

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 streetTRACKS Straits Times Index Fund (STTF)* managed by State Street Global Advisors Singapore. The fund is denominated in Singapore Dollars.

Fund Details as of 31 December 2010

Launch Date	2 January 2003
Fund Size	S\$ 223.43 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	0.65% p.a.
Inclusion in CPFIS	Yes (CPF OA)
CPF Rating	Higher risk, Narrowly Focused
Benchmark	FTSE Straits Times Index (FTSE STI)

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.

* The allocation in the STTF has been converted to a segregated mandate under the management of State Street Global Advisors with effect from 27 May 2010.

Top 10 Holdings of Singapore Equity Fund

December 2010	S\$ (mil)	% of Net Asset Value	December 2009	S\$ (mil)	% of Net Asset Value
DBS GROUP HOLDINGS LTD	19.8	8.9%	STREETTRACKS STRAITS TIMES INDEX FUND	127.2	64.1%
UNITED OVERSEAS BANK LTD	17.6	7.9%	DBS GROUP HOLDINGS LTD	8.2	4.1%
OVERSEA-CHINESE BANKING CORP	16.7	7.5%	UNITED OVERSEAS BANK LTD	7.2	3.6%
SINGAPORE TELECOMMUNICATIONS LTD	13.8	6.2%	SINGAPORE TELECOMMUNICATIONS LTD	5.3	2.7%
KEPPEL CORP LTD	13.3	5.9%	OVERSEA-CHINESE BANKING CORP	4.6	2.3%
WILMAR INTERNATIONAL LTD	11.0	4.9%	KEPPEL CORP LTD	3.6	1.8%
CAPITALAND LTD	9.7	4.3%	SINGAPORE EXCHANGE LTD	3.6	1.8%
HONGKONG LAND HOLDINGS LTD	9.6	4.3%	SINGAPORE AIRLINES LTD	3.4	1.7%
SINGAPORE AIRLINES LTD	9.1	4.1%	CITY DEVELOPMENTS	2.3	1.2%
GENTING SINGAPORE	8.8	3.9%	WILMAR INTERNATIONAL LTD	2.3	1.1%

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. State Street Global Advisors 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 40 years of operation, NTUC Income has matured into a leading insurer with assets totaled S\$26.4 billion.

Its highly qualified team manages its funds with a long term value approach. With a strong commitment to its cooperative 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.

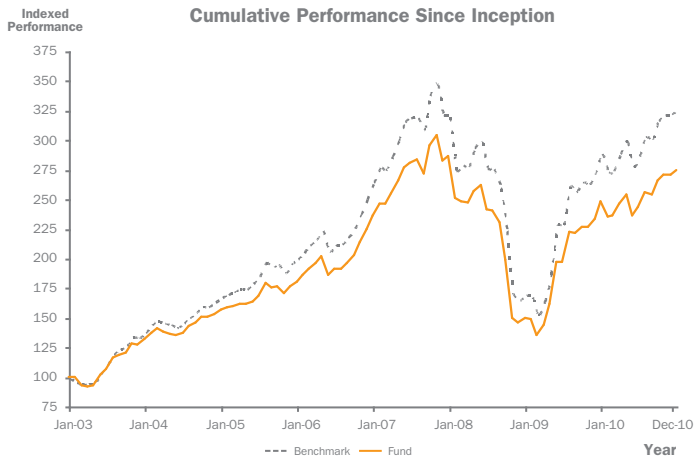
State Street Global Advisors Singapore Limited (SSGA)

SSGA is the Investment Manager of STTF. SSGA was founded in 1978. Funds under management totalled US\$2,000 billion. SSGA is the largest global institutional manager using computer-based investment strategies for institutional investors. SSGA has an impressive investment record for both passive & 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 vs Benchmark

	1-month	3-month	6-month	1-year	3-year (annualised)	5-year (annualised)	10-year (annualised)	Since inception (annualised)
Singapore Equity Fund	1.6%	3.3%	12.9%	10.8%	-1.3%	8.8%	N.A.	13.5%
Benchmark	1.7%	3.5%	14.1%	13.4%	0.8%	10.4%	N.A.	16.0%

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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.

Market Review

In Jun – Dec 2010, the Straits Times Index gained 12.5% to close at 3190, and up 10.1% for the year. Consumer discretionary was the best performing sector (+42.8%), as confidence over Asia's growth prospects revived. Telecom was the worst performer, ended flat for the period.

In October, Monetary Authority of Singapore made a surprising pre-emptive move by allowing steeper appreciation of the Sing dollar and also widening the trading band. The pressure on inflation should diminish with slower growth in the economy. The economy grew about 15.1% in 2010 and GDP growth will moderate to 5% in 2011. The Budget 2011 announced in February will provide clues about the government's attitude towards fiscal and monetary policies in the lead up to general elections.

On the property front, the government surprised the market with additional property cooling measures. The measures include reducing Loan-to-Value for private property buyer, introducing seller's stamp duty and further restricting Permanent Residents' eligibility for HDB resale properties. On the supply side, the government remains generous in its land sales program for the first half of 2011. There will be a total of 14,300 private

residential units, this is higher than the 13,900 private residential units made available in the second half of 2010 Government Land Sale program.

Going forward, Singapore can benefit from ample global liquidity through lifting regional demand for services. We prefer tourism-related stocks, commercial landlords and offshore marine rig builders. Another area of focus will be on cash-generative companies who may engage in capital management or speed up in capital expenditure.

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

Risks

As the fund has investments concentrating in the Singapore Equity sector, it is subjected 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 suit your risk appetite. You may wish to consult your financial advisor before investing in any ILP fund.

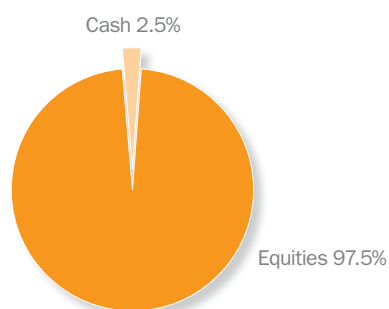
Expense and Turnover Ratio

	Expense Ratio	Turnover Ratio
As of 31 December 2010	0.74%	81.69%
As of 31 December 2009	0.65%	21.32%

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.

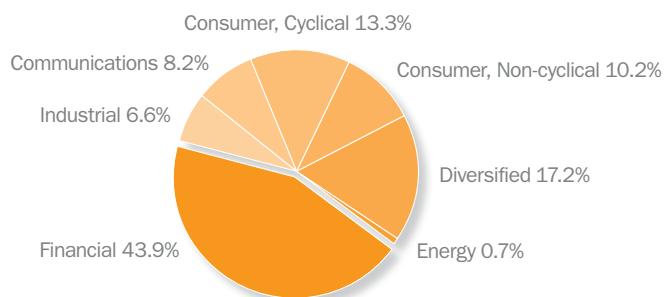
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Asset and Country Allocation as of 31 December 2010



	S\$ (mil)
Equities	217.7
Cash	5.7
Total	223.4

Sector Allocation as of 31 December 2010



	S\$ (mil)
Communications	17.8
Consumer, Cyclical	28.9
Consumer, Non-cyclical	22.1
Diversified	37.5
Energy	1.5
Financial	95.6
Industrial	14.3
Total	217.7

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Credit Rating of Debt Securities

There are no debt securities under Singapore Equity Fund.

Summarised Financial Statement as of 31 December 2010

	S\$
Net assets as of 1 January 2010	198,400,827
Purchase of new units	36,663,500
Redemption of units	(32,630,589)
Gain/(loss) on investments and other income	22,265,998
Management fee and other charges	(1,265,179)
Net assets as of 31 December 2010	223,434,557

Units in issue 81,322,327

Net asset value per unit

- at the beginning of the year 2.481

- as of 31 December 2010 2.748

Exposure to Derivatives

Net gain/(loss) on derivatives contracts realised during the year is S\$3,840.

Fair value of futures as of 31 December 2010 is S\$23,400 representing 0.01% of the net asset value of the Fund. Net gain/(loss) on futures realised during the year is S\$138,460.

Related Party Disclosure

NTUC Income is the Investment Manager of the Fund. During the financial year ended 31 December 2010, management fee paid or payable by the Fund to the Investment Manager is S\$1,265,179.

Soft Dollar Commission or Arrangement

Soft dollar commission/arrangement has been received/entered into by the Manager and Sub-Investment Manager in respect of the ILP. The soft dollar commission relates essentially to computer software used in support of the investment process. The Manager and Sub-Investment 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 and Sub-Investment 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 brokers have also executed trades for other ILPs managed by the Manager.

Conflict of Interests

NTUC Income has advised that certain inherent conflict of interests may arise from time to time. However, actions are taken to eliminate 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 31 December 2010.

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.