AIM 2045

Investment Objective

To generate capital growth at a sensible risk level for investors who intend to accumulate assets for retirement or other purposes until the year 2045.

Investment Scope

The sub-fund intends to achieve this objective by investing in a diversified portfolio of asset classes including fixed income, equities and alternatives. The allocation between the asset classes will become more conservative as the portfolio nears its maturity date, reflecting the need for reduced investment risks as retirement approaches and the need for a lower volatility portfolio. It is intended for the assets to be switched into the Aim Now portfolio once the portfolio reaches its maturity date for investors to enjoy a steady income and stable capital value post retirement.

Fund Details as of 31 December 2011

Launch Date	25 September 2009
Fund Size	S$ 6.94 million
Initial Sales Charge	3.5% (an extra 0.5% bonus unit will be given for all single premium and top-ups)
Annual Management Charge	1.00% p.a.
Inclusion in CPFIS	Yes (CPF OA)
CPFIS Risk Classification	Higher Risk, Broadly Diversified
Benchmark	Barclays Global Aggregate hedged to Singapore Dollars MSCI AC Asia ex Japan Index in Singapore Dollars MSCI AC World Index in Singapore Dollars FTSE Straits Times Index (FTSE STI) FTSE EPRA/NAREIT Developed Real Estate Index in Singapore Dollars DJ UBS Commodity hedged to Singapore Dollars Gold Spot hedged to Singapore Dollars (Prior to 1 June 2011, the benchmark was as follows Barclays Global Aggregate hedged to Singapore Dollars MSCI AC Asia ex Japan Index in Singapore Dollars MSCI AC World Index in Singapore Dollars FTSE Straits Times Index (FTSE STI) FTSE EPRA/NAREIT Developed Real Estate Index in Singapore Dollars DJ UBS Commodity hedged to Singapore Dollars)

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

December 2011	S$ (mil)	% of Net Asset Value
Schroder ISF Pacific Equity	1.54	22.1
Schroder ISF Global Equity	0.96	13.9
Schroder ISF Emerging Markets	0.70	10.1
Schroder ISF Asian Bond Absolute Return	0.70	10.0
Schroder ISF Global Bond	0.68	9.8
Singapore Equity Fund	0.63	9.1
Schroder ISF Asia Pacific Property Securities	0.62	9.0
Schroder ISF Global Smaller Companies	0.48	6.8
SPDR Gold Trust	0.19	2.8
Schroder Alt Solutions Commodity	0.16	2.3

December 2010	S$ (mil)	% of Net Asset Value
Schroder ISF Pacific Equity	1.27	23.1
Schroder ISF Global Equity	0.55	10.1
Schroder ISF Emerging Markets	0.53	9.7
Schroder ISF Global Bond	0.53	9.6
Singapore Equity Fund	0.52	9.5
Schroder ISF Asian Bond Absolute Return	0.51	9.3
Schroder ISF Global Smaller Companies	0.44	8.0
Schroder ISF Asia Property Securities	0.40	7.3
Schroder Alt Solutions Commodity	0.40	7.3
N.A.	N.A.	N.A.

Important: Any differences in the total and percentage of the Net Asset figures are the result of rounding off.

Fund Manager

NTUC Income Insurance Co-operative Limited is the Investment Manager of the fund. Schroder Investment Management (Singapore) Limited is the Sub-Investment Manager of the fund.

NTUC Income Insurance Co-operative Limited

NTUC Income is the Investment Manager of the fund. Incorporated in 1970, NTUC Income is one of the largest insurance companies in Singapore. In its 41 years of operation, NTUC Income has matured into a leading insurer with assets totaled S$27.2 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.

Schroder Investment Management (Singapore) Limited

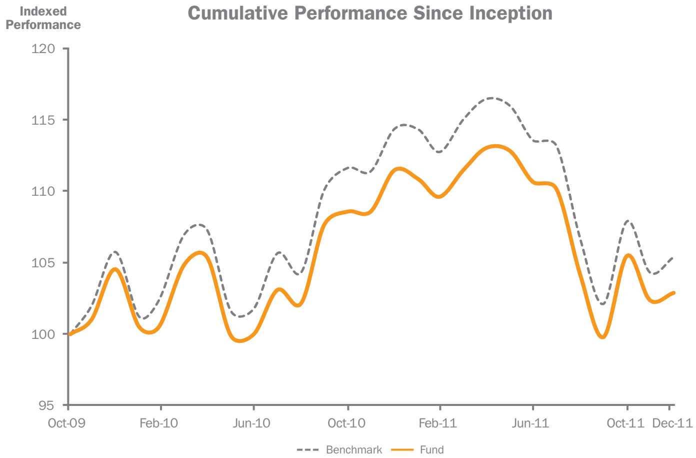
Schroder Investment Management (Singapore) Ltd was incorporated in Singapore and has been managing collective investment schemes and discretionary funds since 1992.

Schroder is a leading global asset management company, whose history dates back over 200 years. The group's holding company, Schroders Plc is and has been listed on the London Stock Exchange since 1959. Assets under management totaled US$291 billion.

Schroders' aim is to apply their specialist asset management skills in serving the needs of their clients worldwide. With one of the largest networks of offices of any dedicated asset management company, and over 350 portfolio managers and analysts covering the world's investment markets, they offer their clients a comprehensive range of products and services.

Fund Performance vs Benchmark

	1-month	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
AIM 2045	0.5%	3.1%	-7.0%	-7.7%	N.A.	N.A.	N.A.	1.3%
Benchmark	1.0%	3.2%	-7.2%	-7.8%	N.A.	N.A.	N.A.	2.5%



The returns are calculated using bid-to-bid prices, with dividends and distributions reinvested. Past performance is not necessarily indicative of future performance. Fees & charges payable through deduction of premium or cancellation of units are excluded from this calculation.

AIM 2045

Market Review

The second half of 2011 was marked by a significant increase in financial market volatility as a number of negative macro events triggered an indiscriminate sell-off in risk assets across the board. These negative macro events included the uncoordinated efforts made by policy makers and growing concerns about European sovereign default, coupled with the U.S. sovereign rating downgrade and signs of a Chinese economic slowdown. The MSCI World which was up 4% in USD terms by the end of the first half of 2011, plunged 17% over Q3 while the MSCI AC Asia ex Japan plummeted 21%, making it the worst quarterly returns since 2008. Whilst market volatility continued into Q4 with the Eurozone crisis remaining the key driver, equity markets managed to return higher, backed by better-than-expected U.S. economic and sentiment data. In addition, the comprehensive strategy agreed by the EU leaders to combat the European debt crisis also helped in the uplift. However, the initial optimism response quickly faded and equity markets were sold off again in November due to fears about the growing debt crisis in Europe. Against this backdrop, the MSCI World registered a negative return of 10% over 2H11 while MSCI AC Asia ex Japan was down 18% in USD terms.

In such a risk-averse environment, most government bond yields fell further below their previously already very low levels, mostly during the Q3 period. The U.S. 10-year treasury yields fell from 3.16% to 1.88% while Singapore fell from 2.31% to 1.63%. Government bonds around the world, as represented by the Citigroup WGBI, gained 2.3%. Meanwhile, credit underperformed sovereigns, with the Barclays Capital Global Credit returning -0.9%, and lower quality underperformed within credit. Meanwhile, commodities ended the year in negative territory, with the broadly diversified DJ UBS TR index posting -11%. Gold returned higher (2H11: +4%) having hit multiple new record highs this year ($1,900/oz last peak in September) before it began to lose its shine and tumbled 18% to $1,563/oz.

On the currency front, USD re-emerged as a safe haven currency in September and rose sharply against most currencies following an intervention from the Swiss National Bank to stem CHF strength. The SGD weakened 5.5% over 2H11.

Market Outlook

Our outlook going in to 2012 is very similar to our approach entering 2011 – the forces of private sector deleveraging and public sector reflation remain in opposition, generating volatile price action within essentially range bound markets. With the crisis in Europe no closer to resolution and the potential knock-on effects to global growth high, we remain cautious and selective in our investment allocations.

However, the cyclical risks in Asia have lessened with easing inflation providing policy makers with room to loosen monetary and fiscal conditions. Having underperformed through 2011, these stimulatory policies should see Asian assets outperform their Western counterparts, particularly in equities.

Risks

The risk in the fund is diversified by investing directly (or indirectly through other collective investment schemes) in a mixture of local and global bonds and equities as well as alternatives. As the fund has direct/indirect investments in equities and bonds, it is subject to (1) equity risk which includes market risk, company risk, selection risk, currency risk and counterparty risk; and (2) debt risk which includes interest rate sensitivity, credit risk, changes in debt rating and credit rating, currency risk and sovereign risk. The fund is also subject to financial and/or commodity derivatives risk including but not limited to commodity, agricultural commodity or gold and metal related futures and options contracts and other commodity-related derivative instruments such as commodity-linked swaps. This is not an exhaustive list of risks.

The global exposure of the ILP fund to financial derivatives or embedded financial derivatives is calculated using the commitment approach described in and in accordance with the provisions of the Code on Collective Investment Schemes.

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.

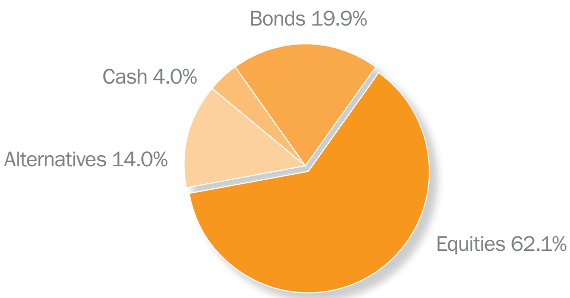
NTUC Income's Investment-Linked Plan (ILP) funds are intended for long-term investment. It is not suited for any short-term speculation. You should not expect to obtain any short-term gains from investing in NTUC Income's ILP funds. It is important that your investment suits your risk appetite. You may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

Expense and Turnover Ratio

	Expense Ratio	Turnover Ratio
As of 31 December 2011	1.19%	13.97%
As of 31 December 2010	1.13%	28.08%

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 Allocation as of 31 December 2011



	S$ (mil)
Bonds	1.4
Equities	4.3
Alternatives	1.0
Cash	0.3
Total	6.9

Important: Any differences in the total and percentage of the Net Asset figures are the result of rounding off.

Summarised Financial Statement as of 31 December 2011

	S$
Net assets as of 1 January 2011	5,712,469
Purchase of new units	2,820,823
Redemption of units	(816,082)
Gain/(loss) on investments and other income	(714,487)
Management fee and other charges	(61,600)
Net assets as of 31 December 2011	6,941,123

Units in issue	6,986,433
Net asset value per unit	
- at the beginning of the year	1.077
- as of 31 December 2011	0.994

Exposure to Derivatives
Fair value of derivatives contracts as of 31 December 2011 is (S$31,646) representing 0.46% of the net asset value of the Fund. Net gain/(loss) on derivatives contracts realised during the year is (S$4,442).

Related Party Disclosure
NTUC Income is the Investment Manager of the Fund. During the financial year ended 31 December 2011, management fee paid or payable by the Fund to the Investment Manager is S$61,600.

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 that will adversely impact the valuation of the fund for the financial period ended 31 December 2011.

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.