Semi-annual Fund Report

for the half year ended 30 June 2009

ntuc income made different

Contents

MESSAGE

1 September 2009

Dear Policyholder

NTUC Income continues to serve you in your investment needs and we are pleased to bring you our Semi-annual Fund Report.

Investment-Linked Funds

The world economy went through a roller-coaster ride in the first half of the year. Trends in global production and trade at the beginning of the year suggested another large decline in global GDP for the first half of 2009 at least. Markets went to new lows, but rebounded just as quickly, lifted subsequently by a sense that things are "less bad" than expected. These improvements have primarily been the result of extraordinary government measures. The economic performance for the first half of 2009 was therefore better than envisaged at the end of 2008.

We expect the road ahead to remain rough, at least over the next six months, as the need for financial restructuring in the major economies and consumer retrenchment continue to bite. The process of deleveraging household debt and the loss of wealth, resulting from lower home and equity prices, will continue to be a drag on the global economy. The equity rally is likely to face headwinds in the coming months, as valuations are looking stretched in many markets and risk appetite could be blunted by any adverse economic data.

While the road ahead will still be challenging and unpredictable, NTUC Income is committed to helping our policyholders navigate through the investment headwinds. We still see considerable opportunities for investment return-generation amid the volatility in markets. Our managers strive to take advantage of further global market dislocations in the search for fundamentally sound investments.

At the heart of our business is a prudent investment philosophy focusing on return, risk and cost. We have demonstrated superior skill and experience in delivering low cost reliable solutions across a broad spectrum of assets, and will continue to focus on the long-term value of our investments.

The track record of our portfolio management team is reflected in the consistently good ratings obtained by our investment funds over the years. In the latest Lipper ratings, NTUC Income's Investment-Linked Policies continue to obtain the best representation among the Lipper Leader categories with its Singapore Bond Fund and Takaful Fund obtaining "Lipper Leader" status in the respective, "Consistent Return", "Preservation" and "Total Return" metrics for the first quarter of 2009.

The latest Semi-annual Fund Report for the financial period ended June 2009 can be downloaded at **www.income.com.sg/fund/coopprices.asp.**

To request for a copy of the Fund Report, please call our Customer Service Hotline at 63 INCOME (6346 2663) or email us at **csquery@income.com.sg.**

Peter Heng
SVP & Chief Investment Officer

SUMMARY OF FUND PERFORMANCE AS OF 30 JUNE 2009

Fund	Fund Inception Date	Fund Size (S$ million)	Performance (1 year)	Performance (2 years - Cumulative)
Core Funds				
Global Bond	Jan-03	123	2.61%	6.13%
Global Equity	Apr-98	233	-27.37%	-44.76%
Singapore Bond	Mar-00	195	8.32%	7.30%
Singapore Equity	Jan-03	149	-18.42%	-29.93%
Mixed Assets and Combined Funds				
Combined Fund (Balanced)	Jan-03	193	-9.02%	-18.75%
Combined Fund (Conservative)	Jan-03	15	-3.49%	-9.34%
Combined Fund (Growth)	Jan-03	234	-14.94%	-27.91%
Enhanced	Sep-95	84	-4.55%	-12.45%
Prime	Aug-73	191	-1.65%	-8.96%
Takaful	Sep-95	23	-18.04%	-29.45%
Trust	May-94	87	-3.07%	-10.91%
Specialised Funds				
Money Market	May-06	50	0.91%	3.10%
Technology	Aug-00	60	-20.89%	-33.33%
Average Return			**-8.43%**	**-16.10%**

Notes:

1. The Combined Funds are invested in our Core Funds in the following ratios:
   Growth : Singapore Equity (15%), Global Equity (55%), Singapore Bond (10%) and Global Bond (20%).
   Balanced : Singapore Equity (10%), Global Equity (40%), Singapore Bond (15%) and Global Bond (35%).
   Conservative: Singapore Equity (5%), Global Equity (25%), Singapore Bond (20%) and Global Bond (50%).

2. The Europe Equity, Japan Equity, Amanah Equity and Amanah Bond Funds were closed with effect 1 March 2009.

3. The returns are calculated on a bid-to-bid basis. All dividends are re-invested. Fees and charges payable through premium deduction or units cancellation are excluded from the calculation.

4. Past performance of the funds is not indicative of future performance. Actual returns are also not guaranteed. The bid prices and returns can fluctuate, just like the overall fluctuations of stock and bond markets. Our funds are subject to market risks, which we have diversified across many quality investments.

5. With effect from 1 April 2009, the benchmark for ILP Technology Fund is Merrill Lynch 100 Technology Index in Singapore Dollars. Prior to that, the benchmark was Nasdaq Composite Index in Singapore Dollars.

GLOBAL BOND FUND

Investment Objective

To provide a medium to long-term rate of return by investing mainly in global bonds.

Investment Scope

The fund will invest mainly in global government and corporate bonds, mortgage backed securities and asset backed securities. The portfolio will have an average "A" rating by Standard and Poor's. The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 2 January 2003
Direct Investment held by ILP Policyholders	: S$123 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: 0.85% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA and CPF SA)
CPF Rating	: 2A

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

June 2009	S$ ('m)	% of Net Asset Value
FNM DISCOUNT NT FNMDN 210709	15.5	12.6%
FNM DISCOUNT NT FNMDN 130705	12.7	10.4%
KFW KFW 4.875% 170619	3.8	3.1%
JAPAN GOVT 10-YR JGBI 1.4% 100618	3.4	2.8%
BELGIAN 0315 BGB 4% 280319	2.4	2.0%
TSY INFL IX N/B TII 2% 150714	2.2	1.8%
TSY INFL IX N/B TII 2% 150116	2.1	1.7%
FNM DISCOUNT NT FNMDN 050805	1.9	1.5%
TSY INFL IX N/B TII 3.5% 150111	1.9	1.5%
JAPAN I/L-10YR JGBI 1.1% 101216	1.8	1.5%

June 2008	S$ ('m)	% of Net Asset Value
FNCL TBA 5.5% 150733	35.5	4.4%
FNCL TBA 5% 150733	24.8	3.1%
DEUTSCHLAND REP DBR 4% 040118	21.4	2.7%
FNCL 5.5% 010137	17.4	2.2%
FRANCE O.A.T. FRTR 5% 251012	17.3	2.1%
JAPAN GOVT 5-YR JGB 0.6% 201208	12.8	1.6%
JAPAN GOVT 5-YR JGB 0.8% 200313	12.2	1.5%
JAPAN I/L-10YR JGBI 1.1% 101216	12.0	1.5%
EUROPEAN INVT BK EIB 3.625% 151011	11.1	1.4%
KFW 5.375% 290114	10.6	1.3%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Fund Manager

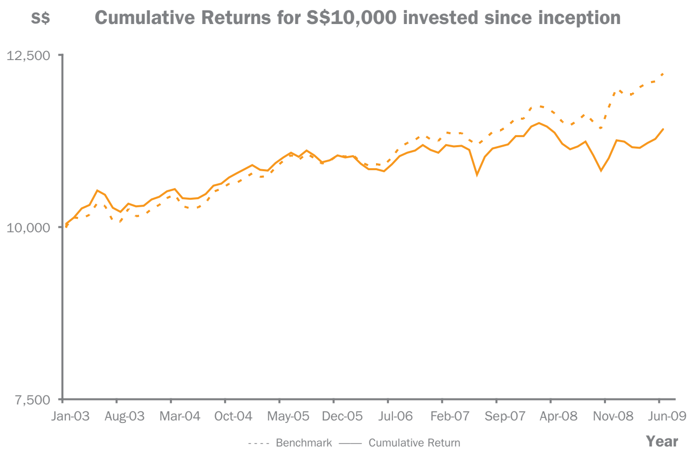
NTUC Income is the Administrator of the fund. The fund is managed by PIMCO.

PIMCO
PIMCO was founded in 1971. Funds under management totalled US$842 billion. Headquartered in Newport Beach, California, it is an institutional money manager specialising in fixed income management. PIMCO's global investment process includes both top-down and bottom-up decision-making, holding a long-term view to guard against periodic bouts of euphoria and depression that often characterise financial markets. PIMCO has expertise and resources committed to virtually every sector of the global bond market. It has a network of offices in New York, Singapore, Tokyo, London, Sydney and Munich.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Global Bond Fund	2.4%	1.4%	2.6%	1.8%	1.8%	N.A.	2.1%
Benchmark*	1.6%	1.7%	6.5%	3.9%	3.5%	N.A.	3.1%

*Benchmark: Barclays Global Aggregate hedged to Singapore Dollar



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important
For NTUC Income's ILP sub-funds, the management fee and other fund charges are deducted from the net asset value before the bid prices and investment performance are calculated. We advise our investors to take note of this while comparing the bid prices and performance of our funds versus other similar funds in the market.

Market Review

Summary

Interest rates rose and capital flowed back towards riskier assets during the first half of 2009. Government policy initiatives helped restore a measure of stability to financial markets after last year's extreme stress and volatility. The Barclays Capital Global Aggregate Index, a widely used index of global bonds, returned 1.52 percent for the first six months of 2009 and 4.93 percent during the second quarter. Rising government yields in the first half is widely seen to be a reversal of last year's flight to quality and liquidity, however, other factors were in play as well. Investors worry that massive issuance of government debt looming on the horizon would overwhelm demand. Another concern was that the massive injection of liquidity into the global economies via purchases of securities, a tactic known as quantitative easing, would eventually fuel inflation. Most central bankers have however, adopted a "wait-and-see" approach as the economies begin reversing from the abyss and held off further actions until the effects of stimulus injections made its way through the economic system.

US and Dollar Bloc

U.S government bonds returned -4.30 percent in the first half of 2009, as the 10-year yield rose 132 basis points to end at 3.53 percent, and the shape of the yield curve steepened. This half witnessed a record low benchmark interest rate held constant at 0.25 percent, stimulus plan nearing $800 billion, and additional capital injections and expansion of the TALF (Term Asset-backed Securities Loan Facility), implemented to stymie the decline in markets amidst continued weakness showing up in economic statistics. Although second quarter witnessed better than expected data sprouting up, these reflected a slowing in the rate of decline rather than signs of recovery. Unemployment rate although at a high of 9.4 percent is rising at a slower pace. May headline prices were up 0.1 percent while core prices rose by 0.1 percent. In housing, sales of previously owned homes rose while inventory fell, according to the latest releases. As risk appetites returned, valuations of corporate bonds, mortgages and other asset backed securities recovered to pre-crisis levels, though risk premiums for many assets still remained elevated compared to historical norms. "Stringent" loan conditions and a "weak" labour market continue to be the facts on the ground, according to the latest edition of the Federal Reserve's Beige Book.

Euroland and UK

Euroland government bonds returned 1.29 percent on a dollar hedged basis. 10-year Bund yield rose 44 basis points, finishing June at 3.39 percent, while the shape of the yield curve steepened. From 2.5 percent at the beginning of the year, successive rate cuts by European Central Bank (ECB) brought its benchmark lending rate down to a record low of 1 percent as of June, as the economy deteriorated more rapidly than the ECB had anticipated. Data showed that employment had contracted at a 3.3 percent pace, compared with a 1.4 percent contraction in the fourth quarter. Additionally, Euro-area headline inflation came in at 0 percent in May, a 3.6 percent decline over the past year, reflecting lower energy and food prices. ECB President Jean Claude Trichet said in a statement that economic activity is likely to remain very weak for the remainder of the year before gradually recovering in 2010, even as the ECB vowed to move forward with its plan to spend 60 billion Euros on 3 to 10-year covered bonds to lower lending rates. The Euro appreciated by 0.4 percent in the first 6 months of the year, ending at US$1.40 per Euro.

U.K. Gilts returned -2.43 percent on a dollar hedged basis, as 10-year U.K. yields rose 67 basis points, ending the half-year at 3.69 percent, while the shape of the yield curve steepened. Three consecutive 50 basis points cut by the Bank of England (BoE) had left its benchmark lending rate at 0.50 percent by end March, amidst weakening prospects for growth, at home and abroad. The British economy had the largest contraction in the first quarter since 1979, falling 1.9 percent year-on-year. Retail price index measure of inflation dropped an annual 1.2 percent, the most since records began in 1948. To further prevent inflation from going below the 2 percent target, BoE recently implemented a program to purchase 125 billion pounds of Gilts and corporate bonds. Policy measures appear to have taken effect, with most recent data pointing to rising retail sales and smaller than expected rise in unemployment. The Pound Sterling appreciated 6.8 percent against the US dollar, ending June at US$1.65 per Pound.

Japan

Japanese government bonds (JGBs) returned 0.05 percent in the first half of 2009. 10-year JGB yield rose 33 basis points, ending June at 2.03 percent, while the shape of the yield curve steepened. The Bank of Japan (BoJ) left its policy rate unchanged at 0.1 percent, ever since cutting it from 0.3 percent in December 2008. A slew of measures were implemented; resumption in purchase of equities from financial institutions announced in February, and a larger than expected 15.4 trillion Yen stimulus package announced in April. These come as incoming data showed plunging exports and relentless contraction in the economy. The global slowdown had spurred record declines in demand for Japanese cars, electronics, and machinery, forcing companies to cut jobs and wages. The slowdown had also weakened household spending. Following the policy measures, June data turned out to be encouraging, with the latest Tankan survey posting the largest gain on record for the manufacturing and non-manufacturing industries. The BoJ upgraded its economic assessment in its most recent statement, saying "economic conditions have begun to stop worsening", compared with the previous "economy has been deteriorating."

GLOBAL BOND FUND

Risks

As the fund has investments concentrating in fixed income securities, it is subject to debt risk which includes interest rate sensitivity, credit risk, changes in debt rating and credit rating, currency risk and sovereign risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

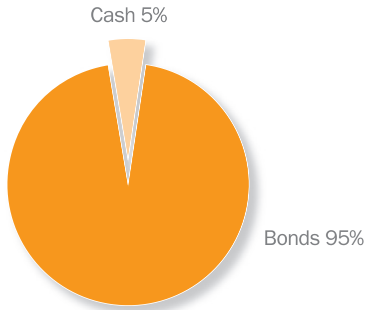
NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

Expense and Turnover Ratio

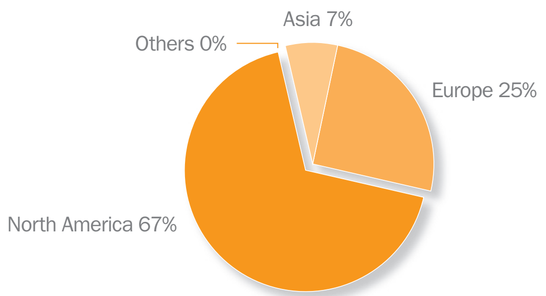
	Expense Ratio	Turnover Ratio
As of 30 June 2009	0.88%	133.70%
As of 30 June 2008	0.87%	325.26%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Asset and Country Allocation as of 30 June 2009

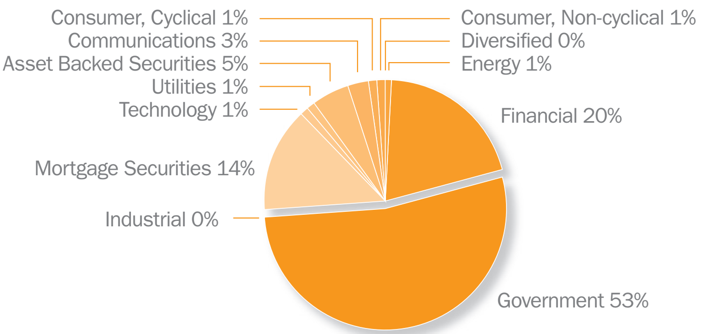


	S$('m)
Bonds	117.0
Cash	5.7
Total	122.6



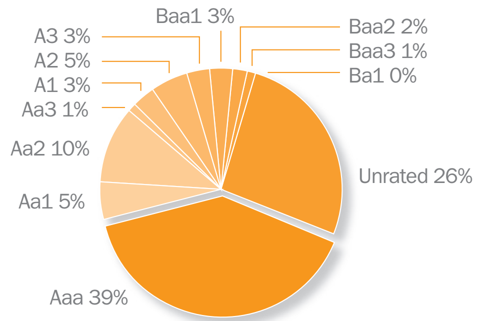
	S$('m)
Asia	8.5
Europe	29.3
North America	78.6
Others	0.6
Total	117.0

Sector Allocation as of 30 June 2009



	S$('m)
Asset Backed Securities	5.4
Communications	3.7
Consumer, Cyclical	0.6
Consumer, Non-cyclical	1.6
Diversified	0.2
Energy	0.7
Financial	23.8
Government	62.4
Industrial	0.3
Mortgage Securities	15.9
Technology	0.6
Utilities	1.7
Total	117.0

Credit Rating of Debt Securities



Moody's rating or its equivalent

	S$('m)
Aaa	45.7
Aa1	5.6
Aa2	11.7
Aa3	1.7
A1	3.8
A2	6.3
A3	3.1
Baa1	3.9
Baa2	2.9
Baa3	1.4
Ba1	0.1
Unrated	30.6
Total	117.0

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	817,748,187
Purchase of new units	3,405,886
Redemption of units	(1,084,592)
Gain/(loss) on investments and other income	(2,746,791)
Management fee and other charges	(1,859,339)
Net investment by the Co-operative	(692,856,036)
Net assets as of 30 June 2009	122,607,315

Units in issue	107,323,322
Net asset value per unit	
- at the beginning of the year	1.126
- as of 30 June 2009	1.142

As of 30 June 2009, the Co-operative has liquidated its investment in the fund.

Exposure to Derivatives

Fair value of derivatives contracts as of 30 June 2009 is S$1,163,886 representing 0.95% of the net asset value of the Fund. Net gain/(loss) on derivatives contracts realised during the period is (S$19,663,509).

Fair value of options as of 30 June 2009 is (S$373,491) representing (0.30%) of the net asset value of the Fund. Net gain/(loss) on options realised during the period is S$6,010,610.

Related Party Disclosures

NTUC Income is the Administrator of the Fund. During the financial period ended 30 June 2009, management fee paid or payable by the Fund to the Administrator is S$1,323,281.

Soft Dollar Commission or Arrangement

The managers do not retain, for their own accounts, cash or commission rebates arising out of transactions executed in or outside Singapore. The managers also do not receive soft dollars.

Conflict of Interests

The managers do not encounter any conflict of interests in the management of the fund.

Other Parties

The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes

With effect from 20 March 2009, Fischer Francis Trees and Watts and Wellington International Management Company Pte Ltd ceased being the sub-managers of the fund.

Reports

The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

GLOBAL EQUITY FUND

Investment Objective

To achieve long-term capital appreciation and diversification by investing in stocks traded on the global equity markets.

Investment Scope

The fund is fully invested in global equities. The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 1 April 1998
Direct Investment held by ILP Policyholders	: S$233 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: 1.25% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA)
CPF Rating	: 4A

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

June 2009	S$ ('m)	% of Net Asset Value	June 2008	S$ ('m)	% of Net Asset Value
ROCHE HOLDING AG	4.3	1.8%	POTASH CORP SASK INC	10.8	1.5%
ROYAL DUTCH SHELL PLC	3.8	1.6%	NESTLE SA	10.6	1.5%
NESTLE SA	3.6	1.6%	CHEVRONTEXACO CORP	10.2	1.4%
GOLDMAN SACHS GROUP INC	2.9	1.2%	ROYAL DUTCH SHELL PLC	9.1	1.3%
HEINEKEN	2.7	1.1%	ROCHE HOLDING AG	9.0	1.3%
PEPSICO INC	2.5	1.1%	TOTAL SA	8.7	1.2%
DISNEY WALT CO	2.4	1.0%	CANON INC	7.8	1.1%
ORACLE CORP	2.4	1.0%	E ON AG	7.6	1.1%
LINDE AG	2.4	1.0%	CONOCOPHILLIPS	6.8	1.0%
RECKITT BENCKISER PLC	2.3	1.0%	DISNEY WALT CO	6.5	0.9%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Fund Manager

NTUC Income is the Administrator of the fund. The fund is jointly managed by Capital International, MFS Investment Management and Alliance Bernstein. MFS Investment Management and Alliance Bernstein were included to jointly manage the fund with effect from 1 March 2004.

Capital International Management
The Capital Group Companies was founded in 1931. It has 11 offices across the globe and a total of approximately US$1,020 billion assets under management today. Capital seeks long-term value by devoting significant resources to internally generated, fundamental credit research and use a fundamental approach based on thorough, detailed research, organized on an industry, macroeconomic, country and currency basis.

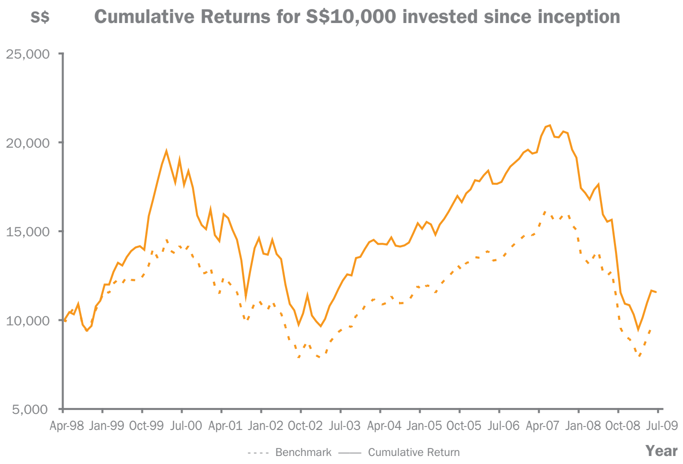
MFS Investment Management
MFS Investment Management was founded in 1924. Funds under management totalled US$141 billion. MFS Investment Management believes in active bottom-up research aimed at consistently identifying high-quality investments by focusing on companies that have potential to generate above-average and sustainable earnings. MFS has a global network of research analysts and portfolio managers based in Boston, London, Mexico City, Singapore, and Tokyo.

Alliance Bernstein
Alliance Bernstein was founded in 1967. In 2000, Alliance Capital Management L.P. acquired Sanford C. Bernstein & Co., Inc to form Alliance Bernstein. Funds under management totalled US$447 billion. Alliance Bernstein investment process is research-driven and value-based, seeking to buy the greatest amount of long-term earnings for the best price. It also uses its deep investment research capabilities and understanding of companies and industries to exploit mispricings created by investor overreaction. It has a network of 24 global offices in 19 countries.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Global Equity Fund	14.3%	6.8%	-27.4%	-13.1%	-4.6%	-1.6%	1.3%
Benchmark*	15.0%	6.9%	-24.9%	-10.6%	-3.4%	-2.6%	-0.4%

*Benchmark: MSCI World Index in Singapore Dollars



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Important
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Market Review

Global equities as measured by the MSCI World Index in Singapore dollar terms returned 6.8% and 15.0% respectively for the year-to-date and second quarter respectively. Global equity markets extended the strong rally since March 2009, as investors generally moved from defensive to more aggressive investments. Investors appeared to conclude that the worst of the global economic and financial system crises had passed. Improvements in manufacturing, trade and consumer confidence data suggested the world economy was beginning to recover from its deepest slump in decades. Stress test results in the US and the UK showed that the major banks' balance sheets were healthier than anticipated. Nonetheless, stocks declined modestly in June, tapering off after a robust rally that lifted developed markets by about 40% and emerging markets by more than 60% from the bottom established in early March.

US shares rallied as worst-case scenarios for the global economy and financial system did not come to pass and investors repriced assets accordingly. The Fed continued to aggressively provide liquidity, targeting the fed funds rate close to zero.

European equities gained during the second quarter, helped by a strong performance in April as the beleaguered financial sector staged a substantial rally. The ECB cuts its benchmark rate twice to a new all-time low of 1% while the BoE left rates unchanged at 0.5%.

Pacific markets surged on signs of an improving economy in Japan and Singapore while gains in Australia were limited by news of mixed economic data. Emerging market equities, particularly those in Asia and Latin America led the global equity advance during the first half of the year. The healthier banking systems and relatively stronger economies have shielded them from a lot of the pain suffered by the economies at the center of the financial crisis. The less robust returns from the U.S. and most of developed Europe and Japan may reflect the subpar economic recoveries they will most likely experience.

Evidence that the global economy is beginning to make the transition from recession to recovery is mounting. World trade has gathered some momentum as businesses appear to have stopped running down their inventories; fears of a breakdown in the world financial system have dissipated thanks to aggressive monetary and fiscal support for the banking industry and credit markets; and consumers are regaining confidence.

Despite this encouraging backdrop, it is not yet clear whether such positive shifts will be accompanied by the most important prerequisites for a sustainable recovery: namely, a sufficient reduction in household debt relative to income and an increase in capital expenditure in the U.S. The duration and magnitude of the current recession are far from certain. Economic indicators and corporate earnings remain weak despite notable improvements in the past few months. Looking ahead, global equity markets face a number of head-winds which need to be monitored. First, valuation which was attractive at the March lows is now more neutral. Second, the economic data which is signalling the worst may have passed, will likely need to demonstrate further strength and signs of sustainability to support durable longer-term gains.

Risks

The ILP sub-funds offered by NTUC Income are invested in by both ILP policyholders and the Co-operative. As a result, each fund is of a significant size enabling it to be well-diversified across a range of high-quality investments.

As the fund has investments concentrating in equities, it is subject to equity risk which includes market risk, company risk, selection risk, currency risk and counter party risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

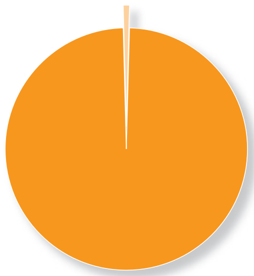
Expense and Turnover Ratio

	Expense Ratio	Turnover Ratio
As of 30 June 2009	1.21%	37.80%
As of 30 June 2008	1.42%	41.39%

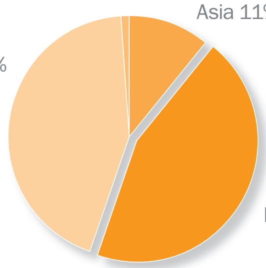
Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

GLOBAL EQUITY FUND

Asset and Country Allocation as of 30 June 2009

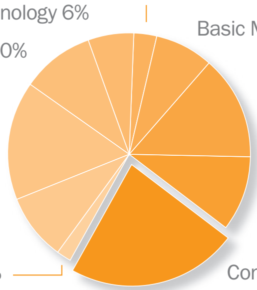


	S$('m)
Equities	231.3
Cash	2.1
Total	233.4



	S$('m)
Asia	24.4
Europe	103.8
North America	101.1
Others	2.0
Total	231.3

Sector Allocation as of 30 June 2009



	S$('m)
Basic Materials	17.8
Communications	33.0
Consumer, Cyclical	22.6
Consumer, Non-cyclical	53.9
Diversified	3.6
Energy	20.0
Financial	37.1
Industrial	23.7
Technology	13.2
Utilities	6.3
Total	231.3

Credit Rating of Debt Securities

There are no debt securities under Global Equity Fund.

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	412,393,650
Purchase of new units	17,216,773
Redemption of units	(1,527,927)
Gain/(loss) on investments and other income	7,628,150
Management fee and other charges	(2,853,787)
Net investment by the Co-operative	(199,438,346)
Net assets as of 30 June 2009	233,418,513

Units in issue	157,103,444
Net asset value per unit	
- at the beginning of the year	1.392
- as of 30 June 2009	1.486

As of 30 June 2009, the Co-operative has liquidated its investment in the fund.

Exposure to Derivatives

Fair value of derivatives contracts as of 30 June 2009 is (S$220). Net gain/(loss) on derivatives contracts realised during the period is (S$39,399).

Related Party Disclosure

NTUC Income is the Administrator of the Fund. During the financial period ended 30 June 2009, management fee paid or payable by the Fund to the Administrator is S$981,790.

Soft Dollar Commission or Arrangement

The managers do not retain, for their own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The managers also do not receive soft dollars.

Conflict of Interests

Alliance Capital has advised that certain inherent conflict of interests may arise from time-to-time. However, actions are taken to eliminate such conflict of interests.

MFS Investment Management has in place policies and procedures to monitor conflict of interests which may arise in the management of clients' accounts. MFS Investment Management believed that these policies and procedures are reasonably designed to ensure that portfolio management decisions are made in the best interests of clients, regardless of clients and the existence of any conflict.

Capital International do not encounter any conflict of interests in the management of the fund.

Other Parties

The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes

There are no material changes in the investment objective and orientation of the fund for the financial period ended 30 June 2009.

Reports

The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

SINGAPORE BOND FUND

Investment Objective

The objective of this fund is to provide a medium to long-term rate of fixed return through investing mainly in bank deposits, corporate bonds rated at least "A" by Standard and Poor's or secured collaterals such as properties and receivables. The expected average duration for the fund is at least 4 years.

Investment Scope

This fund invests mainly in bank deposits, corporate bonds rated at least "A" by Standard and Poor's or secured collaterals such as properties and receivables. This fund may invest up to 30% in high-quality unsecured or unrated bonds. The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 1 March 2000
Direct Investment held by ILP Policyholders	: S$195 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: 0.5% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA and CPF SA)
CPF Rating	: 2A

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

June 2009	S$ ('m)	% of Net Asset Value	June 2008	S$ ('m)	% of Net Asset Value
SIGB 3.5% 010327	38.9	19.9%	SIGB 3.625% 010714	194.9	12.4%
SIGB 3.75% 010916	18.5	9.5%	SIGB 3.5% 010327	179.6	11.4%
SIGB 3.25% 010920	16.0	8.2%	SIGB 3.75% 010916	122.1	7.8%
SIGB 3.125% 010922	13.1	6.7%	SIGB 3.25% 010920	120.8	7.7%
SIGB 2.5% 010619	7.0	3.6%	SIGB 4% 010918	96.7	6.2%
SIA $900M 4.15% 191211	5.1	2.6%	SIGB 3.5% 010712	83.4	5.3%
UNITED OVERSEAS 4.95% 300916	5.1	2.6%	SIGB 3.125% 010922	79.5	5.1%
SP POWERASSETS 4.19% 180815	4.8	2.5%	SIGB 2.625% 010412	66.9	4.3%
DBS CAP FUNDING 5.75% 290549	4.4	2.3%	SIGB 2.625% 010413	38.2	2.4%
PUBLIC UTILITIES 3.595% 310811	3.9	2.0%	SIA $900M 4.15% 191211	38.0	2.4%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Fund Manager

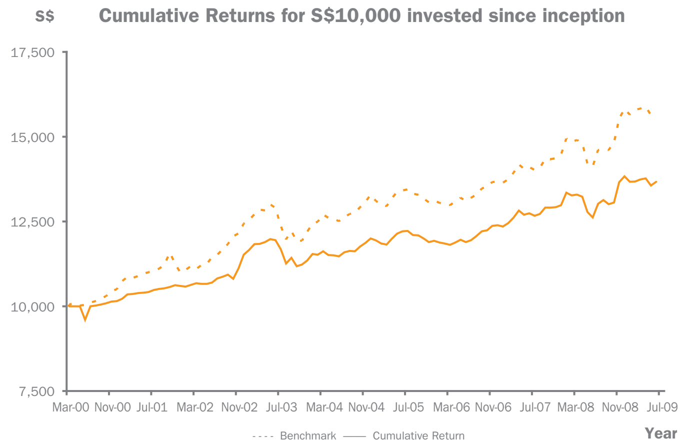
NTUC Income
Incorporated in 1970, NTUC Income is one of the largest insurance companies in Singapore. In its 39 years of operation, NTUC Income has matured into a leading insurer with assets of S$20.3 billion.

Its highly qualified team manages its funds with a long-term value approach. With a strong commitment to its Co-operative values, NTUC Income also seeks to achieve the best value for its policyholders. It is also the manager of Singapore's longest running Investment-Linked fund, the Prime Fund, since 1973.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Singapore Bond Fund	-0.5%	-1.2%	8.3%	4.8%	3.6%	N.A.	3.4%
Benchmark*	-1.2%	-1.2%	10.8%	6.0%	4.6%	N.A.	4.9%

*Benchmark: UOB Long Bond Index



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important

For NTUC Income's ILP sub-funds, the management fee and other fund charges are deducted from the net asset value before the bid prices and investment performance are calculated. We advise our investors to take note of this while comparing the bid prices and performance of our funds versus other similar funds in the market.

Market Review

Singapore government bonds ended the half-year period weaker. Bond prices were under pressure amid improved risk appetite, equity market rally and higher US bond yields. Flush domestic liquidity however, kept the SGD money market rates soft during the period. The yield curve steepened as a result, with the long-dated bond yields ending higher while the short-dated ones were anchored by soft money market rates. Overall, the UOB government long bond index declined 1.2% in the first half of the year. Credit spread tightening helped corporate bonds to outperform government securities during this period.

Singapore GDP contracted 3.7% year-on-year in second quarter 2009 but increased 20.4% quarter-on-quarter, marking the first quarterly expansion since first quarter 2008 according to the advance estimates. The better than expected performance was led by manufacturing on the back of a surge in biomedical output and electronics inventory restocking. The worst of the downturn is over for the Singapore economy. Nevertheless, the pace of the recovery is expected to be moderate as reflected by the revised 2009 growth forecast range of -6% to -4%. Inflationary pressure is likely to remain muted given the weak domestic demand. We expect the authority to retain its current neutral policy stance in view of the moderate recovery and subdued inflation outlook. Meanwhile, the June US Federal Open Market Committee (FOMC) statement reassures investors that the Fed funds rate would be kept at current low levels this year.

The money market rates are expected to stay at current low levels amid flush liquidity in the banking system. This should help underpin the SGD bond market. The credit spreads offered by select corporate bonds continue to provide attractive yield enhancement over the long-term. The portfolio would maintain an emphasis on high-quality, defensive credit names and would also look for opportunities in the primary market.

Risks

As the fund has investments concentrating in Singapore fixed income securities, it is subject to debt risk which includes interest rate sensitivity, credit risk, changes in debt rating and credit rating, currency risk and sovereign risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

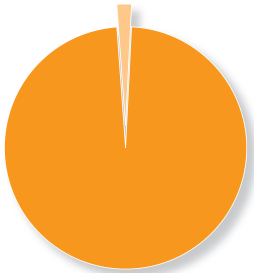
Expense and Turnover Ratio

	Expense Ratio	Turnover Ratio
As of 30 June 2009	0.50%	7.72%
As of 30 June 2008	0.51%	28.57%

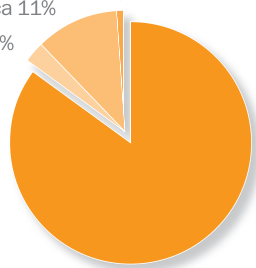
Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

SINGAPORE BOND FUND

Asset and Country Allocation as of 30 June 2009

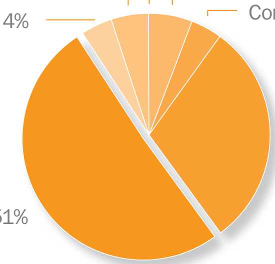


	S$('m)
Bonds	192.2
Cash	3.2
Total	195.3



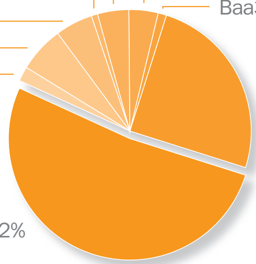
	S$('m)
Singapore	163.0
Europe	5.8
North America	21.4
Others	2.0
Total	192.2

Sector Allocation as of 30 June 2009



	S$('m)
Communications	0.6
Consumer, Cyclical	10.7
Consumer, Non-cyclical	6.9
Financial	57.6
Government	97.7
Industrial	8.5
Utilities	10.1
Total	192.2

Credit Rating of Debt Securities



Moody's rating or its equivalent

	S$('m)
Aaa	100.0
Aa1	3.3
Aa2	11.9
Aa3	10.0
A1	2.2
A2	7.0
A3	8.5
Baa3	1.3
Unrated	48.0
Total	192.2

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	205,089,233
Purchase of new units	19,503,162
Redemption of units	(26,963,925)
Gain/(loss) on investments and other income	(1,784,313)
Management fee and other charges	(503,237)
Net assets as of 30 June 2009	195,340,920

Units in issue	142,895,559
Net asset value per unit	
- at the beginning of the year	1.383
- as of 30 June 2009	1.367

Exposure to Derivatives

Fair value of derivatives contracts as of 30 June 2009 is S$280,807 representing 0.14% of the net asset value of the Fund. There is no net gain/(loss) on derivatives contracts realised during the period.

Related Party Disclosures

NTUC Income is the Administrator and the Manager of the Fund. During the financial period ended 30 June 2009, management fee paid or payable by the Fund to the Administrator and Manager is S$485,391.

Soft Dollar Commission or Arrangement

Soft dollar commission/arrangement has been received/entered into by the Manager in respect of the ILP. The soft dollar commission relates essentially to computer software used in support of the investment process. The Manager will not accept or enter into soft dollar commission/arrangement unless such commission/arrangement would, in the opinion of the Manager, assist the Manager in the management of the ILP. The Manager confirms that trades were executed at the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned, and there was no churning of trades. The said broker has also executed trades for other ILPs managed by the Manager.

Conflict of Interests

NTUC Income has advised that certain inherent conflict of interest may arise from time to time. However, actions are taken to mitigate/resolve such conflict of interests.

Other Parties

The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes

There are no material changes in the investment objective and orientation of the fund for the financial period ended 30 June 2009.

Reports

The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

SINGAPORE EQUITY FUND

Investment Objective
The objective of this fund is to achieve long-term capital appreciation by investing in stocks traded on the Singapore Exchange.

Investment Scope
This fund is fully invested in Singapore Equities. A portion of the fund is invested into Street Tracks Straits Times Index Funds (STTF) managed by State Street Global Advisers Singapore. The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 2 January 2003
Direct Investment held by ILP Policyholders	: S$149 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: 0.65% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA)
CPF Rating	: 4B

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings of Singapore Equity Fund

June 2009	S$ ('m)	% of Net Asset Value	June 2008	S$ ('m)	% of Net Asset Value
STREETTRACKS STRAITS TIMES INDEX FUND	88.4	59.2%	STREETTRACKS STRAITS TIMES INDEX FUND	575.6	62.8%
DBS GROUP HOLDINGS LTD	5.2	3.5%	UNITED OVERSEAS BANK LTD	41.3	4.5%
UNITED OVERSEAS BANK LTD	4.4	2.9%	DBS GROUP HOLDINGS LTD	38.2	4.2%
SINGAPORE TELECOMMUNICATIONS LTD	3.4	2.3%	OVERSEAS CHINESE BANKING	31.8	3.5%
OVERSEAS CHINESE BANKING	3.3	2.2%	SINGAPORE TELECOMMUNICATIONS LTD	27.6	3.0%
HONGKONG LAND HOLDINGS LTD	2.6	1.7%	KEPPEL CORP LTD	24.1	2.6%
SINGAPORE AIRLINES LTD	2.4	1.6%	SINGAPORE EXCHANGE LTD	14.0	1.5%
SINGAPORE PRESS HOLDINGS	2.2	1.5%	CAPITALAND LTD	13.7	1.5%
CAPITALAND LTD	2.0	1.3%	HONGKONG LAND HOLDINGS LTD	11.9	1.3%
OLAM INTERNATIONAL LTD	1.4	1.0%	SINGAPORE AIRLINES LTD	11.6	1.3%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Fund Manager
NTUC Income is the Administrator of the fund. The fund is jointly managed by NTUC Income and State Street Global Advisers.

NTUC Income
Incorporated in 1970, NTUC Income is one of the largest insurance companies in Singapore. In its 39 years of operation, NTUC Income has matured into a leading insurer with assets of S$20.3 billion.

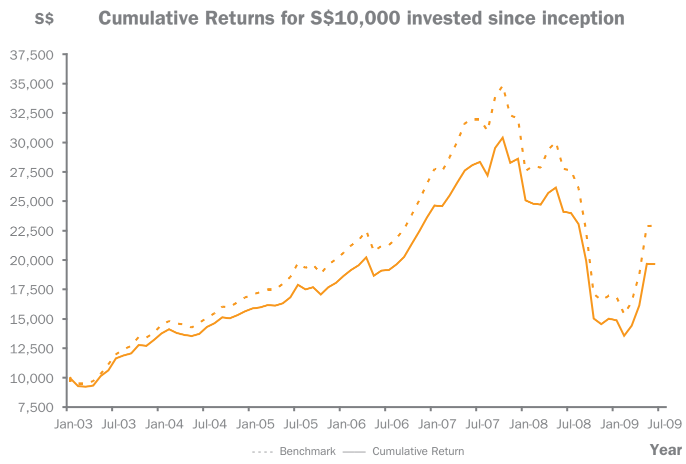
Its highly qualified team manages its funds with a long-term value approach. With a strong commitment to its Co-operative values, NTUC Income also seeks to achieve the best value for its policyholders. It is also the manager of Singapore's longest running Investment-Linked fund, the Prime Fund, since 1973.

State Street Global Advisors
State Street Global Advisors (SSGA) was founded in 1978. Funds under management totalled US$1557 billion. State Street Global Advisors (SSGA) is the largest global institutional manager using computer-based investment strategies for institutional investors. SSGA has an impressive investment record for both passive and active management and a solid reputation in meeting the needs of institutional and individual investors. It has a network of over 28 global locations such as Boston, London, Montreal, Munich, Paris, Hong Kong, Sydney, Singapore and Tokyo.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Singapore Equity Fund	36.4%	31.0%	-18.4%	1.0%	7.5%	N.A.	11.0%
Benchmark*	39.5%	35.2%	-17.3%	2.7%	9.4%	N.A.	13.6%.

*Benchmark: FTSE Straits Times Index (FTSE STI)



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important
For NTUC Income's ILP sub-funds, the management fee and other fund charges are deducted from the net asset value before the bid prices and investment performance are calculated. We advise our investors to take note of this while comparing the bid prices and performance of our funds versus other similar funds in the market.

Market Review

In June, the Straits Times Index (FSSTI) rose a modest 0.2% to 2,333. For second quarter 2009, the index is up 37.2%. Consumer Staples was the best performer, up 6.8%, while Financials was the worst performer, down 1.8%. The market is trading at 15.7x 2009E and 13.7x 2010E PE.

Signs of economic stabilisation are emerging. Non-oil domestic exports (NODX) registered the fourth straight month of increase in seasonally adjusted month-on-month terms, rising 1.8% in May. In line with that, May's manufacturing output fell 1.6% month-on-month, after April's 25.9% increase. Economists are cautiously upbeat, saying that although the volatile pharmaceutical sector was the key driver of industrial production in May, signs of slowing output declines in other clusters are persisting. Singapore's manufacturing economy expanded for a second straight month in June as the Purchasing Managers' Index was at 51.1, which was only a shade below May's 51.2. More positive signs surfaced in the electronics sector. The electronics PMI rose to 55.0, higher than May's 52.9 and the highest readings since December 2007.

Property market remained buoyant. Sales momentum for the primary market is performing well, with 1,688 new unit sales registered in May 2009 (versus 1,207 in April 2009 and 322 in May 2008). Year-to-date, developer's take-up of about 6,500 units is 1.5 times of 2008's 4,264 units. The buying frenzy has spread to the secondary market. The number of private homes sold in the resale market, excluding sub-sales, has risen to 1,464 units this quarter, +71% quarter-on-quarter.

In terms of loan growth, mortgages are holding the fort while business lending declined in May. May 2009 loan growth came in at 5.5% year-on-year for the industry, with personal loans clocking 7.9%. Business loans grew at a slower pace of 3.7% year-on-year. Mortgages grew 8.8% year-on-year, contributing to 77% of the total loan growth. This is due to an increase in property transactions and completion of construction of apartments that were sold on a deferred payment basis in the last few years. Business loans have become a drag on overall loan growth this year, due to continued risk reduction by banks. As operating leverage becomes a concern for business credit, we expect banks to closely ration business loan growth.

Going forward, we will continue to favour Banks and Commodity-related names. With ample liquidity flows, household wealth holding steady and key economic indicators continuing to surprise on the upside, this economic recovery is starting to look more V-shaped. There is an increasing chance that this recession will be over by the third quarter. Aggressive fiscal and monetary policies worldwide and domestically have shortened and cushioned the severity of this recession. In particular, job losses and lending activities have not retrenched as sharply as in past recessions. We view this market pullback as a buying window for the next leg up.

Amid the prevailing uncertainty, we remain focused on quality blue chips and big cap stocks. Our focus is on finding companies with strong earnings growth, solid balance sheets and quality management. We will continually re-assess the companies' fundamentals in the coming months.

Risks

As the fund has investments concentrating in the Singapore Equity sector, it is subject to equity risk which includes market risk, company risk, selection risk, currency risk and counter party risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

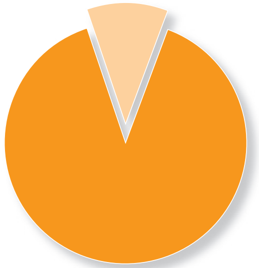
Expense and Turnover Ratio

	Expense Ratio	Turnover Ratio
As of 30 June 2009	0.84%	3.54%
As of 30 June 2008	0.70%	15.76%

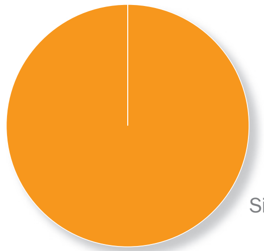
Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

SINGAPORE EQUITY FUND

Asset and Country Allocation as of 30 June 2009

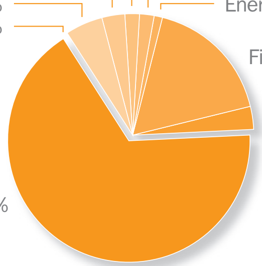


	S$('m)
Equities	133.7
Cash	15.8
Total	149.4



	S$('m)
Singapore	133.7
Total	133.7

Sector Allocation as of 30 June 2009



	S$('m)
Basic Materials	0.4
Communications	6.7
Consumer, Cyclical	3.8
Consumer, Non-cyclical	3.0
Diversified	2.7
Energy	1.7
Financial	22.8
Industrial	4.1
Funds	88.5
Total	133.7

Credit Rating of Debt Securities

There are no debt securities under Singapore Equity Fund.

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	524,331,844
Purchase of new units	21,528,541
Redemption of units	(3,788,999)
Gain/(loss) on investments and other income	7,066,990
Management fee and other charges	(798,789)
Net investment by the Co-operative	(398,902,740)
Net assets as of 30 June 2009	149,436,847

Units in issue	75,975,293
Net asset value per unit	
- at the beginning of the year	1.502
- as of 30 June 2009	1.967

As of 30 June 2009, the Co-operative has liquidated its investment in the fund.

Exposure to Derivatives
There is no exposure to derivatives.

Related Party Disclosures
NTUC Income is the Administrator and the Manager of the Fund. During the financial period ended 30 June 2009, management fee paid or payable by the Fund to the Administrator and Manager is S$742,214.

Soft Dollar Commission or Arrangement
Soft dollar commission/arrangement has been received/entered into by the Manager in respect of the ILP. The soft dollar commission relates essentially to computer software used in support of the investment process. The Manager will not accept or enter into soft dollar commission/arrangement unless such commission/arrangement would, in the opinion of the Manager, assist the Manager in the management of the ILP. The Manager confirms that trades were executed at the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned, and there was no churning of trades. The said broker has also executed trades for other ILPs managed by the Manager.

Conflict of Interests
NTUC Income has advised that certain inherent conflict of interest may arise from time to time. However, actions are taken to mitigate/resolve such conflict of interests.

Other Parties
The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes
With effect from 18 February 2009, DBS Asset Management ceased being the sub-manager of the fund.

Reports
The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

COMBINED FUND (BALANCED)

Investment Objective

The objective of this fund is to provide medium to long- term capital appreciation by investing in the core funds - Global Equity, Global Bond, Singapore Equity and Singapore Bond.

Investment Scope

The Balanced Fund is invested in NTUC Income's core funds in the following proportions: Singapore Equity (10%), Global Equity (40%), Singapore Bond (15%), and Global Bond (35%). The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 2 January 2003
Direct Investment held by ILP Policyholders	: S$193 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: Charges at core fund levels as follow: Singapore Equity : 0.65% p.a. Singapore Bond : 0.5% p.a. Global Equity : 1.25% p.a. Global Bond : 0.85% p.a. Based on the above management fees charged to the respective Core Funds, the computed effective management fee applicable is 0.9375% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA and CPF SA)
CPF Rating	: 3A

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

Information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Fund Manager

NTUC Income is the Administrator of the fund. The fund managers of the core funds are:

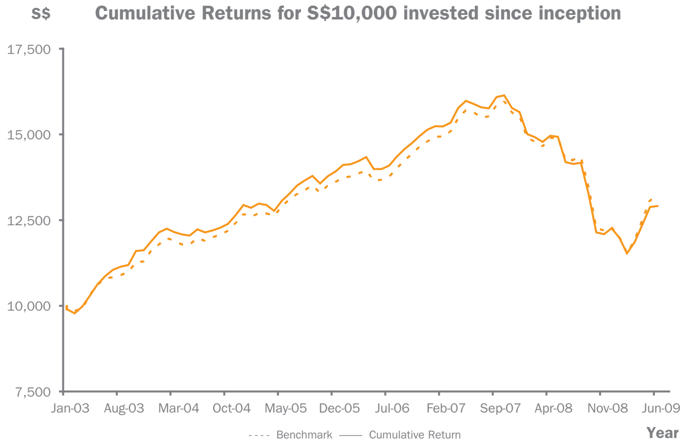
Singapore Equity	NTUC Income and State Street Global Advisors
Singapore Bond	NTUC Income
Global Equity	Capital International, MFS Investment Management and Alliance Bernstein
Global Bond	PIMCO

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Balanced Fund	8.9%	5.3%	-9.0%	-2.6%	1.1%	N.A.	4.0%
Benchmark*	10.1%	6.8%	-8.0%	-1.4%	1.8%	N.A.	4.3%

*Benchmark: 10% FTSE Straits Times Index (FTSE STI)
40% MSCI World Index in Singapore Dollars
15% UOB Long Bond Index
35% Barclays Global Aggregate in Singapore Dollars



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important
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Market Review

Global Bond

Summary
Interest rates rose and capital flowed back towards riskier assets during the first half of 2009. Government policy initiatives helped restore a measure of stability to financial markets after last year's extreme stress and volatility. The Barclays Capital Global Aggregate Index, a widely used index of global bonds, returned 1.52 percent for the first six months of 2009 and 4.93 percent during the second quarter. Rising government yields in the first half is widely seen to be a reversal of last year's flight to quality and liquidity, however, other factors were in play as well. Investors worry that massive issuance of government debt looming on the horizon would overwhelm demand. Another concern was that the massive injection of liquidity into the global economies via purchases of securities, a tactic known as quantitative easing, would eventually fuel inflation. Most central bankers have however, adopted a "wait-and-see" approach as the economies begin reversing from the abyss and held off further actions until the effects of stimulus injections made their way through the economic system.

US and Dollar Bloc
U.S government bonds returned -4.30 percent in the first half of 2009, as the 10-year yield rose 132 basis points to end at 3.53 percent, and the shape of the yield curve steepened. This half witnessed a record low benchmark interest rate held constant at 0.25 percent, stimulus plan nearing $800 billion, and additional capital injections and expansion of the TALF (Term Asset-backed Securities Loan Facility), implemented to stymie the decline in markets amidst continued weakness showing up in economic statistics. Although second quarter witnessed better than expected data sprouting up, these reflected a slowing in the rate of decline rather than signs of recovery. Unemployment rate although at a high of 9.4 percent, is rising at a slower pace. May headline prices were up 0.1 percent while core prices rose by 0.1 percent. In housing, sales of previously owned homes rose while inventory fell, according to the latest releases. As risk appetites returned, valuations of corporate bonds, mortgages and other asset backed securities recovered to pre-crisis levels, though risk premiums for many assets still remained elevated compared to historical norms. "Stringent" loan conditions and a "weak" labour market continue to be the facts on the ground, according to the latest edition of the Federal Reserve's Beige Book.

Euroland and UK
Euroland government bonds returned 1.29 percent on a dollar hedged basis. 10-year Bund yield rose 44 basis points, finishing June at 3.39 percent, while the shape of the yield curve steepened. From 2.5 percent at the beginning of the year, successive rate cuts by European Central Bank (ECB) brought its benchmark lending rate down to a record low of 1 percent as of June, as the economy deteriorated more rapidly than the ECB had anticipated. Data showed that employment had contracted at a 3.3 percent pace, compared with a 1.4 percent contraction in the fourth quarter. Additionally, Euro-area headline inflation came in at 0 percent in May, a 3.6 percent decline over the past year, reflecting lower energy and food prices. ECB President Jean Claude Trichet said in a statement that economic activity is likely to remain very weak for the remainder of the year before gradually recovering in 2010, even as the ECB vowed to move forward with its plan to spend 60 billion Euros on 3 to 10-year covered bonds to lower lending rates. The Euro appreciated by 0.4 percent in the first 6 months of the year, ending at US$1.40 per Euro.

U.K. Gilts returned -2.43 percent on a dollar hedged basis, as 10-year U.K. yields rose 67 basis points, ending the half-year at 3.69 percent, while the shape of the yield curve steepened. Three consecutive 50 basis points cut by the Bank of England (BoE) had left its benchmark lending rate at 0.50 percent by end March, amidst weakening prospects for growth, at home and abroad. The British economy had the largest contraction in the first quarter since 1979, falling 1.9 percent year-on-year. Retail price index measure of inflation dropped an annual 1.2 percent, the largest since records began in 1948. To further prevent inflation from going below the 2 percent target, BoE recently implemented a program to purchase 125 billion pounds of Gilts and corporate bonds. Policy measures appear to have taken effect, with most recent data pointing to rising retail sales and smaller than expected rise in unemployment. The Pound Sterling appreciated 6.8 percent against the US dollar, ending June at US$1.65 per Pound.

Japan
Japanese government bonds (JGBs) returned 0.05 percent in the first half of 2009. 10-year JGB yield rose 33 basis points, ending June at 2.03 percent, while the shape of the

yield curve steepened. The Bank of Japan (BoJ) left its policy rate unchanged at 0.1 percent, ever since it was cut from 0.3 percent in December 2008. A slew of measures were implemented; resumption in purchase of equities from financial institutions announced in February, and a larger than expected 15.4 trillion Yen stimulus package announced in April. These come as incoming data showed plunging exports and relentless contraction in the economy. The global slowdown had spurred record declines in demand for Japanese cars, electronics, and machinery, forcing companies to cut jobs and wages and weakened household spending. Following the policy measures, June data turned out to be encouraging, with the latest Tankan survey posting the largest gain on record for the manufacturing and non-manufacturing industries. The BoJ upgraded its economic assessment in its most recent statement, saying "economic conditions have begun to stop worsening", compared with the previous "economy has been deteriorating."

Singapore Bond

Singapore government bonds ended the half-year period weaker. Bond prices were under pressure amid improved risk appetite, equity market rally and higher US bond yields. Flush domestic liquidity however, kept the SGD money market rates soft during the period. The yield curve steepened as a result with the long-dated bond yields ending higher while the short-dated ones were anchored by soft money market rates. Overall, the UOB government long bond index declined 1.2% in the first half of the year. Credit spread tightening helped corporate bonds to outperform government securities during this period.

Singapore GDP contracted 3.7% year-on-year in second quarter 2009 but increased 20.4% quarter-on-quarter, marking the first quarterly expansion since first quarter 2008 according to the advance estimates. The better than expected performance was led by manufacturing on the back of a surge in biomedical output and electronics inventory restocking. The worst of the downturn is over for the Singapore economy. Nevertheless, the pace of the recovery is expected to be moderate as reflected by the revised 2009 growth forecast range of -6% to -4%. Inflationary pressure is likely to remain muted given the weak domestic demand. We expect the authority to retain its current neutral policy stance in view of the moderate recovery and subdued inflation outlook. Meanwhile, the June US Federal Open Market Committee (FOMC) statement reassures investors that the Fed funds rate would be kept at current low levels this year.

The money market rates are expected to stay at current low levels amid flush liquidity in the banking system. This should help underpin the SGD bond market. The credit spreads offered by select corporate bonds continue to provide attractive yield enhancement over the long-term. The portfolio would maintain an emphasis on high-quality, defensive credit names and would also look for opportunities in the primary market.

Global Equity

Global equities as measured by the MSCI World Index in Singapore dollar terms returned 6.8% and 15.0% respectively for the year-to-date and second quarter respectively. Global equity markets extended the strong rally since March 2009, as investors generally moved from defensive to more aggressive investments. Investors appeared to conclude that the worst of the global economic and financial system crises had passed. Improvements in manufacturing, trade and consumer confidence data suggested the world economy was beginning to recover from its deepest slump in decades. Stress test results in the US and the UK showed that the major banks' balance sheets were healthier than anticipated. Nonetheless, stocks declined modestly in June, tapering off after a robust rally that lifted developed markets by about 40% and emerging markets by more than 60% from the bottom established in early March.

US shares rallied as worst-case scenarios for the global economy and financial system did not come to pass and investors repriced assets accordingly. The Fed continued to aggressively provide liquidity, targeting the fed funds rate close to zero.

European equities gained during the second quarter, helped by a strong performance in April as the beleaguered financials sector staged a substantial rally. The ECB cuts its benchmark rate twice to a new all-time low of 1% while the BoE left rates unchanged at 0.5%.

Pacific markets surged on signs of an improving economy in Japan and Singapore while gains in Australia were limited by news of mixed economic data. Emerging market equities, particularly those in Asia and Latin America led the global equity advance during the first half of the year. The healthier banking systems and relatively stronger economies have shielded them from a lot of the pain suffered by the economies at the center of the financial crisis. The less robust returns from the U.S. and most of developed Europe and Japan may reflect the subpar economic recoveries they will most likely experience.

Evidence that the global economy is beginning to make the transition from recession to recovery is mounting. World trade has gathered some momentum as businesses appear to have stopped running down their inventories; fears of a breakdown in the world financial system have dissipated, thanks to aggressive monetary and fiscal support for the banking industry and credit markets; and consumers are regaining confidence.

Despite this encouraging backdrop, it is not yet clear whether such positive shifts will be accompanied by the most important prerequisites for a sustainable recovery: namely, a sufficient reduction in household debt relative to income and an increase in capital expenditure in the U.S. The duration and magnitude of the current recession are far from certain. Economic indicators and corporate earnings remain weak despite notable improvements in the past few months. Looking ahead, global equity markets face a number of head-winds which need to be monitored. First, valuation which was attractive at the March lows is now more neutral. Second, the economic data which is signalling the worst may have passed will likely need to demonstrate further strength and signs of sustainability to support durable longer-term gains.

Singapore Equity
In June, the Straits Times Index (FSSTI) rose a modest 0.2% to 2,333. For second quarter 2009, the index is up 37.2%. Consumer Staples was the best performer, up 6.8%, while Financials was the worst performer, down 1.8%. The market is trading at 15.7x 2009E and 13.7x 2010E PE.

Signs of economic stabilisation are emerging. Non-oil domestic exports (NODX) registered the fourth straight month of increase in seasonally adjusted month-on-month terms, rising 1.8% in May. In line with that, May's manufacturing output fell 1.6% month-on-month, after April's 25.9% increase. Economists are cautiously upbeat, saying that although the volatile pharmaceutical sector was the key driver of industrial production in May, signs of slowing output declines in other clusters are persisting. Singapore's manufacturing economy expanded for a second straight month in June as the Purchasing Managers' Index was at 51.1, which was only a shade below May's 51.2. More positive signs surfaced in the electronics sector, the electronics PMI rose to 55.0, higher than May's 52.9 and the highest readings since December 2007.

Property market remained buoyant. Sales momentum for the primary market is performing well, with 1,688 new unit sales registered in May 2009 (versus 1,207 in April 2009 and 322 in May 2008). Year-to-date developer's take-up of about 6,500 units is 1.5 times of 2008's 4,264 units. The buying frenzy has spread to the secondary market. The number of private homes sold in the resale market, excluding sub-sales, has risen to 1,464 units this quarter, +71% quarter-on-quarter.

In terms of loan growth, mortgages are holding the fort while business lending declined in May. May 2009 loan growth came in at 5.5% year-on-year for the industry, with personal loans clocking 7.9%. Business loans grew at a slower pace of 3.7% year-on-year. Mortgages grew 8.8% year-on-year, contributing to 77% of the total loan growth. This is due to an increase in property transactions and completion of construction of apartments that were sold on a deferred payment basis in the last few years. Business loans have become a drag on overall loan growth this year, due to continued risk reduction by banks. As operating leverage becomes a concern for business credit, we expect banks to closely ration business loan growth.

Going forward, we will continue to favour Banks and Commodity-related names. With ample liquidity flows, household wealth holding steady and key economic indicators continuing to surprise on the upside, this economic recovery is starting to look more V-shaped. There is an increasing chance that this recession will be over by the third quarter. Aggressive fiscal and monetary policies worldwide and domestically have shortened and cushioned the severity of this recession. In particular, job losses and lending activities have not retrenched as sharply as in past recessions. We view this market pullback as a buying window for the next leg up.

Amid the prevailing uncertainty, we remain focused on quality blue chips and big cap stocks. Our focus is on finding companies with strong earnings growth, solid balance sheets and quality management. We will continually re-assess the companies' fundamentals in the coming months.

Risks
The risk in the Balanced Fund is diversified by investing in a mixture of local and global bonds and equities. As the fund has investments in equities and bonds, it is subject to (1) equity risk which includes market risk, company risk, selection risk, currency risk and counter party risk; and (2) debt risk which includes interest rate sensitivity, credit risk, changes in debt rating and credit rating, currency risk and sovereign risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

Expense and Turnover Ratio

	As of 30 June 2009	As of 30 June 2008
Expense Ratio	0.96%	1.00%
Turnover Ratio	N.A.	N.A.
Singapore Equity	3.54%	15.76%
Singapore Bond	7.72%	28.57%
Global Equity	37.80%	41.39%
Global Bond	133.70%	325.26%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Asset and Country Allocation as of 30 June 2009
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Credit Rating of Debt Securities
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

COMBINED FUND (BALANCED)

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	181,888,569
Purchase of new units	5,364,534
Redemption of units	(3,853,184)
Gain/(loss) on investments and other income	9,609,299
Management fee and other charges	(184)
Net assets as of 30 June 2009	193,009,034

Units in issue	149,557,317
Net asset value per unit	
- at the beginning of the year	1.226
- as of 30 June 2009	1.291

Exposure to Derivatives
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Related Party Disclosure
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Soft Dollar Commission or Arrangement
More Information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Conflict of Interests
More Information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Other Parties
The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes
With effect from 20 March 2009, Fischer Francis Trees and Watts and Wellington International Management Company Pte Ltd ceased to be the sub-managers of Global Bond Fund.

With effect from 18 February 2009, DBS Asset Management ceased to be the sub-manager of Singapore Equity Fund.

Reports
The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

COMBINED FUND (CONSERVATIVE)

Investment Objective

The objective of this fund is to provide medium to long-term capital appreciation by investing in the core funds - Global Equity, Global Bond, Singapore Equity and Singapore Bond.

Investment Scope

The Conservative Fund is invested in NTUC Income's core funds in the following proportions: Singapore Equity (5%), Global Equity (25%), Singapore Bond (20%), and Global Bond (50%). The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 2 January 2003
Direct Investment held by ILP Policyholders	: S$15 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: Charges at core fund levels as follow: Singapore Equity : 0.65% p.a. Singapore Bond : 0.5% p.a. Global Equity : 1.25% p.a. Global Bond : 0.85% p.a. Based on the above management fees charged to the respective Core Funds, the computed effective management fee applicable is 0.87% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA and CPF SA)
CPF Rating	: 3A

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

Information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Fund Manager

NTUC Income is the Administrator of the fund. The fund managers of the core funds are:

Singapore Equity	NTUC Income and State Street Global Advisors
Singapore Bond	NTUC Income
Global Equity	Capital International, MFS Investment Management and Alliance Bernstein
Global Bond	PIMCO

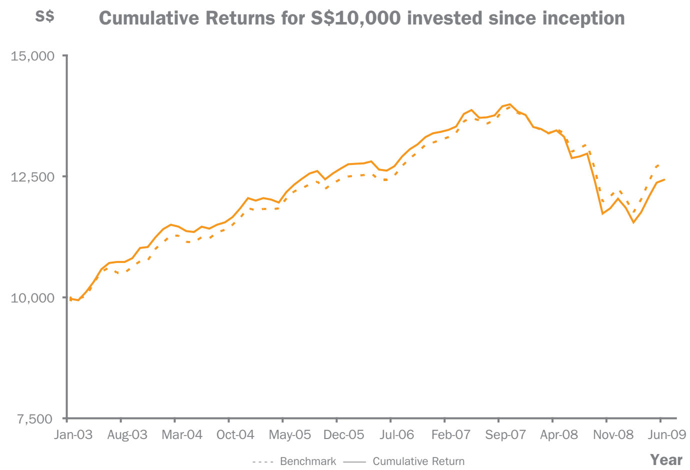
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Conservative Fund	5.7%	3.2%	-3.5%	-0.5%	1.6%	N.A.	3.4%
Benchmark*	6.1%	4.2%	-1.9%	0.9%	2.6%	N.A.	3.8%

*Benchmark: 5% FTSE Straits Times Index (FTSE STI)
25% MSCI World Index in Singapore Dollars
20% UOB Long Bond Index
50% Barclays Global Aggregate in Singapore Dollars

COMBINED FUND (CONSERVATIVE)



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US and Dollar Bloc
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Singapore Bond

Singapore government bonds ended the half-year period weaker. Bond prices were under pressure amid improved risk appetite, equity market rally and higher US bond yields. Flush domestic liquidity however, kept the SGD money market rates soft during the period. The yield curve steepened as a result, with the long-dated bond yields ending higher while the short-dated ones were anchored by soft money market rates. Overall, the UOB government long bond index declined 1.2% in the first half of the year. Credit spread tightening helped corporate bonds to outperform government securities during this period.

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COMBINED FUND (CONSERVATIVE)

Singapore Equity

In June, the Straits Times Index (FSSTI) rose a modest 0.2% to 2,333. For second quarter 2009, the index is up 37.2%. Consumer Staples was the best performer, up 6.8%, while Financials was the worst performer, down 1.8%. The market is trading at 15.7x 2009E and 13.7x 2010E PE.

Signs of economic stabilisation are emerging. Non-oil domestic exports (NODX) registered the fourth straight month of increase in seasonally adjusted month-on-month terms, rising 1.8% in May. In line with that, May's manufacturing output fell 1.6% month-on-month, after April's 25.9% increase. Economists are cautiously upbeat, saying that although the volatile pharmaceutical sector was the key driver of industrial production in May, signs of slowing output declines in other clusters are persisting. Singapore's manufacturing economy expanded for a second straight month in June as the Purchasing Managers' Index was at 51.1, which was only a shade below May's 51.2. More positive signs surfaced in the electronics sector, the electronics PMI rose to 55.0, higher than May's 52.9 and the highest readings since December 2007.

Property market remained buoyant. Sales momentum for the primary market is performing well, with 1,688 new unit sales registered in May 2009 (versus 1,207 in April 2009 and 322 in May 2008). Year-to-date developer's take-up of about 6,500 units is 1.5 times of 2008's 4,264 units. The buying frenzy has spread to the secondary market. The number of private homes sold in the resale market, excluding sub-sales, has risen to 1,464 units this quarter, +71% quarter-on-quarter.

In terms of loan growth, mortgages are holding the fort while business lending declined in May. May 2009 loan growth came in at 5.5% year-on-year for the industry, with personal loans clocking 7.9%. Business loans grew at a slower pace of 3.7% year-on-year. Mortgages grew 8.8% year-on-year, contributing to 77% of the total loan growth. This is due to an increase in property transactions and completion of construction of apartments that were sold on a deferred payment basis in the last few years. Business loans have become a drag on overall loan growth this year, due to continued risk reduction by banks. As operating leverage becomes a concern for business credit, we expect banks to closely ration business loan growth.

Going forward, we will continue to favour Banks and Commodity-related names. With ample liquidity flows, household wealth holding steady and key economic indicators continuing to surprise on the upside, this economic recovery is starting to look more V-shaped. There is an increasing chance that this recession will be over by the third quarter. Aggressive fiscal and monetary policies worldwide and domestically have shortened and cushioned the severity of this recession. In particular, job losses and lending activities have not retrenched as sharply as in past recessions. We view this market pullback as a buying window for the next leg up.

Amid the prevailing uncertainty, we remain focused on quality blue chips and big cap stocks. Our focus is on finding companies with strong earnings growth, solid balance sheets and quality management. We will continually re-assess the companies' fundamentals in the coming months.

Risks

The risk in the Conservative Fund is diversified by investing in a mixture of local and global bonds and equities. As the fund has investments in equities and bonds, it is subject to (1) equity risk which includes market risk, company risk, selection risk, currency risk and counter party risk; and (2) debt risk which includes interest rate sensitivity, credit risk, changes in debt rating and credit rating, currency risk and sovereign risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

Expense and Turnover Ratio

	As of 30 June 2009	As of 30 June 2008
Expense Ratio	0.87%	0.92%
Turnover Ratio	N.A.	N.A.
Singapore Equity	3.54%	15.76%
Singapore Bond	7.72%	28.57%
Global Equity	37.80%	41.39%
Global Bond	133.70%	325.26%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Asset and Country Allocation as of 30 June 2009

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Credit Rating of Debt Securities

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

COMBINED FUND (CONSERVATIVE)

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	14,117,852
Purchase of new units	362,712
Redemption of units	(432,215)
Gain/(loss) on investments and other income	456,501
Management fee and other charges	(166)
Net assets as of 30 June 2009	14,504,684

Units in issue	11,664,758
Net asset value per unit	
- at the beginning of the year	1.204
- as of 30 June 2009	1.243

Exposure to Derivatives
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Related Party Disclosure
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Soft Dollar Commission or Arrangement
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Conflict of Interests
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Other Parties
The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes
With effect from 20 March 2009, Fischer Francis Trees and Watts and Wellington International Management Company Pte Ltd ceased to be the sub-managers of Global Bond Fund.

With effect from 18 February 2009, DBS Asset Management ceased to be the sub-manager of Singapore Equity Fund.

Reports
The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

COMBINED FUND (GROWTH)

Investment Objective

The objective of this fund is to provide medium to long-term capital appreciation by investing in the core funds - Global Equity, Global Bond, Singapore Equity and Singapore Bond.

Investment Scope

The Growth Fund is invested in NTUC Income's core funds in the following proportions: Singapore Equity (15%), Global Equity (55%), Singapore Bond (10%), and Global Bond (20%). The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 2 January 2003
Direct Investment held by ILP Policyholders	: S$234 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: Charges at core fund levels as follow: Singapore Equity : 0.65% p.a. Singapore Bond : 0.5% p.a. Global Equity : 1.25% p.a. Global Bond : 0.85% p.a. Based on the above management fees charged to the respective Core Funds, the computed effective management fee applicable is 1.005% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA)
CPF Rating	: 3A

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

Information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Fund Manager

NTUC Income is the Administrator of the fund. The fund managers of the core funds are:

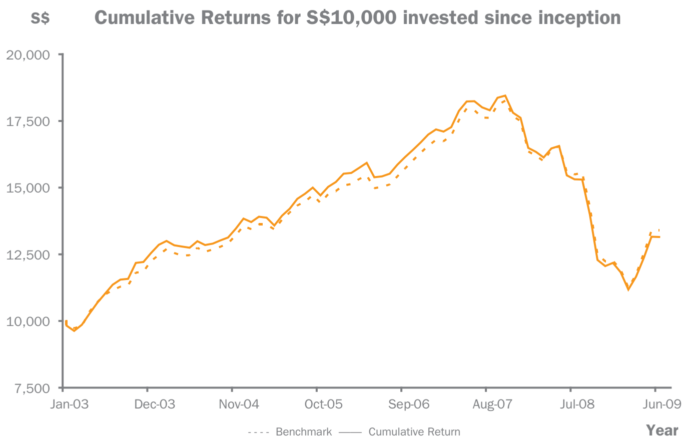
Singapore Equity	NTUC Income and State Street Global Advisors
Singapore Bond	NTUC Income
Global Equity	Capital International, MFS Investment Management and Alliance Bernstein
Global Bond	PIMCO

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Growth Fund	12.8%	8.0%	-14.9%	-5.2%	0.2%	N.A.	4.3%
Benchmark*	14.1%	9.2%	-14.0%	-3.8%	1.0%	N.A.	4.6%

*Benchmark: 15% FTSE Straits Times Index (FTSE STI)
55% MSCI World Index in Singapore Dollars
10% UOB Long Bond Index
20% Barclays Global Aggregate in Singapore Dollars



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important
For NTUC Income's ILP sub-funds, the management fee and other fund charges are deducted from the net asset value before the bid prices and investment performance are calculated. We advise our investors to take note of this while comparing the bid prices and performance of our funds versus other similar funds in the market.

Market Review

Global Bond

Summary
Interest rates rose and capital flowed back towards riskier assets during the first half of 2009. Government policy initiatives helped restore a measure of stability to financial markets after last year's extreme stress and volatility. The Barclays Capital Global Aggregate Index, a widely used index of global bonds, returned 1.52 percent for the first six months of 2009 and 4.93 percent during the second quarter. Rising government yields in the first half is widely seen to be a reversal of last year's flight to quality and liquidity, however, other factors were in play as well. Investors worry that massive issuance of government debt looming on the horizon would overwhelm demand. Another concern was that the massive injection of liquidity into the global economies via purchases of securities, a tactic known as quantitative easing, would eventually fuel inflation. Most central bankers have however, adopted a "wait-and-see" approach as the economies begin reversing from the abyss and held off further actions until the effects of stimulus injections made their way through the economic system.

US and Dollar Bloc
U.S government bonds returned -4.30 percent in the first half of 2009, as the 10-year yield rose 132 basis points to end at 3.53 percent, and the shape of the yield curve steepened. This half witnessed a record low benchmark interest rate held constant at 0.25 percent, stimulus plan nearing $800 billion, and additional capital injections and expansion of the TALF (Term Asset-backed Securities Loan Facility), implemented to stymie the decline in markets amidst continued weakness showing up in economic statistics. Although second quarter witnessed better than expected data sprouting up, these reflected a slowing in the rate of decline rather than signs of recovery. Unemployment rate although at a high of 9.4 percent is rising at a slower pace. May headline prices were up 0.1 percent while core prices rose by 0.1 percent. In housing, sales of previously owned homes rose while inventory fell, according to the latest releases. As risk appetites returned, valuations of corporate bonds, mortgages and other asset backed securities recovered to pre-crisis levels, though risk premiums for many assets still remained elevated compared to historical norms. "Stringent" loan conditions and a "weak" labour market continue to be the facts on the ground, according to the latest edition of the Federal Reserve's Beige Book.

Euroland and UK
Euroland government bonds returned 1.29 percent on a dollar hedged basis. 10-year Bund yield rose 44 basis points, finishing June at 3.39 percent, while the shape of the yield curve steepened. From 2.5 percent at the beginning of the year, successive rate cuts by European Central Bank (ECB) brought its benchmark lending rate down to a record low of 1 percent as of June, as the economy deteriorated more rapidly than the ECB had anticipated. Data showed that employment had contracted at a 3.3 percent pace, compared with a 1.4 percent contraction in the fourth quarter. Additionally, Euro-area headline inflation came in at 0 percent in May, a 3.6 percent decline over the past year, reflecting lower energy and food prices. ECB President Jean Claude Trichet said in a statement that economic activity is likely to remain very weak for the remainder of the year before gradually recovering in 2010, even as the ECB vowed to move forward with its plan to spend 60 billion Euros on 3 to 10-year covered bonds to lower lending rates. The Euro appreciated by 0.4 percent in the first 6 months of the year, ending at US$1.40 per Euro.

U.K. Gilts returned -2.43 percent on a dollar hedged basis, as 10-year U.K. yields rose 67 basis points, ending the half-year at 3.69 percent, while the shape of the yield curve steepened. Three consecutive 50 basis points cut by the Bank of England (BoE) had left its benchmark lending rate at 0.50 percent by end March, amidst weakening prospects for growth, at home and abroad. The British economy had the largest contraction in the first quarter since 1979, falling 1.9 percent year-on-year. Retail price index measure of inflation dropped an annual 1.2 percent, the largest since records began in 1948. To further prevent inflation from going below the 2 percent target, BoE recently implemented a program to purchase 125 billion pounds of Gilts and corporate bonds. Policy measures appear to have taken effect, with most recent data pointing to rising retail sales and smaller than expected rise in unemployment. The Pound Sterling appreciated 6.8 percent against the US dollar, ending June at US$1.65 per Pound.

Japan
Japanese government bonds (JGBs) returned 0.05 percent in the first half of 2009. 10-year JGB yield rose 33 basis points, ending June at 2.03 percent, while the shape of the

yield curve steepened. The Bank of Japan (BoJ) left its policy rate unchanged at 0.1 percent, ever since cutting it from 0.3 percent in December 2008. A slew of measures were implemented; resumption in purchase of equities from financial institutions announced in February, and a larger than expected 15.4 trillion Yen stimulus package announced in April. These come as incoming data showed plunging exports and relentless contraction in the economy. The global slowdown had spurred record declines in demand for Japanese cars, electronics, and machinery, forcing companies to cut jobs and wages and weaken household spending. Following the policy measures, June data turned out to be encouraging, with the latest Tankan survey posting the largest gain on record for the manufacturing and non-manufacturing industries. The BoJ upgraded its economic assessment in its most recent statement, saying "economic conditions have begun to stop worsening", compared with the previous "economy has been deteriorating."

Singapore Bond

Singapore government bonds ended the half-year period weaker. Bond prices were under pressure amid improved risk appetite, equity market rally and higher US bond yields. Flush domestic liquidity however kept the SGD money market rates soft during the period. The yield curve steepened as a result with the long-dated bond yields ending higher while the short-dated ones were anchored by soft money market rates. Overall, the UOB government long bond index declined 1.2% in the first half of the year. Credit spread tightening helped corporate bonds to outperform government securities during this period.

Singapore GDP contracted 3.7% year-on-year in second quarter 2009 but increased 20.4% quarter-on-quarter, marking the first quarterly expansion since first quarter 2008 according to the advance estimates. The better than expected performance was led by manufacturing on the back of a surge in biomedical output and electronics inventory restocking. The worst of the downturn is over for the Singapore economy. Nevertheless, the pace of the recovery is expected to be moderate as reflected by the revised 2009 growth forecast range of -6% to -4%. Inflationary pressure is likely to remain muted given the weak domestic demand. We expect the authority to retain its current neutral policy stance in view of the moderate recovery and subdued inflation outlook. Meanwhile, the June US Federal Open Market Committee (FOMC) statement reassures investors that the Fed funds rate would be kept at current low levels this year.

The money market rates are expected to stay at current low levels amid flush liquidity in the banking system. This should help underpin the SGD bond market. The credit spreads offered by select corporate bonds continue to provide attractive yield enhancement over the long-term. The portfolio would maintain an emphasis on high-quality, defensive credit names and would also look for opportunities in the primary market.

Global Equity

Global equities as measured by the MSCI World Index in Singapore dollar terms returned 6.8% and 15.0% respectively for the year-to-date and second quarter respectively. Global equity markets extended the strong rally since March 2009, as investors generally moved from defensive to more aggressive investments. Investors appeared to conclude that the worst of the global economic and financial system crises had passed. Improvements in manufacturing, trade and consumer confidence data suggested the world economy was beginning to recover from its deepest slump in decades. Stress test results in the US and the UK showed that the major banks' balance sheets were healthier than anticipated. Nonetheless, stocks declined modestly in June, tapering off after a robust rally that lifted developed markets by about 40% and emerging markets by more than 60% from the bottom established in early March.

US shares rallied as worst-case scenarios for the global economy and financial system did not come to pass and investors repriced assets accordingly. The Fed continued to aggressively provide liquidity, targeting the fed funds rate close to zero.

European equities gained during the second quarter, helped by a strong performance in April as the beleaguered financials sector staged a substantial rally. The ECB cuts its benchmark rate twice to a new all-time low of 1% while the BoE left rates unchanged at 0.5%.

Pacific markets surged on signs of an improving economy in Japan and Singapore while gains in Australia were limited by news of mixed economic data. Emerging market equities, particularly those in Asia and Latin America led the global equity advance during the first half of the year. The healthier banking systems and relatively stronger economies have shielded them from a lot of the pain suffered by the economies at the center of the financial crisis. The less robust returns from the U.S. and most of developed Europe and Japan may reflect the subpar economic recoveries they will most likely experience.

Evidence that the global economy is beginning to make the transition from recession to recovery is mounting. World trade has gathered some momentum as businesses appear to have stopped running down their inventories; fears of a breakdown in the world financial system have dissipated thanks to aggressive monetary and fiscal support for the banking industry and credit markets; and consumers are regaining confidence.

Despite this encouraging backdrop, it is not yet clear whether such positive shifts will be accompanied by the most important prerequisites for a sustainable recovery: namely, a sufficient reduction in household debt relative to income and an increase in capital expenditure in the U.S. The duration and magnitude of the current recession are far from certain. Economic indicators and corporate earnings remain weak despite notable improvements in the past few months. Looking ahead, global equity markets face a number of head-winds which need to be monitored. First, valuation which was attractive at the March lows is now more neutral. Second, the economic data which is signalling the worst may have passed will likely need to demonstrate further strength and signs of sustainability to support durable longer-term gains.

Singapore Equity

In June, the Straits Times Index (FSSTI) rose a modest 0.2% to 2,333. For second quarter 2009, the index is up 37.2%. Consumer Staples was the best performer, up 6.8%, while Financials was the worst performer, down 1.8%. The market is trading at 15.7x 2009E and 13.7x 2010E PE.

Signs of economic stabilisation are emerging. Non-oil domestic exports (NODX) registered the fourth straight month of increase in seasonally adjusted month-on-month terms, rising 1.8% in May. In line with that, May's manufacturing output fell 1.6% month-on-month, after April's 25.9% increase. Economists are cautiously upbeat, saying that although the volatile pharmaceutical sector was the key driver of industrial production in May, signs of slowing output declines in other clusters are persisting. Singapore's manufacturing economy expanded for a second straight month in June as the Purchasing Managers' Index was at 51.1, which was only a shade below May's 51.2. More positive signs surfaced in the electronics sector, the electronics PMI rose to 55.0, higher than May's 52.9 and the highest readings since December 2007.

Property market remained buoyant. Sales momentum for the primary market is performing well, with 1,688 new unit sales registered in May 2009 (versus 1,207 in April 2009 and 322 in May 2008). Year-to-date developer's take-up of about 6,500 units is 1.5 times of 2008's 4,264 units. The buying frenzy has spread to the secondary market. The number of private homes sold in the resale market, excluding sub-sales, has risen to 1,464 units this quarter, +71% quarter-on-quarter.

In terms of loan growth, mortgages are holding the fort while business lending declined in May. May 2009 loan growth came in at 5.5% year-on-year for the industry, with personal loans clocking 7.9%. Business loans grew at a slower pace of 3.7% year-on-year. Mortgages grew 8.8% year-on-year, contributing to 77% of the total loan growth. This is due to an increase in property transactions and completion of construction of apartments that were sold on a deferred payment basis in last few years. Business loans have become a drag on overall loan growth this year, due to continued risk reduction by banks. As operating leverage becomes a concern for business credit, we expect banks to closely ration business loan growth.

Going forward, we will continue to favour Banks and Commodity-related names. With ample liquidity flows, household wealth holding steady and key economic indicators continuing to surprise on the upside, this economic recovery is starting to look more V-shaped. There is an increasing chance that this recession will be over by the third quarter. Aggressive fiscal and monetary policies worldwide and domestically have shortened and cushioned the severity of this recession. In particular, job losses and lending activities have not retrenched as sharply as in past recessions. We view this market pullback as a buying window for the next leg up.

Amid the prevailing uncertainty, we remain focused on quality blue chips and big cap stocks. Our focus is on finding companies with strong earnings growth, solid balance sheets and quality management. We will continually re-assess the companies' fundamentals in the coming months.

Risks

The risk in the Growth Fund is diversified by investing in a mixture of local and global bonds and equities. As the fund has investments in equities and bonds, it is subject to (1) equity risk which includes market risk, company risk, selection risk, currency risk and counter party risk; and (2) debt risk which includes interest rate sensitivity, credit risk, changes in debt rating and credit rating, currency risk and sovereign risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

Expense and Turnover Ratio

	As of 30 June 2009	As of 30 June 2008
Expense Ratio	1.02%	1.02%
Turnover Ratio	N.A.	N.A.
Singapore Equity	3.54%	15.76%
Singapore Bond	7.72%	28.57%
Global Equity	37.80%	41.39%
Global Bond	133.70%	325.26%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Asset and Country Allocation as of 30 June 2009

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Credit Rating of Debt Securities

More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

COMBINED FUND (GROWTH)

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	206,587,404
Purchase of new units	15,240,449
Redemption of units	(4,808,832)
Gain/(loss) on investments and other income	16,952,421
Management fee and other charges	(128)
Net assets as of 30 June 2009	233,971,314

Units in issue	177,987,334
Net asset value per unit	
- at the beginning of the year	1.218
- as of 30 June 2009	1.315

Exposure to Derivatives
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Related Party Disclosure
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Soft Dollar Commission or Arrangement
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Conflict of Interests
More information can be found in the respective Fund Reports of Singapore Equity Fund, Singapore Bond Fund, Global Equity Fund and Global Bond Fund.

Other Parties
The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes
With effect from 20 March 2009, Fischer Francis Trees and Watts and Wellington International Management Company Pte Ltd ceased to be the sub-managers of Global Bond Fund.

With effect from 18 February 2009, DBS Asset Management ceased to be the sub-manager of Singapore Equity Fund.

Reports
The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

ENHANCED FUND

Investment Objective

To achieve long-term capital appreciation by investing in stocks and fixed income securities in the region, including North Asian and South-East Asian countries. The strategy is to be value oriented.

Investment Scope

The investment scope is Singapore (39%), Hong Kong (18%) and Thailand (13%) stocks and Singapore bonds (30%). The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 1 September 1995
Direct Investment held by ILP Policyholders	: S$84 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: 1.0% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA and CPF SA)
CPF Rating	: 3B

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

June 2009	S$ ('m)	% of Net Asset Value
SIGB 3.5% 010327	4.1	4.9%
UNITED OVERSEAS BANK LTD	3.7	4.4%
DBS GROUP HOLDINGS LTD	3.6	4.2%
SINGAPORE TELECOMMUNICATIONS LTD	3.3	3.9%
HSBC HOLDINGS PLC	3.1	3.7%
SIGB 3.75% 010916	2.0	2.3%
SIGB 3.25% 010920	1.7	2.0%
CHINA CONSTRUCTION BANK	1.7	2.0%
OVERSEAS CHINESE BANKING	1.5	1.8%
HONGKONG LAND HOLDINGS LTD	1.5	1.8%

June 2008	S$ ('m)	% of Net Asset Value
UNITED OVERSEAS BANK LTD	5.7	4.0%
DBS GROUP HOLDINGS LTD	5.3	3.8%
SINGAPORE TELECOMMUNICATIONS LTD	5.2	3.7%
OVERSEAS CHINESE BANKING CORP	4.8	3.4%
SIGB 3.625% 010714	4.0	2.8%
HSBC HOLDINGS PLC	3.8	2.7%
CHINA MOBILE (HK) LTD	3.8	2.7%
SIGB 3.5% 010327	3.7	2.6%
KEPPEL CORP LTD	3.3	2.4%
JARDINE MATHESON HOLDINGS LTD	3.0	2.1%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Fund Manager

NTUC Income
Incorporated in 1970, NTUC Income is one of the largest insurance companies in Singapore. In its 39 years of operation, NTUC Income has matured into a leading insurer with assets of S$20.3 billion.

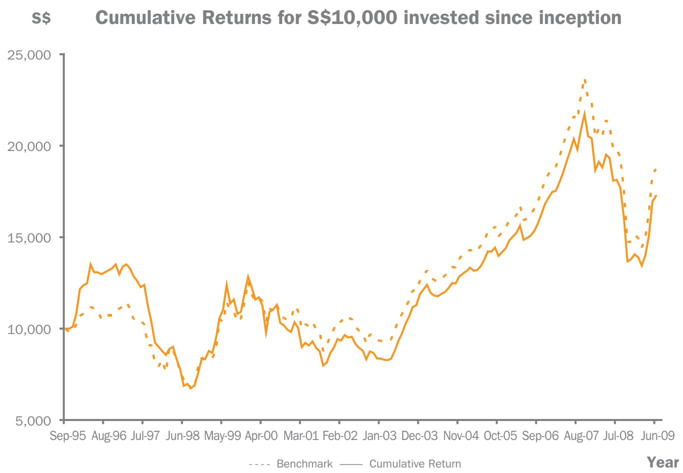
Its highly qualified team manages its funds with a long-term value approach. With a strong commitment to its Co-operative values, NTUC Income also seeks to achieve the best value for its policyholders. It is also the manager of Singapore's longest running Investment-Linked fund, the Prime Fund, since 1973.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Enhanced Fund	23.3%	22.8%	-4.5%	4.9%	7.7%	3.4%	4.0%
Benchmark*	25.1%	23.9%	-5.4%	5.3%	8.0%	5.1%	4.6%

*Benchmark: 39% FTSE Straits Times Index (FTSE STI)
18% Hang Seng Index in Singapore Dollars
13% Stock Exchange of Thailand Index in Singapore Dollars
30% UOB Long Bond Index

ENHANCED FUND



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important
For NTUC Income's ILP sub-funds, the management fee and other fund charges are deducted from the net asset value before the bid prices and investment performance are calculated. We advise our investors to take note of this while comparing the bid prices and performance of our funds versus other similar funds in the market.

Market Review

In second quarter 2009, the MSCI Asia ex-Japan recorded its strongest quarter since 2001, rising 30.2% quarter-on-quarter. In June, markets simply paused for breath with Asia ex-Japan sliding 0.7%. An attractive valuation starting point (Asia ex-Japan started the quarter at 1.36x P/BV), quantitative easing and bank recapitalisation in the G7, the end of the US recession and a strong Chinese recovery all supported Asian equities during the quarter.

In June, the Straits Times Index (FSSTI) rose a modest 0.2% to 2,333. For second quarter 2009, the index is up 37.2%. Signs of economic stabilisation are emerging. Non-oil domestic exports (NODX) registered the fourth straight month of increase in seasonally adjusted month-on-month terms, rising 1.8% in May. Singapore's manufacturing economy expanded for a second straight month in June as the Purchasing Managers' Index (PMI) was at 51.1, which was only a shade below May's 51.2. More positive signs surfaced in the electronics sector, the electronics PMI rose to 55.0, higher than May's 52.9 and the highest readings since December 2007.

The Hang Seng Index rose 1.4% (in S$ terms) in June and +29% in second quarter 2009, driven by the improving economic figures and strong liquidity. Hong Kong economic figures continued to show signs of stabilising. Trade activity surprised on the upside in May, heading for a near 50% quarter-on-quarter gain in second quarter 2009 following the 50% contraction last quarter. The labour market has shown signs of stabilisation as unemployment rate stayed unchanged at 5.3% in May. In China, gradual improvement in the external demand outlook, robust expansion in domestic demand, and strong rebound in industrial production in recent months have bolstered the market's confidence. Trade surplus for May increased to US$13.4 billion with import declining 25.2% year-on-year (versus April's 23%) and exports declining 26.4% year-on-year (versus April's 22.6%). Industrial production rose 8.9% year-on-year in May versus April's +7.3%. Retail sales rose 15.2% year-on-year in May versus April's 14.8%, as the government spent heavily to boost growth. The government raised gasoline and diesel prices following the increase in the cost of international crude oil. Gasoline prices rose by 6.1% and diesel prices by 6.9%.

The Stock Exchange of Thailand Index (SET) rose 7.6% (in S$ terms). For second quarter 2009, the index was up 37.2% but May economic figures were still disappointing. Manufacturing production fell 10% year-on-year and 1.2% month-on-month. May's trade surplus of $2.34 billion ensured that Thailand's external position remained strong despite the 26.5% decline in May exports. Policy-driven deflation continued to persist in Thailand with June prices declining 4.0% year-on-year (versus a decline of 3.3% in May).

Going forward, we are optimistic on equities over the second half of 2009. From the March low, Asia ex-Japan is up 60%. Currently trading at P/B 1.7x and P/E 15x, Asia ex-Japan is due for a pause after such a strong run. First half results will set the tone for the next move. If earnings come through and confirm a V-shaped recovery, the downside risk will be removed and markets can move higher. Although recovery will be slow, policy and positioning remain supportive. We would look at using the summer weakness as a buying opportunity for another cyclical advance.

Our focus is on finding companies with strong earnings growth, solid balance sheets and quality management. We will continually re-assess the companies' fundamentals in the coming months.

Risks

The risk in the Enhanced Fund is diversified by investing in a mixture of Asian equities and bonds. As the fund has investments in equities and bonds, it is subject to (1) equity risk which includes market risk, company risk, selection risk, currency risk and counter party risk; and (2) debt risk which includes interest rate sensitivity, credit risk, changes in debt rating and credit rating, currency risk and sovereign risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

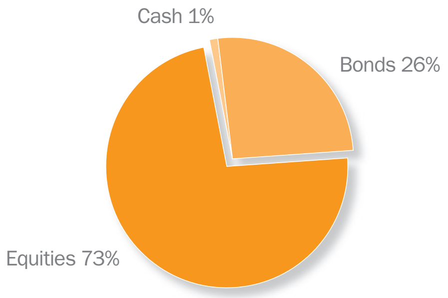
NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

Expense and Turnover Ratio

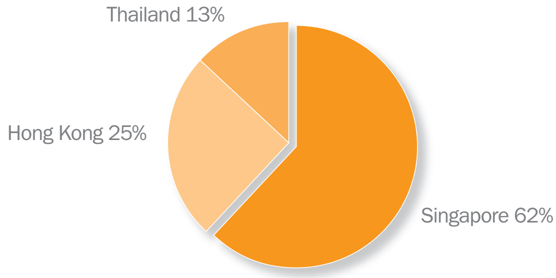
	Expense Ratio	Turnover Ratio
As of 30 June 2009	0.96%	29.34%
As of 30 June 2008	0.94%	15.88%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Asset and Country Allocation as of 30 June 2009

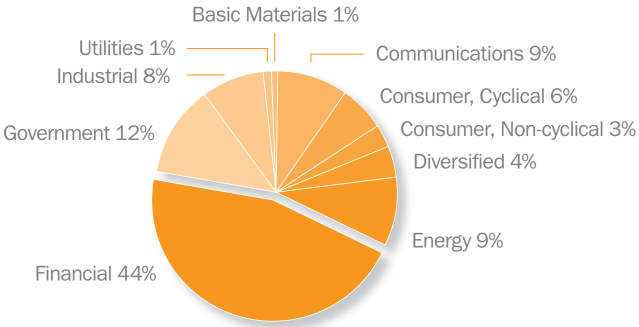


	S$('m)
Bonds	21.8
Equities	61.5
Cash	0.7
Total	84.0



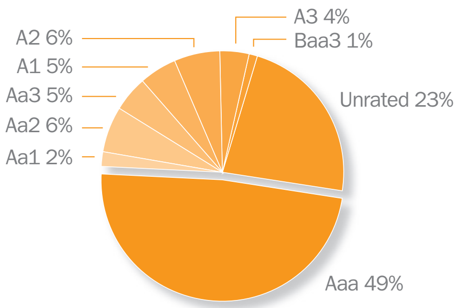
	S$('m)
Singapore	51.4
Hong Kong	20.7
Thailand	11.1
Total	83.2

Sector Allocation as of 30 June 2009



	S$('m)
Basic Materials	0.5
Communications	7.8
Consumer, Cyclical	5.4
Consumer, Non-cyclical	2.8
Diversified	3.7
Energy	7.9
Financial	37.0
Government	10.3
Industrial	6.6
Utilities	1.2
Total	83.2

Credit Rating of Debt Securities



Moody's rating or its equivalent

	S$('m)
Aaa	10.6
Aa1	0.3
Aa2	1.3
Aa3	1.1
A1	1.0
A2	1.3
A3	0.9
Baa3	0.1
Unrated	5.1
Total	21.8

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

ENHANCED FUND

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	67,832,189
Purchase of new units	2,273,840
Redemption of units	(1,704,398)
Gain/(loss) on investments and other income	15,943,325
Management fee and other charges	(387,375)
Net assets as of 30 June 2009	83,957,581

Units in issue	59,666,900
Net asset value per unit	
- at the beginning of the year	1.146
- as of 30 June 2009	1.407

Exposure to Derivatives
There is no exposure to derivatives.

Related Party Disclosures
NTUC Income is the Administrator and the Manager of the Fund. During the financial period ended 30 June 2009, management fee paid or payable by the Fund to the Administrator and Manager is S$266,614.

Soft Dollar Commission or Arrangement
Soft dollar commission/arrangement has been received/entered into by the Manager in respect of the ILP. The soft dollar commission relates essentially to computer software used in support of the investment process. The Manager will not accept or enter into soft dollar commission/arrangement unless such commission/arrangement would, in the opinion of the Manager, assist the Manager in the management of the ILP. The Manager confirms that trades were executed at the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned, and there was no churning of trades. The said broker has also executed trades for other ILPs managed by the Manager.

Conflict of Interests
NTUC Income has advised that certain inherent conflict of interest may arise from time to time. However, actions are taken to mitigate/resolve such conflict of interests.

Other Parties
The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes
There are no material changes in the investment objective and orientation of the fund for the financial period ended 30 June 2009.

Reports
The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

PRIME FUND

Investment Objective
To achieve long-term capital appreciation by investing in stocks and fixed income securities in the region, including North Asian and South-East Asian countries. The strategy is to be value oriented.

Investment Scope
The investment scope is Singapore (30%), Hong Kong (20%) and Thailand (10%) stocks and regional bonds (40%). The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 2 August 1973
Direct Investment held by ILP Policyholders	: S$191 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: 1.0% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA and CPF SA)
CPF Rating	: 3B

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

June 2009	S$ ('m)	% of Net Asset Value
SIGB 3.5% 010327	13.3	7.0%
HSBC HOLDINGS PLC	7.7	4.0%
DBS GROUP HOLDINGS LTD	6.5	3.4%
UNITED OVERSEAS BANK LTD	6.3	3.3%
SIGB 0.75% 010916	6.3	3.3%
SIGB 3.25% 010920	5.5	2.9%
SINGAPORE TELECOMMUNICATIONS LTD	5.4	2.8%
SIGB 3.125% 010922	4.5	2.4%
CHINA CONSTRUCTION BANK	4.1	2.2%
CHINA MOBILE (HK) LTD	3.4	1.8%

June 2008	S$ ('m)	% of Net Asset Value
SIA $900m 4.15% 191211	18.3	4.1%
SIGB 3.625% 010714	15.6	3.5%
UNITED OVERSEAS BANK LTD	14.9	3.3%
SIGB 3.5% 010327	14.4	3.2%
HSBC HOLDINGS PLC	13.9	3.1%
CHINA MOBILE (HK) LTD	13.9	3.1%
DBS GROUP HOLDINGS LTD	13.2	3.0%
SINGAPORE TELECOMMUNICATIONS LTD	11.6	2.6%
OVERSEAS CHINESE BANKING	11.6	2.6%
PSA $600M 4.91% 150810	10.6	2.4%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Fund Manager

NTUC Income
Incorporated in 1970, NTUC Income is one of the largest insurance companies in Singapore. In its 39 years of operation, NTUC Income has matured into a leading insurer with assets of S$20.3 billion.

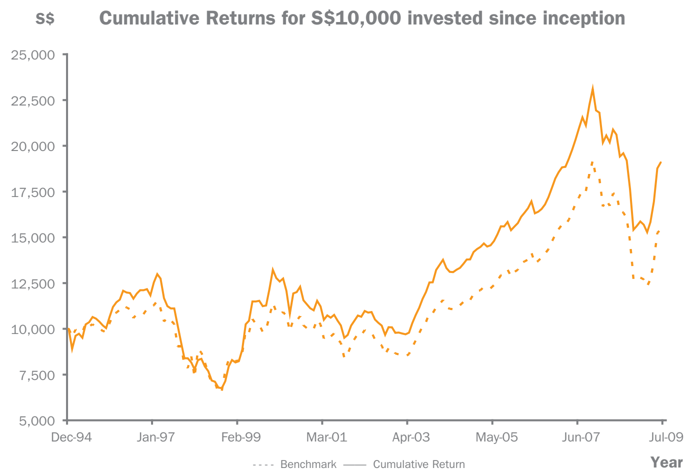
Its highly qualified team manages its funds with a long-term value approach. With a strong commitment to its Co-operative values, NTUC Income also seeks to achieve the best value for its policyholders. NTUC Income manages this fund since 1973, which is the longest running Investment-Linked fund in Singapore.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Prime Fund	20.6%	20.3%	-1.7%	5.2%	7.6%	5.2%	9.1%
Benchmark*	21.3%	20.5%	-6.2%	4.0%	6.5%	3.9%	N.A.

*Benchmark: 30% FTSE Straits Times Index (FTSE STI)
20% Hang Seng Index in Singapore Dollars
10% Stock Exchange of Thailand Index in Singapore Dollars
40% Singapore 3 months deposit rate

PRIME FUND



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important
For NTUC Income's ILP sub-funds, the management fee and other fund charges are deducted from the net asset value before the bid prices and investment performance are calculated. We advise our investors to take note of this while comparing the bid prices and performance of our funds versus other similar funds in the market.

Market Review

In second quarter 2009, the MSCI Asia ex-Japan recorded its strongest quarter since 2001, rising 30.2% quarter-on-quarter. In June, markets simply paused for breath with Asia ex-Japan sliding 0.7%. An attractive valuation starting point (Asia ex-Japan started the quarter at 1.36x P/BV), quantitative easing and bank recapitalisation in the G7, the end of the US recession and a strong Chinese recovery all supported Asian equities during the quarter.

In June, the Straits Times Index (FSSTI) rose a modest 0.2% to 2,333. For second quarter 2009, the index is up 37.2%. Signs of economic stabilisation are emerging. Non-oil domestic exports (NODX) registered the fourth straight month of increase in seasonally adjusted month-on-month terms, rising 1.8% in May. Singapore's manufacturing economy expanded for a second straight month in June as the Purchasing Managers' Index (PMI) was at 51.1, which was only a shade below May's 51.2. More positive signs surfaced in the electronics sector, the electronics PMI rose to 55.0, higher than May's 52.9 and the highest readings since December 2007.

The Hang Seng Index rose 1.4% (in S$ terms) in June and +29% in second quarter 2009, driven by the improving economic figures and strong liquidity. Hong Kong economic figures continued to show signs of stabilising. Trade activity surprised on the upside in May, heading for a near 50% quarter-on-quarter gain in second quarter 2009 following the 50% contraction last quarter. The labour market has shown signs of stabilisation as unemployment rate stayed unchanged at 5.3% in May. In China, gradual improvement in the external demand outlook, robust expansion in domestic demand, and strong rebound in industrial production in recent months have bolstered the market's confidence. Trade surplus for May increased to US$13.4 billion with import declining 25.2% year-on-year (versus April's 23%) and exports declining 26.4% year-on-year (versus April's 22.6%). Industrial production rose 8.9% year-on-year in May versus April's +7.3%. Retail sales rose 15.2% year-on-year in May versus April's 14.8%, as the government spent heavily to boost growth. The government raised gasoline and diesel prices following the increase in the cost of international crude oil. Gasoline prices rose by 6.1% and diesel prices by 6.9%.

The Stock Exchange of Thailand Index (SET) rose 7.6% (in S$ terms). For second quarter 2009, the index was up 37.2%. May economic figures were still disappointing. Manufacturing production fell 10% year-on-year and 1.2% month-on-month. May's trade surplus of $2.34 billion ensured that Thailand's external position remained strong despite the 26.5% decline in May exports. Policy-driven deflation continued to persist in Thailand with June prices declining 4.0% year-on-year (versus a decline of 3.3% in May).

Going forward, we are optimistic on equities over the second half of 2009. From the March low, Asia ex-Japan is up 60%. Currently trading at P/B 1.7x and P/E 15x, Asia ex-Japan is due for a pause after such a strong run. First half results will set the tone for the next move. If earnings come through and confirm a V-shaped recovery, the downside risk will be removed and markets can move higher. Although recovery will be slow, policy and positioning remain supportive. We would look at using the summer weakness as a buying opportunity for another cyclical advance.

Our focus is on finding companies with strong earnings growth, solid balance sheets and quality management. We will continually re-assess the companies' fundamentals in the coming months.

Risks

The risk in the Prime Fund is diversified by investing in a mixture of Asian equities and bonds. As the fund has investments in equities and bonds, it is subject to (1) equity risk which includes market risk, company risk, selection risk, currency risk and counter party risk; and (2) debt risk which includes interest rate sensitivity, credit risk, changes in debt rating and credit rating, currency risk and sovereign risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

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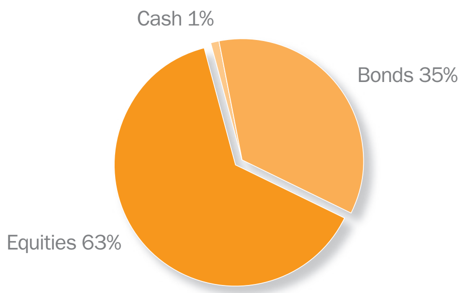
Expense and Turnover Ratio

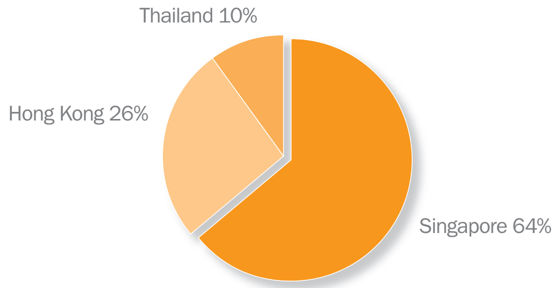
	Expense Ratio	Turnover Ratio
As of 30 June 2009	0.96%	32.09%
As of 30 June 2008	0.91%	16.93%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Asset and Country Allocation as of 30 June 2009

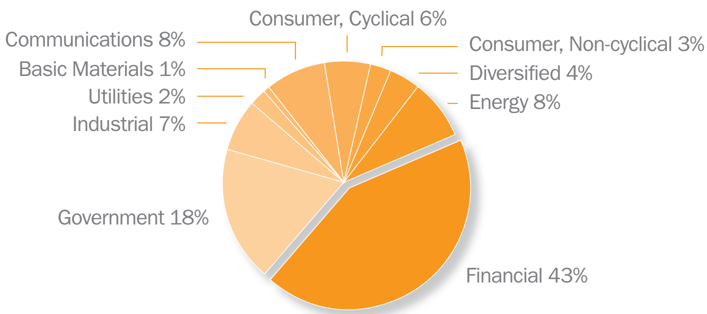


	S$('m)
Bonds	66.8
Equities	121.1
Cash	2.8
Total	190.8



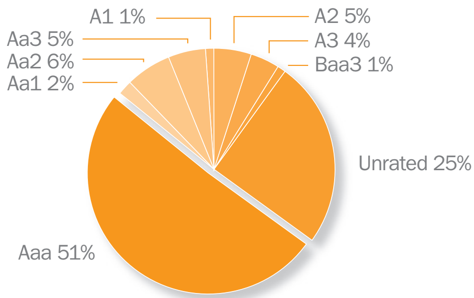
	S$('m)
Singapore	119.9
Hong Kong	49.8
Thailand	18.3
Total	188.0

Sector Allocation as of 30 June 2009



	S$('m)
Basic Materials	1.0
Communications	14.2
Consumer, Cyclical	11.6
Consumer, Non-cyclical	6.5
Diversified	8.3
Energy	15.2
Financial	81.7
Government	33.2
Industrial	12.4
Utilities	3.7
Total	188.0

Credit Rating of Debt Securities



Moody's rating or its equivalent

	S$('m)
Aaa	34.2
Aa1	1.1
Aa2	4.1
Aa3	3.5
A1	0.8
A2	3.4
A3	2.9
Baa3	0.4
Unrated	16.4
Total	66.8

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

PRIME FUND

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	157,305,160
Purchase of new units	5,334,050
Redemption of units	(4,005,520)
Gain/(loss) on investments and other income	32,893,354
Management fee and other charges	(766,732)
Net assets as of 30 June 2009	190,760,312

Units in issue	36,789,600
Net asset value per unit	
- at the beginning of the year	4.309
- as of 30 June 2009	5.185

Exposure to Derivatives
Fair value of derivatives contracts as of 30 June 2009 is S$10,332 representing 0.01% of the net asset value of the Fund. There is no net gain/(loss) on derivatives contracts realised during the period.

Related Party Disclosure
NTUC Income is the Administrator and the Manager of the Fund. During the financial period ended 30 June 2009, management fee paid or payable by the Fund to the Administrator and Manager is S$549,028.

Soft Dollar Commission or Arrangement
Soft dollar commission/arrangement has been received/entered into by the Manager in respect of the ILP. The soft dollar commission relates essentially to computer software used in support of the investment process. The Manager will not accept or enter into soft dollar commission/arrangement unless such commission/arrangement would, in the opinion of the Manager, assist the Manager in the management of the ILP. The Manager confirms that trades were executed at the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned, and there was no churning of trades. The said broker has also executed trades for other ILPs managed by the Manager.

Conflict of Interests
NTUC Income has advised that certain inherent conflict of interest may arise from time to time However, actions are taken to mitigate/resolve such conflict of interests.

Other Parties
The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes
There are no material changes in the investment objective and orientation of the fund for the financial period ended 30 June 2009.

Reports
The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

Investment Objective

To achieve long-term capital appreciation by investing in a diversified global portfolio of equity securities issued by companies considered to be in compliance with Islamic guidelines. This fund is designed based on Islamic principles.

Investment Scope

The fund invests in the equity markets of Singapore, Hong Kong and Thailand in instruments that are Syariah compliant. Effective from 1 June 2001, 60% of the fund is invested in Hegira Global Equity Fund. The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 1 September 1995
Direct Investment held by ILP Policyholders	: S$23 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: 1.0% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA)
CPF Rating	: 4A

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

June 2009	S$ ('m)	% of Net Asset Value	June 2008	S$ ('m)	% of Net Asset Value
HEGIRA GLOBAL EQUITY FUND	11.0	48.4%	HEGIRA GLOBAL EQUITY FUND	32.8	52.4%
SINGAPORE TELECOMMUNICATIONS LTD	0.5	2.4%	CHINA MOBILE (HK) LTD	1.9	3.1%
CHINA MOBILE (HK) LTD	0.4	2.0%	SINGAPORE TELECOMMUNICATIONS LTD	1.2	2.0%
CAPITAMALL TRUST	0.4	1.9%	KEPPEL CORP LTD	1.0	1.7%
HONGKONG LAND HOLDINGS LTD	0.4	1.8%	SINGAPORE EXCHANGE LTD	0.8	1.3%
CHINA LIFE INSURANCE	0.3	1.4%	CHINA LIFE INSURANCE	0.8	1.2%
SINGAPORE PRESS HOLDINGS	0.3	1.4%	SINGAPORE AIRLINES LTD	0.7	1.2%
PETROCHINA LTD	0.3	1.3%	HONGKONG LAND HOLDINGS LTD	0.7	1.1%
CNOOC LTD	0.3	1.2%	CAPITALAND LTD	0.6	0.9%
FIRST RESOURCES	0.3	1.1%	CITY DEVELOPMENTS	0.5	0.9%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Top 10 Holdings of Hegira
GLOBAL EQUITY FUND

June 2009	S$ ('m)	% of Net Asset Value	June 2008	S$ ('m)	% of Net Asset Value
MICROSOFT CORP	0.4	2.3%	AGRIUM INC	0.9	2.3%
ASTRAZENECA PLC	0.4	2.2%	E ON AG	0.9	2.3%
BP PLC	0.4	2.2%	OMV AG	0.8	2.1%
AMGEN INC	0.3	1.8%	POTASH CORP	0.8	2.1%
ACCENTURE LTD	0.3	1.7%	OCCIDENTAL PETROLEUM	0.8	1.9%
ASTELLAS PHARMA INC	0.3	1.7%	MICROSOFT CORP	0.7	1.9%
ELI LILLY & CO	0.3	1.6%	CONOCOPHILLIPS	0.7	1.7%
PFIZER INC	0.3	1.5%	ASTELLAS PHARMA INC	0.7	1.7%
ENI SPA	0.3	1.5%	HEWLETT-PACKARD CO	0.7	1.7%
JOHNSON & JOHNSON	0.3	1.4%	VODAFONE GROUP PLC	0.7	1.7%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Fund Manager

NTUC Income is the Administrator of the fund.

The fund is jointly managed by NTUC Income and Wellington International Management Company Pte Ltd. 40% of the fund is invested in NTUC Income funds and 60% of the fund is invested in Hegira Global Equity Fund which is sub-advised by Wellington Management Company, LLP, a Massachusetts limited liability partnership.

TAKAFUL FUND

NTUC Income
Incorporated in 1970, NTUC Income is one of the largest insurance companies in Singapore. In its 39 years of operation, NTUC Income has matured into a leading insurer with assets of S$20.3 billion.

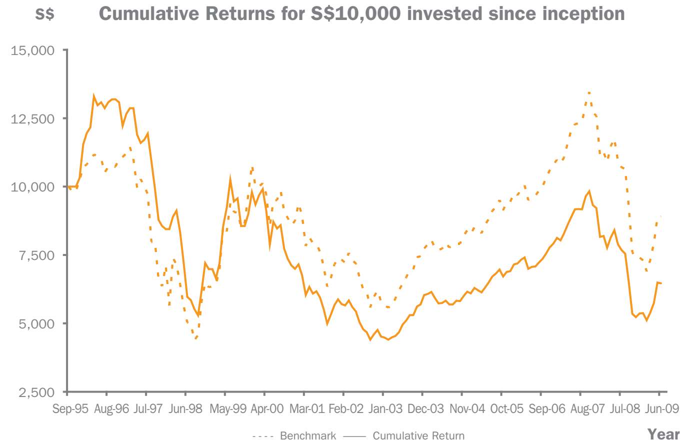
Its highly qualified team manages its funds with a long-term value approach. With a strong commitment to its Co-operative values, NTUC Income also seeks to achieve the best value for its policyholders. It is also the manager of Singapore's longest running Investment-Linked fund, the Prime Fund, since 1973.

Wellington International Management Company Pte Ltd (WIM)
WIM is an affiliate of Wellington Management Company, LLP (WMC) which was founded in 1928. Funds under management totalled US$448 billion. WMC is America's oldest and largest independent investment management firm and has invested in the world's fixed income markets for over 70 years. It manages mutual funds, corporate and public retirement plans, insurance entities, endowments, and investment partnerships globally. Headquartered in Boston, Massachusetts, it has a presence in numerous cities including Boston, Radnor, Atlanta, San Francisco, London, Singapore, Sydney, Tokyo and Hong Kong.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Takaful Fund	20.0%	20.6%	-18.0%	-2.9%	2.1%	-4.5%	-3.1%
Benchmark*	22.1%	20.4%	-18.5%	-2.4%	2.3%	-0.5%	-0.8%

*Benchmark: 60% Dow Jones Islamic Index in Singapore Dollars
20% FTSE Straits Times Index (FTSE STI)
16% Hang Seng Index in Singapore Dollars
4% Stock Exchange of Thailand Index in Singapore Dollars



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important
For NTUC Income's ILP sub-funds, the management fee and other fund charges are deducted from the net asset value before the bid prices and investment performance are calculated. We advise our investors to take note of this while comparing the bid prices and performance of our funds versus other similar funds in the market.

Market Review
After falling for six consecutive quarters, global equities rose in the second quarter as investors' risk aversion abated amid further signs that the worst of the financial crisis had passed and that a modest economic recovery may be under way. Positive developments during the quarter included better-than-expected bank profits, the repayment of TARP funds by several large US banks, and modestly improving business and consumer sentiment around the globe. These positive signs outweighed potentially troublesome developments including rising inflation concerns, a sharp rebound in oil prices, and a continued rise in global unemployment.

Within the DJ Islamic Market Index, all ten sectors recorded positive absolute returns, with Financials (+38%) and Industrials (+27%) performed the best and Health Care (+10%) and Consumer Staples (+10%) lagged.

Risks
As the fund has investments concentrating in equities, it is subject to equity risk which includes market risk, company risk, selection risk, currency risk and counter party risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

Expense and Turnover Ratio

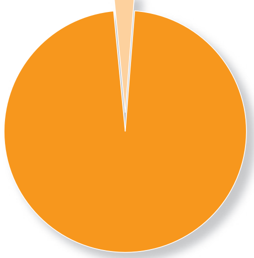
	Expense Ratio	Turnover Ratio
As of 30 June 2009	1.76%	18.08%
As of 30 June 2008	1.55%	13.63%

Underlying Hegira Global Equity Fund

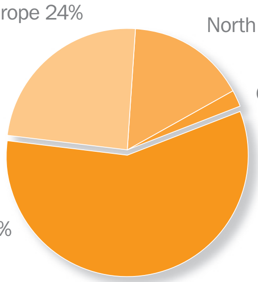
	Expense Ratio	Turnover Ratio
As of 30 June 2009	1.52%	102.00%
As of 30 June 2008	1.28%	92.00%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Asset and Country Allocation as of 30 June 2009

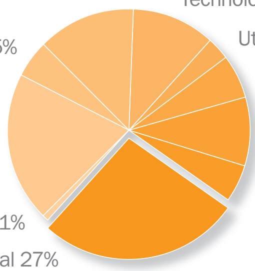


	S$('m)
Equities	22.0
Cash	0.7
Total	22.7



	S$('m)
Asia	12.8
Europe	5.3
North America	3.6
Others	0.4
Total	22.0

Sector Allocation as of 30 June 2009



	S$('m)
Basic Materials	1.3
Communications	2.0
Consumer, Cyclical	1.2
Consumer, Non-cyclical	5.9
Diversified	0.3
Energy	4.5
Financial	1.0
Industrial	2.8
Technology	2.5
Utilities	0.6
Total	22.0

Credit Rating of Debt Securities

There are no debt securities under the Takaful Fund.

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

TAKAFUL FUND

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	42,552,676
Purchase of new units	3,005,250
Redemption of units	(692,037)
Gain/(loss) on investments and other income	2,135,344
Management fee and other charges	(174,258)
Net investment by the Co-operative	(24,156,022)
Net assets as of 30 June 2009	22,670,953

Units in issue	43,051,638
Net asset value per unit	
- at the beginning of the year	0.437
- as of 30 June 2009	0.527

As of 30 June 2009, the Co-operative has liquidated its investment in the fund.

Exposure to Derivatives
There is no exposure to derivatives.

Related Party Disclosures
NTUC Income is the Administrator and one of the Managers of the Fund. During the financial period ended 30 June 2009, management fee paid or payable by the Fund to the Administrator and Manager is S$141,542.

Soft Dollar Commission or Arrangement
Soft dollar commission/arrangement has been received/entered into by the Manager in respect of the ILP. The soft dollar commission relates essentially to computer software used in support of the investment process. The Manager will not accept or enter into soft dollar commission/arrangement unless such commission/arrangement would, in the opinion of the Manager, assist the Manager in the management of the ILP. The Manager confirms that trades were executed at the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned, and there was no churning of trades. The said broker has also executed trades for other ILPs managed by the Manager.

Conflict of Interests
NTUC Income has advised that certain inherent conflict of interest may arise from time to time. However, actions are taken to mitigate/resolve such conflict of interests.

Other Parties
The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes
There are no material changes in the investment objective and orientation of the fund for the financial period ended 30 June 2009.

Reports
The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

Investment Objective
To achieve long-term capital appreciation by investing in stocks and fixed income securities in Singapore. The strategy is to be value oriented.

Investment Scope
The fund is fully invested in Singapore stocks (60%) and bonds (40%). The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 1 May 1994
Direct Investment held by ILP Policyholders	: S$87 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: 1.0% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes (CPF OA and CPF SA)
CPF Rating	: 3B

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

June 2009	S$ ('m)	% of Net Asset Value	June 2008	S$ ('m)	% of Net Asset Value
DBS GROUP HOLDINGS LTD	6.4	7.4%	UNITED OVERSEAS BANK LTD	11.2	6.5%
UNITED OVERSEAS BANK LTD	6.2	7.1%	DBS GROUP HOLDINGS LTD	10.4	6.1%
SIGB 3.5% 010327	5.3	6.1%	SINGAPORE TELECOMMUNICATIONS LTD	10.2	5.9%
SINGAPORE TELECOMMUNICATIONS LTD	4.5	5.2%	OVERSEAS CHINESE BANKING	9.1	5.3%
OVERSEAS CHINESE BANKING	3.5	4.0%	KEPPEL CORP LTD	6.1	3.6%
PSA 4.91% 150810	3.1	3.5%	SIGB 3.625 010714	6.0	3.5%
HONGKONG LAND HOLDINGS LTD	2.8	3.2%	PSA 4.91% 150810	5.8	3.4%
SIA $900M 4.15% 191211	2.7	3.1%	SIGB 3.5% 010327	5.5	3.2%
SIGB 3.75% 010916	2.5	2.9%	JARDINE MATHESON HOLDINGS LTD	4.9	2.9%
SINGAPORE PRESS HOLDINGS	2.2	2.5%	SINGAPORE AIRLINES LTD	4.4	2.6%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Fund Manager

NTUC Income
Incorporated in 1970, NTUC Income is one of the largest insurance companies in Singapore. In its 39 years of operation, NTUC Income has matured into a leading insurer with assets of S$20.3 billion.

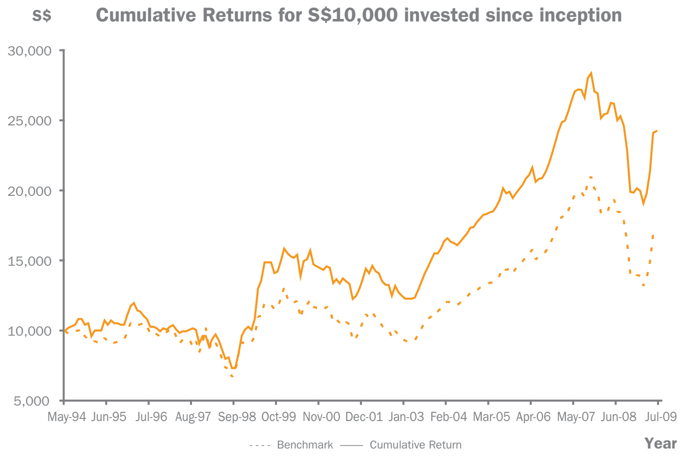
Its highly qualified team manages its funds with a long-term value approach. With a strong commitment to its Co-operative values, NTUC Income also seeks to achieve the best value for its policyholders. It is also the manager of Singapore's longest running Investment-Linked fund, the Prime Fund, since 1973.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Trust Fund	22.6%	20.3%	-3.1%	5.2%	8.2%	5.0%	6.0%
Benchmark*	23.0%	21.0%	-8.6%	3.4%	7.1%	3.5%	3.5%

*Benchmark: 60% FTSE Straits Times Index (FTSE STI)
40% Singapore 3 months deposit rate

TRUST FUND



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important
For NTUC Income's ILP sub-funds, the management fee and other fund charges are deducted from the net asset value before the bid prices and investment performance are calculated. We advise our investors to take note of this while comparing the bid prices and performance of our funds versus other similar funds in the market.

Market Review

In June, the Straits Times Index (FSSTI) rose a modest 0.2% to 2,333. For second quarter 2009, the index is up 37.2%. Consumer Staples was the best performer, up 6.8%, while Financials was the worst performer, down 1.8%. The market is trading at 15.7x 2009E and 13.7x 2010E PE.

Signs of economic stabilisation are emerging. Non-oil domestic exports (NODX) registered the fourth straight month of increase in seasonally adjusted month-on-month terms, rising 1.8% in May. In line with that, May's manufacturing output fell 1.6% month-on-month, after April's 25.9% increase. Economists are cautiously upbeat, saying that although the volatile pharmaceutical sector was the key driver of industrial production in May, signs of slowing output declines in other clusters are persisting. Singapore's manufacturing economy expanded for a second straight month in June as the Purchasing Managers' Index was at 51.1, which was only a shade below May's 51.2. More positive signs surfaced in the electronics sector, the electronics PMI rose to 55.0, higher than May's 52.9 and the highest readings since December 2007.

Property market remained buoyant. Sales momentum for the primary market is performing well, with 1,688 new unit sales registered in May 2009 (versus 1,207 in April 2009 and 322 in May 2008). Year-to-date developer's take-up of about 6,500 units is 1.5 times of 2008's 4,264 units. The buying frenzy has spread to the secondary market. The number of private homes sold in the resale market, excluding sub-sales, has risen to 1,464 units this quarter, +71% quarter-on-quarter.

In terms of loan growth, mortgages are holding the fort while business lending declined in May. May 2009 loan growth came in at 5.5% year-on-year for the industry, with personal loans clocking 7.9%. Business loans grew at a slower pace of 3.7% year-on-year. Mortgages grew 8.8% year-on-year, contributing to 77% of the total loan growth. This is due to an increase in property transactions and completion of construction of apartments that were sold on a deferred payment basis in the last few years. Business loans have become a drag on overall loan growth this year, due to continued risk reduction by banks. As operating leverage becomes a concern for business credit, we expect banks to closely ration business loan growth.

Going forward, we will continue to favour Banks and Commodity-related names. With ample liquidity flows, household wealth holding steady and key economic indicators continuing to surprise on the upside, this economic recovery is starting to look more V-shaped. There is an increasing chance that this recession will be over by the third quarter. Aggressive fiscal and monetary policies worldwide and domestically have shortened and cushioned the severity of this recession. In particular, job losses and lending activities have not retrenched as sharply as in past recessions. We view this market pullback as a buying window for the next leg up.

Our focus is on finding companies with strong earnings growth, solid balance sheets and quality management. We will continually re-assess the companies' fundamentals in the coming months.

Risks

The risk in the Trust Fund is diversified by investing in the Singapore equity and bond markets. As the fund has investments in equities and bonds, it is subject to (1) equity risk which includes market risk, company risk, selection risk, currency risk and counter party risk; and (2) debt risk which includes interest rate sensitivity, credit risk, changes in debt rating and credit rating, currency risk and sovereign risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

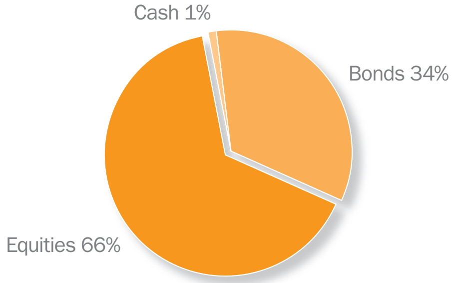
NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

Expense and Turnover Ratio

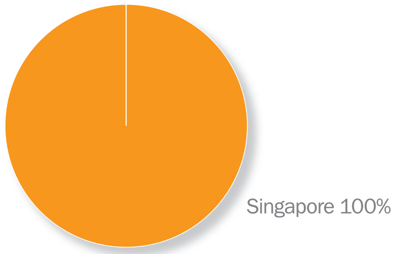
	Expense Ratio	Turnover Ratio
As of 30 June 2009	0.93%	17.22%
As of 30 June 2008	0.90%	4.45%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Asset and Country Allocation as of 30 June 2009

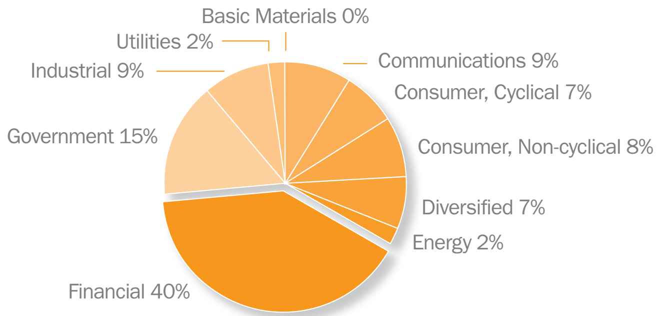


	S$('m)
Bonds	29.4
Equities	57.1
Cash	0.5
Total	87.0



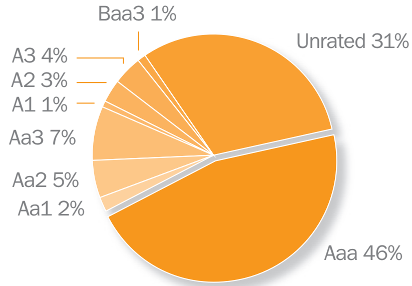
	S$('m)
Singapore	86.5
Total	86.5

Sector Allocation as of 30 June 2009



	S$('m)
Basic Materials	0.4
Communications	8.1
Consumer, Cyclical	6.4
Consumer, Non-cyclical	6.5
Diversified	5.9
Energy	1.6
Financial	34.8
Government	13.2
Industrial	8.2
Utilities	1.4
Total	86.5

Credit Rating of Debt Securities



Moody's rating or its equivalent

	S$('m)
Aaa	13.6
Aa1	0.4
Aa2	1.6
Aa3	2.1
A1	0.3
A2	1.0
A3	1.2
Baa3	0.2
Unrated	9.1
Total	29.4

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

TRUST FUND

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	71,827,724
Purchase of new units	2,522,144
Redemption of units	(1,955,216)
Gain/(loss) on investments and other income	14,924,179
Management fee and other charges	(284,354)
Net assets as of 30 June 2009	87,034,477

Units in issue	45,150,408
Net asset value per unit	
- at the beginning of the year	1.603
- as of 30 June 2009	1.928

Exposure to Derivatives
There is no exposure to derivatives.

Related Party Disclosures
NTUC Income is the Administrator and the Manager of the Fund. During the financial period ended 30 June 2009, management fee paid or payable by the Fund to the Administrator and Manager is S$249,900.

Soft Dollar Commission or Arrangement
Soft dollar commission/arrangement has been received/entered into by the Manager in respect of the ILP. The soft dollar commission relates essentially to computer software used in support of the investment process. The Manager will not accept or enter into soft dollar commission/arrangement unless such commission/arrangement would, in the opinion of the Manager, assist the Manager in the management of the ILP. The Manager confirms that trades were executed at the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned, and there was no churning of trades. The said broker has also executed trades for other ILPs managed by the Manager.

Conflict of Interests
NTUC Income has advised that certain inherent conflict of interest may arise from time to time. However, actions are taken to mitigate/resolve such conflict of interests.

Other Parties
The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes
There are no material changes in the investment objective and orientation of the fund for the financial period ended 30 June 2009.

Reports
The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

MONEY MARKET FUND

Investment Objective

To achieve a return that is better than short-term cash deposits while maintaining liquidity and security of capital.

Investment Scope

This fund invests mainly in good quality money market instruments and short- term bonds which include bank deposits, government and statutory board securities, certificates of deposit and corporate bonds. The fund is denominated in Singapore dollars. Non-SGD denominated investments, if any, will be hedged to the Singapore dollar.

This fund may be suitable for investors seeking for yield enhancement to their SGD deposit.

We advise all investors to consider the fund's objectives, risks, charges and expenses carefully before investing in any ILP sub-funds. Our insurance advisers would be able to help you with your investment choices. Do note that the purchase of a unit in this money market fund is not the same as placing funds on deposit with a bank or deposit-taking financial institution.

Fund Details as of 30 June 2009

Inception	: 1 May 2006
Direct Investment held by ILP Policyholders	: S$50 million
Initial Sales Charge	: 0.25%
Annual Management Charge	: 0.25% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value.
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30, whichever is higher. This is not applicable for FlexiCash, as it does not cater for switching.
Inclusion in CPFIS	: N.A.
CPF Rating	: N.A.

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

June 2009	S$ ('m)	% of Net Asset Value	June 2008	S$ ('m)	% of Net Asset Value
SITB 160709	11.0	22.0%	SITB 240708	50.0	15.9%
SITB 300709	8.0	16.0%	SITB 071708	40.0	12.7%
SITB 090709	5.0	10.0%	SITB 290908	20.0	6.3%
SITB 060809	4.0	8.0%	SITB 040509	14.9	4.7%
SITB 170909	3.0	6.0%	HSBC 3.18% 241108	14.1	4.5%
HOUSING & DEV 2.52% 031109	2.3	4.5%	SINGAPORE T-BILLS	11.0	3.5%
KFW KFW 1.9% 031911	2.0	4.0%	LAND TRANSPORT 3.76% 210509	10.2	3.2%
LAND TRANSPORT 4.92% 130709	1.6	3.2%	WESTPAC BANKING 3.1% 120908	10.0	3.2%
MCDONALD'S CORP 3.6275% 101010	1.5	3.1%	JURONG TOWN CORP 4.875% 0109	8.3	2.6%
HOUSING & DEV 5.07% 210909	1.5	2.9%	GECC 3.65% 060409	7.6	2.4%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Fund Manager

Incorporated in 1970, NTUC Income is one of the largest insurance companies in Singapore. In its 39 years of operation, NTUC Income has matured into a leading insurer with assets of S$20.3 billion.

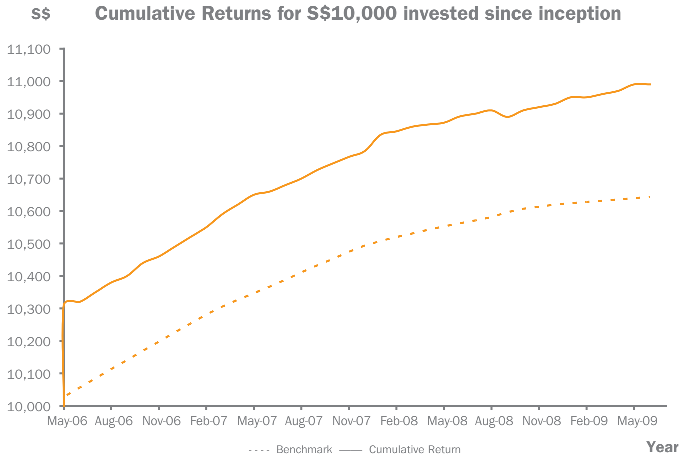
Its highly qualified team manages its funds with a long-term value approach. With a strong commitment to its Co-operative values, NTUC Income also seeks to achieve the best value for its policyholders. It is also the manager of Singapore's longest running Investment-Linked fund, the Prime Fund, since 1973.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Money Market Fund	0.3%	0.5%	0.9%	2.1%	N.A.	N.A.	3.0%
Benchmark*	0.1%	0.2%	0.8%	1.9%	N.A.	N.A.	2.0%

*Benchmark: Singapore 3-month Interbank Bid Rate

MONEY MARKET FUND



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important
For NTUC Income's ILP sub-funds, the management fee and other fund charges are deducted from the net asset value before the bid prices and investment performance are calculated. We advise our investors to take note of this while comparing the bid prices and performance of our funds versus other similar funds in the market.

Market Review

Money market rates declined sharply in the first six months of 2009 with Singapore overnight rates averaging 18 basis points in the past three months causing the term lending rates to remain low. Singapore government bonds on the other hand ended the half-year period weaker. Bond prices were under pressure amid improved risk appetite, equity market rally and higher US bond yields. The latest US Federal Open Market Committee (FOMC) statement signalled no rush to tighten, although there was some downplaying of downside risks on inflation. There will be no change in the Fed funds rate this year.

Singapore GDP contracted 3.7% year-on-year in second quarter 2009 but increased 20.4% quarter-on-quarter, marking the first quarterly expansion since first quarter 2008 according to the advance estimates. The better than expected performance was led by manufacturing on the back of a surge in biomedical output and electronics inventory restocking. The worst of the downturn is over for the Singapore economy but the pace of the recovery is expected to be moderate. Inflationary pressure is likely to remain muted given the lackluster domestic demand. The weakness of the labour market should also help to contain wage costs in next few quarters. We expect the authority to retain its current neutral policy stance in view of the moderate recovery and subdued inflation outlook.

The money market rates are expected to stay at current low levels amid flush liquidity in the banking system. We continue to favour short-term corporate bonds that are priced over swap for the yield carry.

Risks

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

The money market fund is not a capital guaranteed fund. We do not guarantee the amount of capital invested or return received. Although the fund manager seeks to preserve the principal value, we do not assure that the ILP sub-fund can fully meet its objective.

However, since the fund is invested mainly in the interbank market, i.e. the money is lent to banks. A small portion of the fund is invested with well-rated corporations. The fund is well-diversified with a large number of borrowers.

The money is invested in short-term deposits, with a maximum duration of three years. The average duration is likely to be around six months. This ensures that the investments will not be adversely affected by a large change in the interest rate.

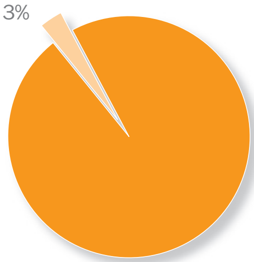
NTUC Income's ILP funds are not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP funds.

Expense and Turnover Ratio

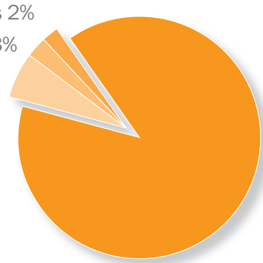
	Expense Ratio	Turnover Ratio
As of 30 June 2009	0.26%	106.73%
As of 30 June 2008	0.28%	14.82%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Asset and Country Allocations as of 30 June 2009

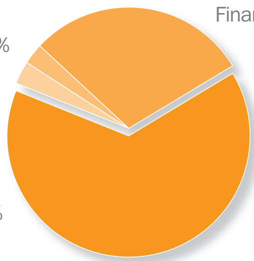


	S$('m)
Bonds	48.3
Cash	1.6
Total	49.9



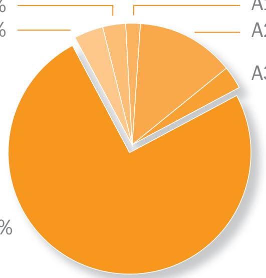
	S$('m)
Singapore	43.0
Europe	2.8
North America	1.5
Others	1.0
Total	48.3

Sector Allocation as of 30 June 2009



	S$('m)
Consumer, Cyclical	1.5
Financial	14.1
Government	31.1
Industrial	1.6
Total	48.3

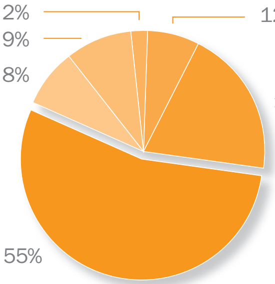
Credit Rating of Debt Securities



Moody's rating or its equivalent

	S$('m)
Aaa	2.0
Aa2	1.5
A1	1.0
A2	6.1
A3	1.3
Unrated	36.4
Total	48.3

Term to Maturity of Investments



Term to maturity

	S$('m)
1 - 30 days	27.3
31 - 60 days	4.0
61 - 90 days	4.5
91 - 120 days	1.0
121 - 180 days	3.3
> 180 days	9.8
Grand Total	49.9

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

MONEY MARKET FUND

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	54,243,880
Purchase of new units	7,596,091
Redemption of units	(12,166,363)
Gain/(loss) on investments and other income	279,865
Management fee and other charges	(68,128)
Net assets as of 30 June 2009	49,885,345

Units in issue	45,378,042
Net asset value per unit	
- at the beginning of the year	1.093
- as of 30 June 2009	1.099

Exposure to Derivatives

There is no exposure to derivatives.

Related Party Disclosures

NTUC Income is the Administrator and the Manager of the Fund. During the financial period ended 30 June 2009, management fee paid or payable by the Fund to the Administrator and Manager is S$64,936.

Soft Dollar Commission or Arrangement

Soft dollar commission/arrangement has been received/ entered into by the Manager in respect of the ILP. The soft dollar commission relates essentially to computer software used in support of the investment process. The Manager will not accept or enter into soft dollar commission/arrangement unless such commission/arrangement would, in the opinion of the Manager, assist the Manager in the management of the ILP. The Manager confirms that trades were executed at the best available terms, taking into account the relevant market at the time for transactions of the kind and size concerned, and there was no churning of trades. The said broker has also executed trades for other ILPs managed by the Manager.

Conflict of Interests

NTUC Income has advised that certain inherent conflict of interest may arise from time to time. However, actions are taken to mitigate/resolve such conflict of interests.

Other Parties

The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes

There are no material changes in the investment objective and orientation of the fund for the financial period ended 30 June 2009.

Reports

The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

TECHNOLOGY FUND

Investment Objective

To achieve long-term capital growth by investing globally in technology or technology related industries.

Investment Scope

The fund is fully invested in global technology equities. The fund is denominated in Singapore Dollars.

Fund Details as of 30 June 2009

Inception	: 1 August 2000
Direct Investment held by ILP Policyholders	: S$60 million
Initial Sales Charge	: 3.0%
Annual Management Charge	: 1.25% p.a.
Switching Fee (ID5)	: 0.2% of each transaction value
Switching Fee (Others)	: 2 free switches within a calendar year. Subsequent switches at 1% transaction value or S$30 whichever is higher
Inclusion in CPFIS	: Yes(CPF OA)
CPF Rating	: 4B

The Annual Management Charge is not guaranteed and may be reviewed from time-to-time. However, it shall not exceed 2.0% of the fund balance at any point of time.

Top 10 Holdings

June 2009	S$ ('m)	% of Net Asset Value	June 2008	S$ ('m)	% of Net Asset Value
APPLE COMPUTER	2.6	4.4%	RESEARCH IN MOTION	10.0	4.8%
RESEARCH IN MOTION	2.0	3.4%	COGNIZANT TECHNOLOGY SOLUTIONS	5.9	2.8%
COGNIZANT TECHNOLOGY SOLUTIONS	1.6	2.7%	APPLE COMPUTER	5.8	2.8%
QUALCOMM INC	1.6	2.6%	MARVELL TECHNOLOGY	5.6	2.7%
BAIDU INC	1.5	2.5%	SALESFORCE INC	5.5	2.6%
NUANCE COMMUNICATIONS INC	1.5	2.4%	APPLIED MATLS INC	4.4	2.1%
GOOGLE INC	1.4	2.3%	ANSYS INC	4.3	2.1%
CTRIP.COM INTERNATIONAL	1.4	2.3%	CTRIP INTERNATIONAL	4.2	2.0%
MCAFEE INC	1.3	2.2%	HITTITE MICROWAVE	4.0	1.9%
SALESFORCE INC	1.3	2.1%	QUALCOMM INC	3.7	1.8%

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

Fund Manager

NTUC Income is the Administrator of the fund. The Fund is jointly managed by Trust Company of the West (TCW) and Columbia Management Group, Inc.

TCW was founded in 1971. Funds under management totalled US$103 billion. TCW has a team of over 300 professionals and has offices located in Los Angeles, New York and Houston. It has about 1,600 institutional and private clients. Using a bottom up research driven process, TCW seeks to identify companies with superior earnings growth and attractive stock market valuation.

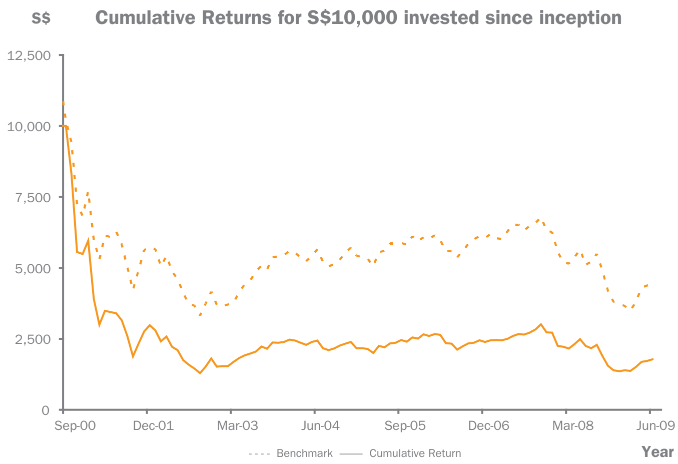
Columbia Management Group, Inc. was incorporated in 2002, following the consolidation of asset management activities of Bank of America Corporation. It is among the world's 30 largest asset managers with US$332 billion in assets under management, and its asset management business is diversified by asset classes in equity, fixed income and money market funds. Columbia has a team about 1,200 professionals and has offices located in Boston, New York, Hartford, Connecticut, Charlotte, North Carolina, Chicago, Denver and Portland, Oregon. Through a combination of fundamental and quantitative research processes, Columbia seeks to build portfolios with the optimal risk/return trade-offs.

Fund Performance or vis-a-vis Benchmark

	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Technology Fund	17.9%	30.9%	-20.9%	-8.6%	-6.1%	N.A.	-17.6%
Benchmark*	15.5%	18.1%	–13.8%	-7.7%	-4.9%	N.A.	-8.8%

*Benchmark: Merrill Lynch 100 Technology Index in Singapore Dollars, with effect from 1st April 2009.
Prior to that, the benchmark was Nasdaq Composite Index in Singapore Dollars.

TECHNOLOGY FUND



Past performance is not necessarily indicative of future performance. Fees and charges payable through deduction of premium or cancellation of units are excluded from this calculation.

Important

For NTUC Income's ILP sub-funds, the management fee and other fund charges are deducted from the net asset value before the bid prices and investment performance are calculated. We advise our investors to take note of this while comparing the bid prices and performance of our funds versus other similar funds in the market.

Market Review

After a tough start for the first two months of the year, technology stocks rebounded in early March and have delivered solid results year-to-date, with the tech-heavy NASDAQ Composite Index up 17% and the Merrill Lynch Technology 100 Index up 26% as of June 30, 2009 in US$ term. In comparison, the S&P 500 has returned 3% year-to-date. Within the S&P 500, technology has been the strongest sector, returning 25%, followed by returns of 14% for materials and 8% for consumer discretionary. As we had expected, the technology sector was one of the first to price in economic reality. The panic that began in earnest during the summer of 2008 and extended until March of 2009 resulted in corporations taking a "wait and see" approach to making technology investments. However, the consumption of technology may have slowed, but by no means has it stopped. This realisation by the market, that there may be light at the end of the tunnel, led to strong performance in the sector.

Developments of late among the bellwether companies in the technology sector have included Google's announcement of its Chrome operating system; Oracle's proposed acquisition of Sun Microsystems; Apple's release of the iPhone 3GS; Cisco's introduction of its next-generation Unified Computing System (UCS) for data centers; Palm's launch of its Pre smart-phone; Microsoft's upcoming release of Windows 7, the unveiling of its Bing search engine and reported talks about teaming up with Yahoo; and the opening of Research in Motion's App World online application store and addition of the BlackBerry Tour to its lineup. The 3GS, RIMM's latest offerings and aggression from second tier players like Palm are all clear indications that ultra mobile, computing/communications platforms are blurring the lines between phones and PCs, which is a trend expected to accelerate.

Outlook for technology is positive as there are always compelling and innovative ideas in the sector. A company such as Salesforce.com is an example in the software as a service industry. The customer relationship management (CRM) services the company offers are a "better, faster, cheaper" business model, and they can continue to grow even in a tough economy, as they demonstrated in the first quarter of this year.

Cloud computing is building momentum, which should continue for the foreseeable future as evidenced by a report from market research firm IDC which predicted that global spending on cloud computing services could rise to $42 billion by 2012. Likewise, the component inventories in the channel may have bottomed and are in the "rebuild phase" where we may see artificially high sales out of component manufacturers for a quarter or two. In general, technology companies learnt their lessons from the earlier "bubble" and consolidation is expected to continue as this discipline has resulted in stockpiles of cash on the balance sheets of industry leaders. Furthermore, the sector has been more rational with regard to allocating capital; as a result, competition is less intense, which helps to stabilize margins rapidly.

Risks

As the fund has investments concentrating in the global technology sector, it is subject to equity risk which includes market risk, company risk, selection risk, currency risk and counter party risk. This is not an exhaustive list of risks.

You should be aware that past performance is not indicative of future performance. The value of the units may rise or fall as the performance of the fund changes.

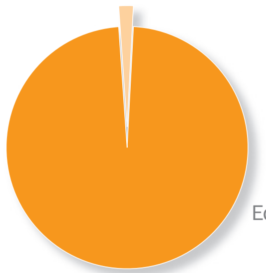
NTUC Income's ILP funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may wish to consult your insurance adviser before investing in any ILP fund.

Expense and Turnover Ratio

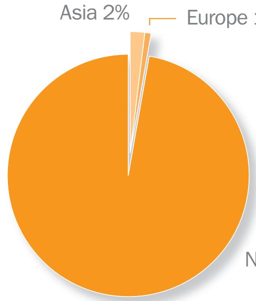
	Expense Ratio	Turnover Ratio
As of 30 June 2009	1.23%	81.18%
As of 30 June 2008	1.27%	149.60%

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

Asset and Country Allocation as of 30 June 2009

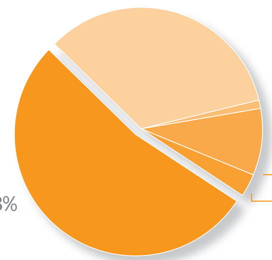


	S$('m)
Equities	59.3
Cash	0.9
Total	60.2



	S$('m)
Asia	1.1
Europe	0.9
North America	57.3
Total	59.3

Sector Allocation as of 30 June 2009



	S$('m)
Communications	20.4
Consumer, Cyclical	0.4
Consumer, Non-cyclical	5.1
Energy	0.2
Industrial	2.0
Technology	31.2
Total	59.3

Credit Rating of Debt Securities

There are no debt securities under the Technology Fund.

Important
Any differences in the total and percentage of the Net Asset figures are the results of roundings.

TECHNOLOGY FUND

Summarised Financial Statement as of 30 June 2009

	S$
Net assets as of 1 January 2009	126,241,418
Purchase of new units	1,418,338
Redemption of units	(1,660,679)
Gain/(loss) on investments and other income	20,454,375
Management fee and other charges	(632,651)
Net investment by the Co-operative	(85,626,292)
Net assets as of 30 June 2009	60,194,509

Units in issue	338,652,172
Net asset value per unit	
- at the beginning of the year	0.136
- as of 30 June 2009	0.178

As of 30 June 2009, the Co-operative has liquidated its investment in the fund.

Exposure to Derivatives
There is no exposure to derivatives.

Related Party Disclosures
NTUC Income is the Administrator of the Fund. During the financial period ended 30 June 2009, management fee paid or payable by the Fund to the Administrator is S$251,254.

Soft Dollar Commission or Arrangement
The managers do not retain, for their own account, cash or commission rebates arising out of transactions executed in or outside Singapore. The managers also do not receive soft dollars.

Conflict of Interests
The managers do not encounter any conflict of interests in the management of the fund.

Other Parties
The auditor of this fund is PricewaterhouseCoopers LLP (PwC). Please note that financial results ending 31 December of each year will be audited.

Material Changes
There are no material changes in the investment objective and orientation of the fund for the financial period ended 30 June 2009.

Reports
The financial year end of the fund is 31 December of each year.

As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report (with summarised financial statements) twice a year.

GUIDE TO YOUR INVESTMENT-LINKED POLICY STATEMENT

We provide a policy statement to keep you updated on your investment(s) twice a year. Here is a guide to help you understand your statement better.

All fields except Minimum Death Benefit and Net Premium Paid apply for the particular statement period only.

Minimum Death Benefit	Insurance cover provided in the policy. If you make a death or disability claim, we will pay either this benefit or the cash value, whichever is higher.
Opening/Closing Balance	The number of units in each fund at the start or end of the statement period.
Regular Premium/Top-Up	The amount of single or regular premium invested in the funds.
Withdrawals	The amount of withdrawals from the funds.
Unit Adjustment	The adjustment made to the existing fund balance due to bonus units or any bid to bid fund adjustment
Net Premium Paid	Sum of all premiums invested less total withdrawals and total rider premiums paid since policy inception.
Policy Fee	This fee covers the administrative cost of the company to maintain your policy.
Advisory Fee	This fee covers the commission paid to the adviser who sold you the policy.
Additional Risk Premium	Mortality charge applicable under IP1, IP2 and IB1 plans only.
Rider Premium	This is deducted for any rider coverage during the statement period.

Frequently-asked Questions

Q. Where can I check the latest fund prices?
A. The latest fund prices are available on our website www.income.com.sg/fund/coopprices.asp.

Q. Where can I get updated financial reports on my fund?
A. Financial reports on our funds are updated twice a year, by 1 April and 1 September. The latest fund reports are available on our website at www.income.com.sg/fund/coopprices.asp. You can also call our Customer Service Hotline 63 INCOME (6346 2663) or email us at csquery@income.com.sg to request for a hard copy.

Q. How do I make additional investment(s) to existing or new funds?
A. You are required to complete and submit the “Flexi-Link/Ideal Top-Up Form” at any of our branches or fax the form to us at 6338 1500.

Alternatively, you can access me@income (previously known as Policy OnLine Enquiry) via www.income.com.sg or approach your insurance adviser for advice.

The minimum top-up amount is $1,000 per transaction, except for Flexi-Cash where the minimum top-up amount is $500.

Q. How do I switch to another fund?
A. You are required to complete and submit the “Flexi-Link/Ideal Switching Form” at any of our branches or fax the form to us at 6338 1500.

Alternatively, you can approach your insurance adviser for advice.

The minimum value per switching transaction is S$1,000. You are also entitled to 2 free switches per year for all plans except ID5. Flexi-Cash is not entitled to switching.

Q. How do I make a withdrawal?
A. You are required to complete and submit the “Application for Withdrawal of Investment-Linked Policy” Form at any of our branches.

Alternatively, you can access me@income (previously known as Policy OnLine Enquiry) via www.income.com.sg or approach your insurance adviser for advice.

The minimum withdrawal amount is S$500. For withdrawals, your money will be transferred to your bank, CPF or SRS account within 5 working days.

Q. How do I learn more about NTUC Income’s ILP funds and their performance?
A. As part of the continuous efforts to update you on the performance of the funds you have invested in, we produce a Fund Report twice a year. The fund reports are available at www.income.com.sg/fund/coopprices.asp. Alternatively, you may approach your insurance adviser for more details.