2005

3rd Distribution Standards Committee Meeting

November

14 November 2005

Annual Convention Of Unit Trust Consultants: "P. I. E. – Professionalism, Innovation & Education"

December

1 December 2005

Presentation on "International Financial Reporting Standards (IFRS) For Funds in Year 2006" by PricewaterhouseCoopers

9 December 2005

1st Audit Committee Meeting

14 December 2005

Meeting with Securities Commission

16 December 2005

97th Council Meeting

22 December 2005

2nd Education & Conference Committee Meeting





COUNCIL MEMBERS’ REPORT

FOR THE YEAR ENDED 31 DECEMBER 2005

The Council Members have pleasure in submitting their report and the audited financial statements of the Federation for the year ended 31 December 2005.

Principal activities

The Federation’s principal functions are to conduct its affairs in the best interests of unit trust holders and the unit trust industry, to encourage and foster amongst its members conduct, ethics and standards of practice that will best serve, maintain further and protect the interests of unit trust holders and the unit trust industry. There has been no significant change in the nature of these functions during the financial year.

Results

Operating surplus for the year

RM

986

Reserves and provisions

There were no material transfers to or from reserves and provisions during the year except as disclosed in the financial statements.

Council Members of the Federation

Council Members in office since the date of the last report are:

- Tunku Dato’ Ya’acob Bin Tunku Tan Sri Abdullah
- Low Hong Ceong, Paul
- Cheah Swee Leng, Edmond
- Toh Chin Hian, Mark
- Cheah Chuan Lok
- Tan Keah Huat
- Nor’Azamin Bin Salleh
- Mansoor Bin Ahmad
- Shamsul Annuar Bin Ahamad Ibrahim
- Christopher Foo Kah Foong
- Prof. Dr. Saiful Azhar Bin Rosly
- Mohammad Faiz Bin Mohammad Azmi
- Wan Kamaruzaman Bin Wan Ahmad
- (resigned on 1.12.2005)

Council Members’ benefits

Direct benefits

Since the end of the previous financial year, no Council Member of the Federation has received or become entitled to receive any benefit by reason of a contract made by the Federation with the Council Member or with a firm of which the Council Member is a member, or with a company in which the Council Member has a substantial financial interest.

Indirect benefits

During the year, an amount of RM67,455 is payable for professional services rendered by PricewaterhouseCoopers, Malaysia and Raja, Darryl & Loh Advocates & Solicitors, in which two Council Members are partners. This has also been disclosed in Note 10 of the financial statements.

There were no arrangements during and at the end of the financial year which had the object of enabling Council Members to acquire benefits by means of the acquisition of shares in or debentures of any other body corporate.

Other statutory information

Before the financial statements of the Federation were made out, the Council Members took reasonable steps to ascertain that:

- i) there are no bad debts to be written off and no provision need to be made for doubtful debts, and
 - ii) all current assets have been stated at the lower of cost and net realisable value.
- At the date of this report, the Council Members are not aware of any circumstances:
- i) that would render it necessary to write off any bad debts or provide for any doubtful debts, or
 - ii) that would render the value attributed to the current assets in the Federation financial statements misleading, or
 - iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Federation misleading or inappropriate, or
 - iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Federation misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Federation that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Federation that has arisen since the end of the financial year.

No contingent liability or other liability of the Federation has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the Council Members, will or may substantially affect the ability of the Federation to meet its obligations as and when they fall due.

In the opinion of the Council Members, the results of the operations of the Federation for the financial year ended 31 December 2005 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed in accordance with a resolution of the Council Members:

Tunku Dato’ Ya’acob bin Tunku Tan Sri Abdullah
President

Low Hong Ceong, Paul
Vice President

Kuala Lumpur,
Date: 4 May 2006



STATEMENT BY COUNCIL MEMBERS

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

In the opinion of the Council Members, the financial statements set out on pages 43 to 50 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Federation at 31 December 2005 and of its results and cash flows for the year ended on that date.

Signed in accordance with a resolution of the Council Members:

Tunku Dato' Ya'acob Bin Tunku Tan Sri Abdullah
President

Low Hong Ceong, Paul
Vice President

Kuala Lumpur,
Date: 4 May 2006

STATUTORY DECLARATION

PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, **Lee Siew Hoong**, the officer primarily responsible for the financial management of Federation of Malaysian Unit Trust Managers, do solemnly and sincerely declare that the financial statements set out on pages 43 to 50 are, to the best of my knowledge and belief correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Lee Siew Hoong

Subscribed and solemnly declared by the above named in Kuala Lumpur on 4 May 2006

Before me:

Barathan A/L Sinniah @ Chinniah
(W202)
Commissioner for Oaths

REPORT OF THE AUDITORS TO THE MEMBERS

OF FEDERATION OF MALAYSIAN UNIT TRUST MANAGERS

We have audited the financial statements set out on pages 43 to 50. The preparation of the financial statements is the responsibility of the Federation's Council Members.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with approved Standards on Auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations which we consider necessary to provide us with evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the Council Members as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
 - i) the state of affairs of the Federation at 31 December 2005 and its results and cash flows for the year ended on that date; and
 - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Federation; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Federation have been properly kept in accordance with the provisions of the said Act.

KPMG
Firm Number: AF 0758
Chartered Accountants

Adrian Lee Lye Wang
Partner
Approval Number: 2671/11/07(J)

Kuala Lumpur
Date: 4 May 2006

BALANCE SHEET

AT 31 DECEMBER 2005

	Note	2005 RM	2004 RM
Plant and equipment	2	1,003,737	963,162
Current assets			
Other receivable, deposits and prepayment		347,047	294,785
Tax recoverable		190,605	152,141
Cash and cash equivalents	3	5,889,136	5,112,899
		6,426,788	5,559,825
Current liabilities			
Advanced billings		1,882,794	1,165,203
Other payables and accruals		1,108,899	852,201
		2,991,693	2,017,404
Net current assets		3,435,095	3,542,421
		4,438,832	4,505,583
Financed by:			
Accumulated fund	4	4,361,569	4,360,583
Deferred liabilities			
Deferred tax liabilities	5	77,263	145,000
		4,438,832	4,505,583

The financial statements were approved and authorised for issue by the Council Members on 4 May 2006.

The notes set out on pages 46 to 50 form an integral part of, and should be read in conjunction with, these financial statements.

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2005

	Note	2005 RM	2004 RM
Revenue	6	3,022,753	3,456,630
Interest income		121,231	115,972
Depreciation		(319,675)	(225,052)
Rental of premises		(245,400)	(124,030)
Staff costs		(1,318,378)	(898,026)
Other operating and administrative expenses		(1,088,245)	(856,399)
Other net expenses		(181,018)	(333,702)
(Deficit)/Excess of revenue over expenditure	7	(8,732)	1,135,393
Tax expense	8	9,718	(374,947)
Excess of revenue over expenditure after taxation for the year		986	760,446

The notes set out on pages 46 to 50 form an integral part of, and should be read in conjunction with, these financial statements.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

	2005 RM	2004 RM
Cash flows from operating activities		
(Deficit)/Excess of revenue over expenditure	(8,732)	1,135,393
Adjustments for:		
Depreciation	319,675	225,052
Interest income	(121,231)	(115,972)
Loss/(Gain) on disposal of plant and equipment	980	(45,161)
Excess of operating revenue over expenditure before working capital changes	190,692	1,199,312
Changes in working capital and deferred income		
Other receivables, deposits and prepayments	(49,539)	191,647
Advanced billings	717,591	317,185
Other payables and accruals	256,698	347,781
Cash generated from operations	1,115,442	2,055,925
Tax paid	(96,483)	(790,264)
Net cash generated from operating activities	1,018,959	1,265,661
Cash flows from investing activities		
Purchase of plant and equipment	(361,830)	(722,176)
Interest received	118,508	116,416
Proceeds from disposal of plant and equipment	600	50,136
Net cash used in investing activities	(242,722)	(555,624)
Net increase in cash and cash equivalents	776,237	710,037
Cash and cash equivalents at beginning of year	5,112,899	4,402,862
Cash and cash equivalents at end of year	5,889,136	5,112,899
Cash and cash equivalents comprise:		
Deposits and repo with a licensed bank	5,127,828	4,481,565
Cash and bank balances	761,308	631,334
	5,889,136	5,112,899

The notes set out on pages 46 to 50 form an integral part of, and should be read in conjunction with, these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of significant accounting policies

The following accounting policies are adopted by the Federation and are consistent with those adopted in previous years.

(a) Basis of accounting

The financial statements of the Federation are prepared on the historical cost basis except as disclosed in the notes to the financial statements and in compliance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia.

(b) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation.

Plant and equipment retired from active use and held for disposal are stated at the carrying amount at the date when the asset is retired from active use, less impairment losses, if any.

(c) Depreciation

The straight-line method is used to write off the cost of the assets over the term of their estimated useful lives at the following principal annual rates:

Office equipment	20%
Furniture and fittings	10%
Office renovations	33 1/3%
Motor vehicles	20%

(d) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value.

(e) Income tax

Tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

(f) Receivables

Receivables are stated at cost less allowance for doubtful debts, if any. Known bad debts are written off and specific allowance is made for any amount considered to be doubtful of collection.

(g) Revenue recognition**i) Subscriptions**

Annual subscriptions receivable from members and Persons Dealing in Unit Trusts are accounted for under the accruals method of accounting.

ii) Advance billings

Annual subscriptions received over the period of subscriptions for each calendar year are recognised as revenue evenly in the income statement on a monthly basis over the 12 months of each financial year.

iii) Application and examination fees

Application and examination fees are recognised upon the receipt of application and the holding of examination respectively.

iv) Interest income

Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the asset.

(h) Employee benefits**i) Short term employee benefits**

Wages, salaries and bonuses are recognised as expenses in the year in which the associated services are rendered by employees of the Federation. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when absences occur.

(ii) Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an expense in the income statement as incurred.

(i) Impairment

The carrying amount of assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit to which it belongs exceeds its recoverable amount. Impairment losses are recognised in the income statement. Any subsequent increase in recoverable amount is recognised in the income statement.

The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and it is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. The reversal is recognised in the income statement.

2. Plant and equipment**Cost**

At 1 January 2005

Additions

Disposals

At 31 December 2005

Depreciation

At 1 January 2005

Charge for the year

Disposals

At 31 December 2005

Net book value

At 31 December 2005

At 31 December 2004

Depreciation charge
for the year ended
31 December 2004

	Office equipment RM	Furniture and fittings RM	Office renovations RM	Motor vehicles RM	Total RM
At 1 January 2005	1,253,043	97,249	159,823	152,937	1,663,052
Additions	125,312	103,697	132,821	-	361,830
Disposals	-	(9,393)	-	-	(9,393)
At 31 December 2005	1,378,355	191,553	292,644	152,937	2,015,489
At 1 January 2005	483,513	54,192	150,079	12,106	699,890
Charge for the year	231,935	16,696	41,396	29,648	319,675
Disposals	-	(7,813)	-	-	(7,813)
At 31 December 2005	715,448	63,075	191,475	41,754	1,011,752
At 31 December 2005	662,907	128,478	101,169	111,183	1,003,737
At 31 December 2004	769,530	43,057	9,744	140,831	963,162
Depreciation charge for the year ended 31 December 2004	180,764	8,834	5,454	30,000	225,052

3. Cash and cash equivalents

Deposits and repo with a licensed bank
Cash and bank balances

	2005 RM	2004 RM
Deposits and repo with a licensed bank	5,127,828	4,481,565
Cash and bank balances	761,308	631,334
	5,889,136	5,112,899

4. Accumulated fund

Accumulated fund brought forward
Operating surplus for the year

Accumulated fund carried forward

	2005 RM	2004 RM
Accumulated fund brought forward	4,360,583	3,600,137
Operating surplus for the year	986	760,446
Accumulated fund carried forward	4,361,569	4,360,583

5. Deferred tax liabilities
Recognised deferred tax liabilities

Plant and equipment
- capital allowances
Provisions

	2005 RM	2004 RM
Plant and equipment - capital allowances	146,255	145,000
Provisions	(68,992)	-
	77,263	145,000

6. Revenue

Revenue represents members' subscriptions and application fees, Institutional Unit Trust Agents' annual and application fees and Persons Dealing in Unit Trusts' application, registration and net examination fees received or receivable.

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

	2005 RM	2004 RM
Revenue		
Members' subscription	895,000	864,000
Members application fees	-	35,000
Persons Dealing in Unit Trusts (PDUTs)		
- application and registration fees	1,507,293	1,676,604
Examination fees	1,368,108	1,098,522
Examination expenses	(1,039,398)	(470,079)
- net examination fees	328,710	628,443
Institutional Unit Trust Agents (IUTAs)		
- application fees	2,500	10,000
- annual fees	289,250	242,583
	3,022,753	3,456,630
Other income/(expenses)		
Books/Materials sales	435	791
Gain/(Loss) on disposal of plant and equipment	(980)	45,161
PDUT seminar expenses	(135,397)	(118,874)
Conference income	1,105	-
Other project expenses	(47,234)	(262,274)
Sundry income	1,053	1,494
	(181,018)	(333,702)
Interest income	121,231	115,972
Less:		
Expenditure		
Depreciation	(319,675)	(225,052)
Rental	(245,400)	(124,030)
Staff costs	(1,318,378)	(898,026)
Other operating and administrative expenses		
Advertisement	(10,993)	(12,499)
Auditors' remuneration		
- annual audit	(8,000)	(5,000)
- others	(3,000)	-
Bank charges	(3,244)	(3,105)
Computer programme	(108,539)	(63,591)
Council and committee events	(69,803)	(48,898)
Honorarium fees	-	(4,200)
Courier and postage	(1,711)	(7,162)
Entertainment	(4,156)	(7,640)
Insurance	(2,612)	(1,518)
Magazines and periodicals	(5,070)	(4,001)
Printing and stationery	(27,046)	(30,494)
Professional fees	(227,123)	(355,035)
Secretarial fees	(1,260)	(1,268)
Study tour/conference	(120,423)	(98,909)
Sundry expenses	(7,038)	(9,365)
Promotion	(133,880)	(16,711)
Telephone and faxes	(45,093)	(34,647)
Travelling and accommodation	(25,713)	(67,527)
Upkeep of office equipment	(17,769)	(14,294)
Upkeep of office	(15,875)	(10,163)
Water and electricity	(14,356)	(14,572)
Sponsorship	-	(18,000)
AGM expenses	(42,141)	(27,800)
Legal liability expense	(193,400)	-
	(1,088,245)	(856,399)
(Deficit)/Excess of revenue over expenditure	(8,732)	1,135,393
Tax expense	9,718	(374,947)
Excess of revenue over expenditure after taxation for the year	986	760,446

MEMBER'S DIRECTORY

ORDINARY MEMBERS

Affin Trust Management Berhad		Authorised Rep.	To Be Appointed
22nd Floor, Menara Boustead		Tel	(603) 2034 2869
Jalan Raja Chulan		Fax	(603) 2034 2881
50200 Kuala Lumpur		Member Since	1994
		Approved Fund Size	
		(million units)	
Funds	Launch Date	Type of Funds	
Affin Equity	29/04/1993	Equity: Income	400
Dana Islamiah Affin	11/11/2001	Mixed Asset: Islamic/Syariah Balanced	400
Affin Capital	12/12/2001	Bond: General	600
Alliance Unit Trust Management Berhad		Authorised Rep.	Mr. Tan Wai Kuen, Kenny
23.01, 23rd Floor, Menara Multi-Purpose		Tel	(603) 2698 4299
Capital Square, No. 8 Jalan Munshi Abdullah		Fax	(603) 2698 9566
50100 Kuala Lumpur		Member Since	1996
		Approved Fund Size	
		(million units)	
Funds	Launch Date	Type of Funds	
Alliance First	16/01/1996	Mixed Asset: Income	800
Alliance Vision	01/03/2000	Equity: Small Companies	400
Alliance Moneyplus	30/01/2002	Bond: General	300
Alliance Dana Adib	25/03/2004	Equity: Islamic/Syariah	400
Alliance Tactical Growth	02/09/2004	Equity: Growth	800
Alliance Optimal Income	02/09/2004	Equity: Income	400
Alliance Islamic Money Market	06/10/2005	Money Market	200
Amanah Saham Kedah Berhad		Authorised Rep.	En. Norkhalim Ahmad
Lot 178-180		Tel	(604) 730 0323
Jalan Sultanah Sambungan		Fax	(604) 730 0320
05250 Alor Setar		Member Since	1996
		Approved Fund Size	
		(million units)	
Funds	Launch Date	Type of Funds	
Amanah Saham Kedah	27/02/1995	State Fund	200
Amanah Saham Nasional Berhad		Authorised Rep.	En. Idris Kechot
25th Floor, Bangunan PNB		Tel	(603) 2050 5500
201-A Jalan Tun Razak		Fax	(603) 2161 0082
50400 Kuala Lumpur		Member Since	1998
		Approved Fund Size	
		(million units)	
Funds	Launch Date	Type of Funds	
ASN	20/04/1981	Federal Fund	2,500
ASB	02/01/1990	Federal Fund	Unlimited
ASW 2020	28/08/1996	Federal Fund	4,000
ASN2	09/06/1999	Federal Fund	2,500
Amanah Saham Malaysia	20/04/2000	Federal Fund	3,000
Amanah Saham Didik	20/04/2001	Federal Fund	1,200
Amanah Saham Nasional 3 Imbang	16/10/2001	Federal Fund	1,000
ASG - Amanah Saham Kesihatan	17/03/2003	Federal Fund	Combined Fund Size = 1 billion units
ASG - Amanah Saham Pendidikan	17/03/2003	Federal Fund	
ASG - Amanah Saham Persaraan	17/03/2003	Federal Fund	

Note:

The above fund information excludes funds launched from January 2006. For latest updates of members' information, please refer to our website at www.fmutm.com.my

Amanah Saham Sarawak Berhad Lot 357, Section 5 KTLD Jalan Satok 93400 Kuching	Authorised Rep. Tel Fax Member Since	En. Shamsul Anuar Ahamad Ibrahim (6082) 231 433 (6082) 231 461 1994
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Amanah Saham Sarawak	25/08/1993	State Fund	750

AmInvestment Services Berhad 9th Floor, Bangunan AmBank Group No. 55, Jalan Raja Chulan 50200 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Cheah Chuan Lok (603) 2078 2633 (603) 2031 5210 1993
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
AmCash Management	28/11/1986	Money Market	500
AmTotal Return	10/01/1989	Equity: Income	500
AmIttikal	01/01/1993	Equity: Islamic/Syariah	1,000
AmCumulative Growth	24/07/1996	Equity: Growth	500
AmIncome	20/01/2000	Money Market	3,000
AmBond	20/01/2000	Bond: General	1,000
AmNew Frontier	15/10/2001	Equity: Info & Technology	200
AmIncome Plus	26/11/2001	Money Market	300
AmBon Islam	26/11/2001	Bond: Islamic/Syariah	500
AmAl-Amin	26/11/2001	Money Market	500
AmBalanced	16/09/2003	Mixed Asset: Growth	300
AmConservative	16/09/2003	Bond: General	300
AmDynamic Bond	16/09/2003	Bond: General	200
AmConstant	05/01/2004	Bond: General	750
AmConstant - Series 2	19/07/2004	Bond: General	150
AmIslamic Balanced	10/09/2004	Mixed Asset: Islamic/Syariah Balanced	1,000
AmIslamic Growth	10/09/2004	Equity: Islamic/Syariah	1,000
AmConstant 12/07	10/11/2004	Bond: General	150
AmDividend Income	28/03/2005	Equity: Income	1,000
AmIncome Extra	12/05/2005	Money Market	400
AmConstant 07/08	08/07/2005	Bond: General	150
ABF Malaysia Bond Index	18/07/2005	Bond: General (ETF)	1,000
AmGlobal Property Equities	25/10/2005	Equity: Global	150

AmProperty Trust Management Berhad 17th Floor, Bangunan AmBank Group No. 55, Jalan Raja Chulan 50200 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	En. Kamalul Arifin Othman (603) 2078 2633 (603) 2732 0644 1993
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
AmFirst Property	17/08/1989	REIT	135

Apex Investment Services Berhad Suite 10-A3, 10A Floor, Grand Seasons Avenue 72 Jalan Pahang 53000 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Tan Keah Huat (603) 2693 2789 (603) 2692 6546 1997
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Apex Malaysia Growth	06/08/1997	Equity: Growth	100
Apex CI Tracker	28/06/2000	Equity: Index Tracking	100
Apex Small-Cap	18/09/2000	Equity: Small Companies	300
Apex Dana Al-Sofi-I	28/08/2003	Equity: Islamic/Syariah	300
Apex Dana Al-Faiz-I	28/08/2003	Mixed Asset: Islamic/Syariah Balanced	100

Note:

The above fund information excludes funds launched from January 2006. For latest updates of members' information, please refer to our website at www.fmutm.com.my

Asia Unit Trusts Berhad First Floor, Bangunan Amanah Capital No. 82, Jalan Raja Chulan 50200 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	En. Ahkter Abdul Manan (603) 2163 3311 (603) 2164 1904 1993
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
AUTB Progress	01/06/1970	Equity: Small Companies	300
AUTB Dana Bakti	14/05/1971	Equity: Islamic/Syariah	500
AUTB Tactical	05/05/1976	Equity: Growth	300
AUTB Bond	24/01/1984	Bond: General	50
AUTB Investment	18/07/1996	Equity: Income	300
AUTB Dana Bon Amanah	05/04/2004	Bond: Islamic/Syariah	500

ASM Mara Unit Trust Management Berhad Ground Floor, Wisma ASMB No. 1A, Jalan Lumut 50400 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	En. Mansoor Ahmad (603) 4041 7199 (603) 4042 6511 1993
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
ASM KMBY Kelima	03/09/1971	Equity: Income	50
ASM KMBY Ketujuh	28/12/1972	Equity: Income	20
ASM KMB - Dana Pertumbuhan	28/12/1972	Equity: Growth	20
ASM KMBY Kesepuluh	24/10/1978	Equity: Income	50
ASM KMBY Kesebelas	29/10/1979	Equity: Income	100
ASM First Public	20/04/1992	Equity: Income	350
ASM Premier	12/06/1995	Equity: Income	350
Amanah Saham Pekerja-Pekerja TNB	28/08/1995	Equity: Income	50
Dana Al-Aiman	19/05/1997	Equity: Islamic/Syariah	350
ASM Balanced	06/12/1997	Mixed Asset: Growth	100
ASM Index	25/03/2002	Equity: Index Tracking	250
Dana Bestari	03/10/2002	Equity: Islamic/Syariah	250
ASM Dana Mutiara (prev. known as ASM KMBY Ke 4)	05/08/2004	Equity: Islamic/Syariah	100
ASM Syariah Aggressive (prev. known as ASM KMBY Ke 6)	31/10/2005	Equity: Islamic/Syariah	20
ASM Syariah Money Market (prev. known as ASM KMBY Ke 3)	31/10/2005	Money Market	20

Avenue Invest Berhad Level 2, Bangunan Avenue 8 Jalan Damansara Endah, Damansara Heights 50490 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Wong Teck Meng, Danny (603) 2089 2900 (603) 2089 2808 1999
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Amanah Saham Wanita (ASNITA)	05/05/1998	Equity: Islamic/Syariah	450
Avenue Equity Extra	10/09/1999	Equity: Income	500
Avenue Income Extra	10/09/1999	Bond: General	1,500
Avenue Bond Extra	08/10/2002	Bond: General	500
Avenue Money Extra	08/10/2002	Money Market	200
Avenue Versatile Extra	28/10/2002	Mixed Asset: Growth	200
Avenue Syariah Extra	06/11/2002	Mixed Asset: Islamic/Syariah Balanced	250
Avenue Asnita Bond	18/03/2005	Bond: Islamic/Syariah	500
Avenue Dividend Extra	18/03/2005	Equity: Income	500
Avenue Tactical Extra	18/03/2005	Equity: Growth	200

Note:

The above fund information excludes funds launched from January 2006. For latest updates of members' information, please refer to our website at www.fmutm.com.my

BIMB Unit Trust Management Berhad	Authorised Rep.	En. Ahmad Nazrien Haji Yusof
Level 5, Darul Takaful	Tel	(603) 2694 6617
Jalan Sultan Ismail	Fax	(603) 2694 3516
50250 Kuala Lumpur	Member Since	1997

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
ASBI Dana Al-Mubin	30/06/1994	Equity: Islamic/Syariah	302
(prev. known as Amanah Saham Bank Islam)			
ASBI Dana Al-Fakhim	27/12/2001	Bond: Islamic/Syariah	400
(prev. known as ASBI Dana Bon Islam)			
ASBI Dana Al-Falah	27/12/2001	Mixed Asset: Islamic/Syariah Balanced	400
(prev. known as ASBI Dana Pendidikan)			
ASBI Dana Al-Munsif	27/12/2001	Mixed Asset: Islamic/Syariah Balanced	400
(prev. known as ASBI Dana Persaraan)			

CIMB-Principal Asset Management Berhad	Authorised Rep.	Pn. Noripah Kamso
Level 5, Menara Milenium	Tel	(03) 2084 2300
No. 8 Jalan Damanlela, Bukit Damansara	Fax	(03) 2084 2004
50490 Kuala Lumpur	Member Since	1997

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Lifetime Dana Mubarak	15/06/1995	Equity: Islamic/Syariah	300
Lifetime Bond	15/11/1995	Bond: General	1,500
Lifetime - Future Goals	12/03/1998	Equity: Growth	1,000
Lifetime - Balanced Returns	12/03/1998	Mixed Asset: Growth	1,000
Lifetime - Income Plus	12/03/1998	Mixed Asset: Income	1,500
Lifetime Dana Barakah	26/05/2003	Mixed Asset: Islamic/Syariah Balanced	500
Steady Returns Bond	13/10/2003	Bond: General	250
CT Institutional Bond	11/02/2004	Bond: General	500
Xcess Cash	18/02/2004	Money Market	500
Strategic Bond	23/03/2004	Bond: General	1,000
Hidden Treasures	20/04/2004	Equity: Small Companies	1,200
Steady Returns Bond 2	18/08/2004	Bond: General	120
Lifetime Dana Wafiq	23/02/2005	Bond: Islamic/Syariah	500
Global Titans	18/07/2005	Equity: Global	500
Hidden Values	22/11/2005	Equity: Asia Pacific Ex-Japan	500

CMS Trust Management Berhad	Authorised Rep.	Mr. S. Kumaravelloo Pillai
Level 1, Wisma Mahmud	Tel	(6082) 343 022
Jalan Sungai Sarawak	Fax	(6082) 343 077
93100 Kuching	Member Since	1996

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
CMS Premier	26/11/1996	Equity: Growth	1,000
CMS Balanced	23/05/2001	Mixed Asset: Income	500
CMS Islamic	15/08/2002	Equity: Islamic/Syariah	500
CMS Bond	15/08/2002	Bond: General	500
CMS Islamic Balanced	06/12/2004	Mixed Asset: Islamic/Syariah Balanced	200

Note:

The above fund information excludes funds launched from January 2006. For latest updates of members' information, please refer to our website at www.fmutm.com.my

HLG Unit Trust Berhad	Authorised Rep.	Mr. Teo Chang Seng
Level 8, Menara HLA	Tel	(603) 2733 2500
No. 3, Jalan Kia Peng	Fax	(603) 2733 2541
50450 Kuala Lumpur	Member Since	1995

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
HLG Growth	08/09/1995	Equity: Growth	1,500
HLG Penny Stock	26/04/1999	Equity: Growth	10,000
HLG Blue Chip	26/04/1999	Equity: Growth	300
HLG Trading/Services Sector	29/08/2000	Equity: Growth	} Combined Fund Size = 500 million units
HLG Industrial & Technology Sector	29/08/2000	Equity: Growth	
HLG Finance Sector	29/08/2000	Equity: Growth	
HLG Consumer Products Sector	29/08/2000	Equity: Growth	
HLG Construction, Infrastructure & Property	29/08/2000	Equity: Growth	
HLG Dana Makmur	12/11/2001	Equity: Islamic/Syariah	500
HLG Bond	29/01/2002	Bond: General	500
HLG Balanced	29/04/2002	Mixed Asset: Income	500
HLG Dana Maa'rof	25/03/2003	Mixed Asset: Islamic/Syariah Balanced	200
HLG Dana Munir	25/03/2003	Bond: Islamic/Syariah	500
HLG Dividend	06/01/2005	Equity: Income	1,300
HLG Strategic	08/03/2005	Mixed Asset: Growth	800
HLG Institutional Bond	10/10/2005	Bond: General	400

Hwang-DBS Investment Management Berhad	Authorised Rep.	Mr. Teng Chee Wai
Suite 12-03, 12th Floor, Menara Keck Seng	Tel	(603) 2142 1881
203, Jalan Bukit Bintang	Fax	(603) 2143 1881
55100 Kuala Lumpur	Member Since	2001

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Hwang-DBS Select Opportunity	07/09/2001	Equity: Income	200
Hwang-DBS Dana Izdihar	08/10/2002	Equity: Islamic/Syariah	400
Hwang-DBS Capital Guaranteed Fund I	25/04/2003	Guaranteed/Protected	200
Hwang-DBS Select Balanced	28/07/2003	Mixed Asset: Income	600
Hwang-DBS Select Bond	28/07/2003	Bond: General	1,000
Hwang-DBS Select Small Caps	15/04/2004	Equity: Small Companies	600
Hwang-DBS Dana Fahim	28/06/2004	Mixed Asset: Islamic/Syariah Balanced	600
Hwang-DBS Capital Guaranteed II	15/09/2004	Guaranteed/Protected	150
Hwang-DBS Capital Guaranteed III	13/10/2004	Guaranteed/Protected	150
Hwang-DBS Select Income	06/01/2005	Bond: General	600
Hwang-DBS Select Cash	31/03/2005	Money Market	600
Hwang-DBS Enhanced Deposit	18/04/2005	Bond: General	600
Hwang-DBS IM Guaranteed	28/06/2005	Guaranteed/Protected	350

ING Funds Berhad	Authorised Rep.	Mr. Ong Chong Gain, Steve
12th Floor Menara ING	Tel	(603) 2162 3005
84 Jalan Raja Chulan	Fax	(603) 2163 5200
50200 Kuala Lumpur	Member Since	2004

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
ING OneAnswer - Amanah SSCM Tactical	23/04/2004	Equity: Growth	300
ING OneAnswer - Blue Chip	23/04/2004	Equity: Income	300
ING OneAnswer - Managed Growth	23/04/2004	Mixed Asset: Income	300
ING OneAnswer - RHB Diversified	23/04/2004	Mixed Asset: Income	300
ING OneAnswer - AmlInvest Balanced	23/04/2004	Mixed Asset: Growth	300
ING OneAnswer - Income Plus	23/04/2004	Bond: General	300
ING OneAnswer - Bon Islam	23/04/2004	Bond: Islamic/Syariah	300
ING OneAnswer - Ekuiti Islam	23/04/2004	Equity: Islamic/Syariah	300
ING OneAnswer - Hwang-DBS Growth Opportunities	23/04/2004	Equity: Growth	300

Note:

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Kenanga Unit Trust Berhad	Authorised Rep.	Mr. Chua Lai Huat, Richard
Suite 9.05, 9th Floor, Kenanga International	Tel	(603) 2161 9755
Jalan Sultan Ismail	Fax	(603) 2161 9796
50250 Kuala Lumpur	Member Since	1998

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Kenanga Growth	17/01/2000	Equity: Growth	500
Kenanga Syariah Growth	29/01/2002	Equity: Islamic/Syariah	200

KLCity Unit Trust Berhad	Authorised Rep.	Mr. Wong Mien
No. 8 Jalan Binjai	Tel	(603) 2166 9799
Off Jalan Ampang	Fax	(603) 2166 8799
50450 Kuala Lumpur	Member Since	1993

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
KL City Ruby	31/12/1980	Equity: Income	200
KL City Sapphire	25/11/1993	Equity: Income	300
KL City Emerald	01/06/2001	Equity: Income	100
KL City Dana Imbang	26/02/2003	Mixed Asset: Islamic/Syariah Balanced	300
KL City SmallCap	08/06/2004	Equity: Small Companies	750

KSC Capital Berhad	Authorised Rep.	En. Daud Mah Abdullah
Suite E-13A-15 Block E, Plaza Mont' Kiara	Tel	(603) 6203 3888
2 Jalan 1/70C, Mont' Kiara	Fax	(603) 6201 2118
50480 Kuala Lumpur	Member Since	2002

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Value	16/12/2002	Equity: Growth	100

MAAKL Mutual Berhad	Authorised Rep.	YM Tunku Dato' Ya'acob
1.03, Mezzanine Floor	Tel	Tunku Tan Sri Abdullah
Menara MAA, 12 Jalan Dewan Bahasa	Fax	(603) 2146 9588
50460 Kuala Lumpur	Member Since	(603) 2146 9550
		2002

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
MAAKL Balanced	02/05/1991	Mixed Asset: Income	750
MAAKL Value	28/06/1995	Equity: Growth	300
MAAKL Equity Index	26/05/1997	Equity: Index Tracking	300
MAAKL Syariah Index	04/01/2002	Equity: Islamic/Syariah	300
MAAKL Bond	18/02/2002	Bond: General	
MAAKL Progress	18/02/2002	Equity: Small Companies	} Combined Fund Size = 1 billion units
MAAKL Growth	18/02/2002	Equity: Growth	
MAAKL Al-Faid	30/06/2003	Equity: Islamic/Syariah	
MAAKL As-Saad	30/06/2003	Bond: Islamic/Syariah	
MAAKL Equity 80	08/09/2004	Equity: Growth	1,000
MAAKL Money Market	08/09/2004	Money Market	300
MAAKL Pacific	23/06/2005	Equity: Asia Pacific Ex Japan	600
MAAKL Al-Fauzan	06/09/2005	Equity: Islamic/Syariah	1,000
MAAKL Eagle	06/09/2005	Mixed Asset: Growth	1,000

Note:

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Mayban Unit Trust Berhad	Authorised Rep.	En. Shamsudin Bahari
Level 12, MaybanLife Tower	Tel	(603) 2287 2818
Dataran Maybank, No. 1 Jalan Maarof	Fax	(603) 2287 6818
59000 Kuala Lumpur	Member Since	1994

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Mayban Unit Trusts	26/03/1992	Equity: Income	1,500
Mayban Balanced	19/09/1994	Mixed Asset: Growth	1,150
Mayban Income	19/06/1996	Bond: General	600
Mayban Dana Yakin	24/11/2000	Equity: Islamic/Syariah	1,200
Mayban Index-Linked	16/05/2002	Equity: Index Tracking	400
Mayban Dana Ikhlas	17/09/2002	Mixed Asset: Islamic/Syariah Balanced	400
Mayban Value	07/01/2003	Equity: Growth	300
Mayban Ethical	07/01/2003	Equity: Income	300
Mayban Enhanced Bond	27/05/2003	Bond: General	500
Mayban First Capital Guaranteed	19/08/2003	Guaranteed/Protected	300
Mayban SmallCap	03/03/2004	Equity: Small Companies	600
Mayban Dana Arif	27/04/2004	Bond: Islamic/Syariah	1,000
Mayban Dana Fitrah 1 (Capital Protected)	27/07/2004	Guaranteed/Protected	300
Mayban Lifestyle Today	25/11/2004	Bond: General	250
Mayban Lifestyle 2009	25/11/2004	Mixed Asset: Income	250
Mayban Lifestyle 2014	25/11/2004	Mixed Asset: Growth	250
Mayban i - 2008	16/06/2005	Bond: Islamic/Syariah	300

OSK-UOB Unit Trust Management Berhad	Authorised Rep.	Mr. Ho Seng Yee
5th Floor, Plaza OSK	Tel	(603) 2164 3036
Jalan Ampang	Fax	(603) 2164 4226
50450 Kuala Lumpur	Member Since	1996

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
OSK-UOB Equity	08/08/1996	Equity: Growth	750
OSK-UOB Small Cap Opportunity	20/04/1998	Equity: Small Companies	1,000
OSK-UOB KidSave	10/05/1999	Mixed Asset: Income	700
KLCI Tracker	03/04/2000	Equity: Index Tracking	500
TMT Focus	18/08/2001	Equity: Info & Technology	200
OSK-UOB Dana Islam	26/10/2001	Equity: Islamic/Syariah	100
OSK-UOB Income	26/02/2003	Bond: General	300
OSK-UOB Capital Guaranteed - Series 1	02/09/2003	Guaranteed/Protected	200
GrowthPath - GrowthPath 2020	21/04/2004	Equity: Growth	} Combined Fund Size = 1 billion units
GrowthPath - GrowthPath 2010	21/04/2004	Mixed Asset: Growth	
GrowthPath - GrowthPath Today	21/04/2004	Bond: General	
GrowthPath - GrowthPath 2025	21/04/2004	Equity: Growth	
GrowthPath - GrowthPath 2015	21/04/2004	Mixed Asset: Growth	} Combined Fund Size = 1 billion units
OSK-UOB Emerging Opportunity	18/05/2004	Equity: Small Companies	
OSK-UOB Smart Income	07/09/2004	Bond: General	
OSK-UOB Smart Treasure	07/09/2004	Equity: Growth	
OSK-UOB Smart Balanced	07/09/2004	Mixed Asset: Growth	} Combined Fund Size = 1 billion units
OSK-UOB Growth and Income Focus	07/01/2005	Mixed Asset: Income	
OSK-UOB Capital Guaranteed - Series 2	08/06/2005	Guaranteed/Protected	
OSK-UOB Global Equity Yield	09/11/2005	Equity: Global	

Note:

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Pacific Mutual Fund Berhad 1001, Level 10, Uptown 1, No.1 Jalan SS 21/58, Damansara Uptown 47400 Petaling Jaya	Authorised Rep. Tel Fax Member Since	Mr. Michael Auyeung (603) 7725 9877 (603) 7725 9860 1996
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Pacific Premier	10/08/1995	Equity: Income	500
Pacific Pearl	06/01/1997	Equity: Small Companies	500
Pacific Dana Aman	16/04/1998	Equity: Islamic/Syariah	1,000
Pacific Recovery	15/04/1999	Equity: Growth	500
Pacific Millennium	15/04/1999	Equity: Income	500
Pacific Income	18/08/2000	Mixed Asset: Income	500
Pacific Dana Murni	25/03/2003	Bond: Islamic/Syariah	500
Pacific Select Income	11/08/2003	Mixed Asset: Income	300
Pacific Select Balance	11/08/2003	Mixed Asset: Income	800
Pacific Dividend	18/11/2003	Equity: Income	1,000
Pacific Focus 18	16/06/2005	Equity: Growth	300
Pacific Cash	07/10/2005	Money Market	1,000

Pelaburan Hartanah Nasional Berhad Tingkat 24 Menara PNB 201-A Jalan Tun Razak 50400 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	En. Mohamed Rahim Ismail (603) 2050 5100 (603) 2050 5221 1998
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Amanah Hartanah PNB	20/03/1989	REIT	100

Pelaburan Johor Berhad Tingkat 10, Menara Perbandaran Johor Kotaraya 80000 Johor Bahru	Authorised Rep. Tel Fax Member Since	En. Ahmed Muzni Mohamed (607) 223 4953 (607) 224 5251 1993
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Amanah Saham Johor	15/05/1992	State Fund	300
Dana Johor	19/04/1995	State Fund	500
Amanah Saham Angkasa	24/04/1998	State Fund	300

Pengurusan Kumipa Berhad Tingkat 20, Kompleks Teruntum Jalan Mahkota 25720 Kuantan	Authorised Rep. Tel Fax Member Since	Pn. Hajjah Nor Asmah Abdul (609) 556 3900 (609) 513 3949 1994
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Kumpulan Modal Bumiputra Pahang	20/06/1994	State Fund	150

Permodalan BSN Berhad Tingkat 18, Wisma BSN No. 117, Jalan Ampang 50450 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	En. Johari Hassan (603) 2164 5545 (603) 2143 1910 1996
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Amanah Saham BSN	12/01/1995	Equity: Income	500

Pheim Unit Trusts Berhad Letter Box 12, 3rd Floor Mui Plaza, Jalan P. Ramlee 50250 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Phua Lee Kerk (603) 2142 8888 (603) 2141 9199 2002
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Dana Makmur Pheim	28/01/2002	Mixed Asset: Islamic/Syariah Balanced	100
Pheim Emerging Companies Balanced	28/01/2002	Mixed Asset: Growth	100
Pheim Income	28/01/2002	Bond: General	100

Phillip Mutual Berhad B-2-7 Megan Avenue II 12 Jalan Yap Kwan Seng 50450 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	En. Mohd Fadzli Mohd Anas (603) 2715 9802 (603) 2166 6417 2003
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Phillip Master Money Market	18/06/2003	Money Market	500
Phillip Master Equity Growth	18/06/2003	Equity: Growth	200
Phillip Master First Ethical	18/06/2003	Equity: Growth	200

Prudential Unit Trusts Berhad 12th Floor, Menara Prudential 10 Jalan Sultan Ismail 50250 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Toh Chin Hian, Mark (603) 2052 3388 (603) 2052 3232 2001
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
PRU Master Trust - Prudential Bond	29/05/2001	Bond: General	} Combined Fund Size = 4 billion units
PRU Master Trust - Prudential Growth	29/05/2001	Equity: Growth	
PRU Master Trust - Prudential Small-Cap	29/05/2001	Equity: Small Companies	
PRU Master Trust - Prudential Balanced	29/05/2001	Mixed Asset: Growth	
PRU Master Trust - Prudential Cash Management	29/05/2003	Money Market	} Combined Fund Size = 600 million units
PRU Islamic Trust - Prudential Dana Al-Ilham	14/08/2002	Equity: Islamic/Syariah	
PRU Islamic Trust - Prudential Dana Al-Islah	14/08/2002	Mixed Asset: Islamic/Syariah Balanced	
Prudential Dana Wafi	21/02/2005	Bond: Islamic/Syariah Guaranteed/Protected	
Prudential First Capital Guaranteed	22/08/2002		150
PRU Dynamic	06/11/2003	Mixed Asset: Growth	1,000
PRU Dana Dinamik	25/02/2004	Mixed Asset: Islamic/Syariah Balanced	600
Prudential Fixed Maturity	09/09/2004	Bond: General	300
Prudential Equity Income	18/10/2004	Equity: Income	600
PRU Institutional Income	07/04/2005	Bond: General	500
Prudential Asia Pacific Equity	21/07/2005	Equity: Asia Pacific Ex-Japan	600
Prudential Capital Guaranteed II	10/10/2005	Guaranteed/Protected	600
Prudential Asia Select Income	18/11/2005	Mixed Asset: Emerging Markets Asia	600

PTB Unit Trust Berhad Unit 822, Tingkat 8, Blok A, Lobby B Kelana Centre Point, No. 3, Jalan SS 7/19 47301 Petaling Jaya	Authorised Rep. Tel Fax Member Since	Pn. Faridah Mohd Ali (603) 7954 3030 (603) 7958 8779 1995
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Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Amanah Saham Darul Iman	31/10/1994	State Fund	500

Note:

The above fund information excludes funds launched from January 2006. For latest updates of members' information, please refer to our website at www.fmutm.com.my

Note:

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Public Mutual Berhad	Authorised Rep.	Datuk Tay Ah Lek
Block B, Sri Damansara Business Park,	Tel	(603) 6279 6800
Persiaran Industri, Bandar Sri Damansara	Fax	(603) 6277 8900
52200 Kuala Lumpur	Member Since	1993

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Public Savings	29/03/1981	Equity: Income	1,500
Public Growth	11/12/1984	Equity: Income	4,500
Public Index	02/03/1992	Equity: Index Tracking	1,500
Public Industry	18/11/1993	Equity: Income	1,000
Public Regular Saving	25/04/1994	Equity: Income	3,000
Public Aggressive Growth	25/04/1994	Equity: Growth	1,000
Public Balanced	07/06/1995	Mixed Asset: Growth	1,500
Public Bond	11/06/1996	Bond: General	1,500
Public Ittikal	10/04/1997	Equity: Islamic/Syariah	2,000
PB Balanced	05/05/1998	Mixed Asset: Growth	300
Public SmallCap	13/06/2000	Equity: Small Companies	700
Public Equity	15/08/2001	Equity: Growth	5,000
Public Islamic Bond	15/08/2001	Bond: Islamic/Syariah	300
PB Growth	03/10/2002	Equity: Growth	600
PB Fixed Income	03/10/2002	Bond: General	300
Public Institutional Bond	30/04/2003	Bond: General	2,000
Public Islamic Equity	28/05/2003	Equity: Islamic/Syariah	6,000
Public Money Market	16/12/2003	Money Market	1,000
Public Focus Select	25/11/2004	Equity: Growth	1,250
Public Enhanced Bond	19/01/2005	Bond: General	500
Public Dividend Select	03/05/2005	Equity: Income	2,000
Public Islamic Opportunities	28/06/2005	Equity: Islamic/Syariah	1,000
PB Islamic Equity	05/09/2005	Equity: Islamic/Syariah	2,000
Public Islamic Balanced	20/09/2005	Mixed Asset: Islamic/Syariah Balanced	1,000
Public Far-East Select	22/11/2005	Equity: Asia Pacific Ex-Japan	1,500
Public Select Bond	22/11/2005	Bond: General	500

RHB Unit Trust Management Berhad	Authorised Rep.	Mr. Tan Lib Chau, Michael
Level 7, Tower One,	Tel	(603) 9286 2666
RHB Centre, Jalan Tun Razak	Fax	(603) 9286 2835
50400 Kuala Lumpur	Member Since	1993

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
RHB Dynamic	15/09/1992	Equity: Income	750
RHB Capital	12/04/1995	Equity: Growth	750
RHB Mudharabah	09/05/1996	Mixed Asset: Islamic/Syariah Balanced	750
RHB Bond	10/10/1997	Bond: General	1,000
RHB Malaysia Recovery	03/05/1999	Equity: Growth	500
RHB Islamic Bond	25/08/2000	Bond: Islamic/Syariah	500
RHB Spectrum - RHB Balanced	18/04/2001	Mixed Asset: Growth	125
RHB Spectrum - RHB Income	18/04/2001	Mixed Asset: Income	125
RHB Spectrum - RHB Index	18/04/2001	Equity: Index Tracking	125
RHB Spectrum - RHB Technology	18/04/2001	Equity: Info & Technology	125
RHB Islamic Growth	26/01/2004	Equity: Islamic/Syariah	500
RHB GoldenLife - Today	21/02/2005	Bond: General	} Combined Fund Size = 800 million units
RHB GoldenLife - 2010	21/02/2005	Mixed Asset: Income	
RHB GoldenLife - 2020	21/02/2005	Mixed Asset: Growth	
RHB GoldenLife - 2030	21/02/2005	Equity: Growth	
RHB Dividend Valued Equity	13/07/2005	Equity: Asia Pacific Ex Japan	

Note:

The above fund information excludes funds launched from January 2006. For latest updates of members' information, please refer to our website at www.fmutm.com.my

Saham Sabah Berhad	Authorised Rep.	Y. Bhg. Datuk Haji Hassan Otoi
Suite 1-9-W2, W3 & W4, 9th Floor, CPS Tower	Tel	(6088) 266 588
Centre Point, No.1, Jalan Centre Point	Fax	(6088) 262 588
88999 Kota Kinabalu	Member Since	1996

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
Saham Amanah Sabah	10/10/1994	State Fund	500

SBB Mutual Berhad	Authorised Rep.	Mr. Tan Beng Wah
No. 50 - 54, Jalan SS 21/39	Tel	(603) 7712 2888
Damansara Utama	Fax	(603) 7726 0190
47400 Petaling Jaya	Member Since	1993

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
SBB Double Growth	15/05/1991	Equity: Growth	750
SBB Emerging Co. Growth	10/05/1994	Equity: Small Companies	700
SBB Premium Capital	01/08/1995	Equity: Growth	1,000
SBB Savings	10/08/1995	Mixed Asset: Growth	700
SBB High Growth	28/09/1995	Equity: Growth	1,000
SBB Retirement Balanced	12/03/1997	Mixed Asset: Growth	500
SBB Dana Al-Ihsan	07/05/1998	Equity: Islamic/Syariah	1,200
SBB Bond	28/07/1999	Bond: General	700
SBB Composite Index	23/08/1999	Equity: Index Tracking	200
SBB Index-Linked	08/06/2000	Equity: Index Tracking	500
SBB Dana Al-Mizan	08/03/2001	Mixed Asset: Islamic/Syariah Balanced	1,000
SBB HGF Sequel	08/03/2001	Equity: Growth	500
SBB Dana Al-Hikmah	30/04/2003	Equity: Islamic/Syariah	500
SBB Dana Al-Azam	30/04/2003	Equity: Islamic/Syariah	500
SBB Dana Al-Ihsan 2	30/04/2003	Equity: Islamic/Syariah	500
SBB Equity Income	01/10/2003	Equity: Income	500
SBB Crystal Equity	01/10/2003	Equity: Growth	700
SBB Value	16/03/2004	Equity: Growth	500
SBB Sector Rotation	12/04/2004	Equity: Growth	500
SBB Money Market	19/07/2004	Money Market	400
SBB Strategic Equity	18/08/2004	Equity: Growth	500
SBB Enterprise	16/09/2004	Equity: Small Companies	1,000
SBB Dana Al-Faiz	16/09/2004	Equity: Islamic/Syariah	1,000
SBB Dana Al-Hafiz	08/10/2004	Bond: Islamic/Syariah	200
SBB Dana Al-Ikhlas	08/10/2004	Equity: Islamic/Syariah	700
SBB Returns Guaranteed (Series 1)	23/08/2005	Guaranteed/Protected	200
SBB Dana Al-I'tidal	23/08/2005	Mixed Asset: Islamic/Syariah Balanced	400
SBB Global Growth	17/11/2005	Equity: Global	400

TA Unit Trust Management Berhad	Authorised Rep.	En. Mohd Hasnul Ismar
23rd Floor, Menara TA One	Tel	Mohd Ismail
No. 22, Jalan P. Ramlee	Fax	(603) 2072 1277
50250 Kuala Lumpur	Member Since	(603) 2031 4479
		1996

Funds	Launch Date	Type of Funds	Approved Fund Size (million units)
TA Growth	01/07/1996	Equity: Income	350
TA Comet	01/10/1999	Equity: Income	600
TA Islamic	24/04/2001	Equity: Islamic/Syariah	600
TA Income	06/05/2002	Mixed Asset: Income	150
TA Small Cap	09/02/2004	Equity: Small Companies	800
TA High Growth	07/06/2004	Equity: Growth	600
TA Dana OptiMix	17/01/2005	Mixed Asset: Islamic/Syariah Balanced	800
TA CashPLUS	06/06/2005	Money Market	600
TA Islamic CashPLUS	06/06/2005	Money Market	600
TA South East Asia Equity	28/11/2005	Equity: Asean	300

Note:

The above fund information excludes funds launched from January 2006. For latest updates of members' information, please refer to our website at www.fmutm.com.my

ASSOCIATE MEMBERS

Affin Bank Berhad 17th Floor, Menara Affin 80 Jalan Raja Chulan 50200 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Rohit Harish Bhargava (603) 2055 9028 (603) 2026 1415 2002
Affin Securities Sdn. Bhd. Ground, Mezzanine & 3rd Floor Chulan Tower No.3 Jalan Conlay 50450 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	En. Saiful Bahri Zainuddin (603) 2145 4528 (603) 2145 3836 2003
Alliance Bank Malaysia Berhad 2nd Floor, Menara Multi-Purpose No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Ms. Fong Yuh Leng, Hellen (603) 2712 7192 (603) 2694 5150 2001
AmBank (M) Berhad Level 48, Menara AmBank No. 8, Jalan Yap Kwan Seng 50450 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Tn. Hj. Mohamad Sabirin Hj. Abdul Rahman (603) 2167 3000 (603) 2166 5592 2004
AmMerchant Bank Berhad 18th Floor, Bangunan AmBank Group 55 Jalan Raja Chulan 50200 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Tai Terk Lin (603) 2026 6587 (603) 2032 3329 2003
Commerce International Merchant Bankers Berhad 10th Floor, Bangunan CIMB Jalan Semantan, Damansara Height 50490 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	To Be Appointed (603) 2723 8666 (603) 2723 8638 2002
CIMB Securities Sdn. Bhd. 9th Floor, Commerce Square Jalan Semantan, Damansara Heights 50490 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Gui Eng Hock, Paul (603) 2723 8663 (603) 2092 4010 2001
Citibank Berhad Level 23, Menara Citibank 165 Jalan Ampang 50450 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Sik Wan King, Charles (603) 2383 3339 (603) 2713 5538 1999
ECM Libra Securities Sdn. Bhd. 3rd Floor, Wisma Genting Jalan Sultan Ismail 50250 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Lim Ah Lay (603) 2032 5820 (603) 2031 9819 2004
EON Bank Berhad 12th Floor, Wisma Cyclecarri 288 Jalan Raja Laut 50350 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. John Wong (603) 2612 8901 (603) 2692 7058 2002

Hong Leong Bank Berhad Level 3, Wisma Hong Leong 18 Jalan Perak 50450 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Ms. Aisyah Lam (603) 2169 2438 (603) 2164 1516 2004
HSBC Bank Malaysia Berhad 15th Floor, Bangunan HSBC 2 Leboh Ampang 50100 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. U Chen Hock (603) 2270 3119 (603) 2078 5720 1998
Inter-Pacific Securities Sdn. Bhd. West Wing, Level 13 Berjaya Times Square, No. 1, Jalan Imbi 55100 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Tan Mun Choy (603) 2144 5130 (603) 2144 1686 2002
Malacca Securities Sdn. Bhd. No 1, 3 & 5 Jalan PPM 9 Plaza Pandan Malim Business Park, Balai Panjang 75250 Melaka	Authorised Rep. Tel Fax Member Since	Mr Lim Peng Cheong (606) 337 1533 (606) 337 1550 2004
Malayan Banking Berhad 10th Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	En. Ibrahim Muhammad (603) 2070 8833 (603) 2070 7220 2002
Mayban Securities Sdn. Bhd. Level 8 MaybanLife Tower Dataran Maybank, No. 1 Jalan Maarof 59000 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Lim Choong Eng, Anthony (603) 2297 8888 (603) 2284 2267 2004
OCBC Bank (Malaysia) Berhad 2nd Floor, Menara OCBC No. 80, Jalan Tun Perak 50050 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Lee Foo Yeun, Alex (603) 2034 5334 (603) 2698 4363 1999
RHB Bank Berhad Level 9 Tower 2 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Ms. Angela Christine Tan (603) 9280 6218 (603) 9280 6529 2001
Southern Bank Berhad Level 5, Menara Southern Bank 83, Medan Setia 1, Plaza Damansara Bukit Damansara, 50490 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	To Be Appointed (603) 2087 3000 (603) 2092 3136 2000
Standard Chartered Bank Malaysia Berhad Level 8, Menara Standard Chartered No. 30 Jalan Sultan Ismail 50250 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Lim Kheng Swee, Ronnie (603) 2117 7529 (603) 2781 7259 1996
United Overseas Bank (Malaysia) Berhad Level 4, Menara UOB Jalan Raja Laut 50350 Kuala Lumpur	Authorised Rep. Tel Fax Member Since	Mr. Khoo Chock Seang (603) 2772 6635 (603) 2694 8562 2002

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For further information about Federation of Malaysian Unit Trust Managers and its publications:

WRITE TO :

Executive Director

Federation of Malaysian Unit Trust Managers
19-07-03, 7th Floor, PNB Damansara
No. 19, Lorong Dungun, Damansara Heights
50490 Kuala Lumpur.

OR CONTACT US AT

Tel: (603) 2093 2600
Fax: (603) 2093 2700

OR E-MAIL US AT

memcom@fmutm.com.my

OR VISIT OUR WEBSITE AT

<http://www.fmutm.com.my>

FEDERATION OF MALAYSIAN UNIT TRUST MANAGERS

(Company No. 272577-P)

(Incorporated in Malaysia)

PROXY FORM

I, _____
(FULL NAME IN BLOCK LETTERS)

of _____
being the Authorised Representative of the Ordinary Member (being a member of FMUTM) HEREBY APPOINT

the ***Chairman of the Meeting** or _____

of _____

as my proxy to vote for me and on my behalf at the Twelfth (12th) Annual General Meeting of the FMUTM to be held on the **20 June, 2006** and at any adjournment thereof.

***Note:**

1. If you wish to appoint as proxy any person other than the Chairman of the Meeting, please insert the full name of the proxy (in block letters) in the space provided and delete the words "the Chairman of the Meeting"
2. Please indicate with an "x" in the spaces provided how you wish your vote to be cast. If you do not do so, the Proxy will vote or abstain from voting at his discretion.

Resolutions	For	Against
Resolution No. 1 To confirm and adopt the Minutes of the Eleventh (11th) Annual General Meeting held on 27 May 2005.		
Resolution No. 2 To receive the President's Report.		
Resolution No. 3 To receive and consider the audited accounts and the report of the Council of FMUTM for the financial year ended 31 December 2005.		
Resolution No. 4 To re-appoint Messrs KPMG as the Auditors of FMUTM and authorise the Council to fix their remuneration.		
Resolution No. 5 To elect Council members of FMUTM to hold office until the Annual General Meeting of 2008.		
Resolution No. 7.1 THAT the Council be authorised and empowered not to proceed with the proposed amendment to the Articles of Association as a result of the rejection of any of the resolutions below which the Council deemed is not to the best interest of the Federation in implementing only the accepted resolutions.		
Resolution No. 7.2.1 That the proposed amendments to the Articles pertinent to and under the captions of "APPLICATION FOR MEMBERSHIP", "APPLICATION FEE AND ANNUAL MEMBERSHIP SUBSCRIPTION FEE" and "CESSATION OF MEMBERSHIP" and the proposed deletion to the Articles pertinent to and under the caption "LEVIES" in the draft amended Articles attached hereto marked as "Appendix A" are hereby approved for adoption.		
Resolution No. 7.2.2 THAT the proposed amendments to the Articles pertinent to and under the captions of "GENERAL MEETING" and "PROCEEDINGS AT GENERAL MEETING" in the draft amended Articles attached hereto marked as "Appendix A" are hereby approved for adoption.		

Resolutions	For	Against
Resolution No. 7.2.3 THAT the proposed amendments to the Articles pertinent to and under the captions of "THE COUNCIL", "ELECTION OF THE COUNCIL", "REMOVAL OF COUNCIL MEMBERS", "POWERS AND DUTIES OF THE COUNCIL" and "PROCEEDINGS OF THE COUNCIL" in the draft amended Articles attached hereto marked as "Appendix A" are hereby approved for adoption.		
Resolution No. 7.2.4 THAT the proposed amendments to the words under the caption of "INTERPRETATION", "NOTICES" and "INDEMNITY" in the draft amended Articles attached hereto marked as "Appendix A" are hereby approved for adoption.		
Resolution No. 7.3 THAT the Council be authorised and empowered to carry out all the necessary formalities in effecting the aforesaid amendments and FURTHER THAT the Council be authorised and empowered to assent to any conditions, modifications, variations and/or amendments as may be required or permitted by the Securities Commission, the Minister charged with the responsibility for companies and/or other relevant authorities.		

Signed on this _____ day of _____ 2006.

Signature

NOTE:

The instrument appointing a proxy must be deposited with the Secretary at the Registered Office of the Federation at RDL Corporate Services Sdn Bhd, 18th Floor, Wisma Sime Darby, Jalan Raja Laut, 50350 Kuala Lumpur (Tel No: 03-26949999 Fax No: 03-26927942) not later than 5 p.m. on 16 June 2006.