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INVESTOR LETTER

In 2010, the Malaysian market exceeded almost everyone's expectations. We expected about a 15% return at the beginning of 2010, but the FTSE Bursa Malaysia 100 Index (FBM100) has jumped 19.4% over the course of the year. By the end of December, our conventional equity funds have showed an average return of 23-28.5%.

In less than two years, the market has fully recovered from its low in March 2009, which was brought on by the global crisis. This is quite remarkable, considering that predictions about the rate of recovery at that time were quite dire. Investors, who stayed invested and continued to invest through the downturn, were rewarded with really good returns.

We hope that with the experience of the Asian financial crisis and this most recent global financial crisis, investors have seen for themselves that markets do bounce back and it is not easy to predict the speed at which they can recover.

We are cautiously optimistic for 2011. In light of the market having gone up two years in a row, our outlook for this year are returns in the low double digits. We expect the US economy to continue to recover, driven by consumer spending and corporate capital expenditures. The Federal Reserve's sustained purchases of bonds will continue to underpin the recovery. Events in Europe are expected to lead to volatility. At some point, we believe bond markets will force Portugal into accepting a bailout. We believe there is a 50-50 chance that Spain will be bailed out as well.

In Asia Pacific ex-Japan, the concern is mainly over inflation and rising interest rates. In China, the recent hikes in bank reserve requirements to 18.5% will not be sufficient to tame inflation. Although higher food prices are currently the main source of inflation, there are signs that input prices are also rising. We expect China to hike interest rates by 1.25% next year. However, this hike is unlikely to derail the economy, especially if it is balanced with the rumored loan quota of Renminbi 6.0-7.0 trillion.

For Bursa Malaysia, conditions seem right for continued market appreciation. The implementation of the Economic Transformation Program (ETP) will lead to the roll out of large projects that will benefit the construction as well as oil and gas sectors, and closer ties with Singapore will benefit projects in the Iskandar Region – all which could lead to a revival in corporate loans growth. We expect earnings growth in the mid-teens and price-to-earnings ratios (PERs) to re-rate to the long-term average of 14.5-15.0 times.

It's also been a busy year for us here at CIMB-Principal Asset Management Berhad ("CIMB-Principal"). We are happy to share that our total assets under management have grown 28% from RM23.1[1] billion to RM29.5 billion a clear sign of clients' confidence. With 66 unit trust funds (23 are Shariah-compliant), including 6 wholesale funds and 2 exchange-traded funds (ETFs), the Company is also one of the largest institutional money managers. Institutional AUM rose 35.3% to RM18.0 billion in December last year, also made further inroads into the region, managing RM1.4 billion for regional clients. The stability of our senior management team, with an average tenure of 5.3 years, has endowed the CIMB-Principal with the flexibility to adapt strategically and innovatively to rapidly-changing circumstances in a competitive regional marketplace.

You may not be aware but back in 2009, CIMB-Principal was the first Malaysian company to implement PAM® for Securities[2], a world class international portfolio management and accounting system. Last year, we implemented the Factset Attribution System to further enhance our fund managers' expertise. The firm remains ahead of the curve compared to many of its domestic peers, exemplified by the implementation of SWIFT and OMGEO connections for some clients, providing automated trading and settlement services. CIMB-Principal is one of the few fund managers in ASEAN with all these systems in place to better serve our clients and partners.

We thank you for your trust in us. As you continue to regularly invest with us in 2011, it is our promise to be a vigilant steward of your money and help you grow it over time.

Yours sincerely

Campbell Tupling
Chief Executive
CIMB-Principal Asset Management Berhad

[1] End December 2009
[2] http://www.pfs.com/products/Pages/PFS_Products_PAMsecurities.aspx

Manager's Report

What is the investment objective of the Fund?
The objective of the Fund is to achieve consistent capital growth over the medium to long term.

Has the fund achieved its objective?
The Fund has achieved a return of 33.0% over 3-years and 114.5% over 5 years. (Source: Lipper dated May 31, 2011) It has therefore met its objective.

What are the fund investment policy and its strategy?
The Fund would invest principally in Shariah-compliant equities but may also invest in other Shariah-compliant investments, such as Sukuk with a minimum credit rating of "A3" or "P2" by RAM or equivalent rating by MARC: "BBB" by S&P or equivalent rating by Moody's or Fitch. In line with its objective, the investment strategy and policy of the Fund is to rebalance the portfolio to suit market conditions in order to reduce short-term volatility and provide consistency in capital growth.

Between 70% to 98% (both inclusive) of the Fund's NAV will be invested in Shariah-compliant securities and other Shariah-compliant investments, and at least 2% in Shariah-compliant liquid assets.

The Fund's policies on investments were carried out in accordance with the Deed and it will continue its operations until terminated in accordance with the provisions of the Deed.

Fund category/ type
Equity (Shariah) / Growth

How long should you invest for?
3 years or more

Indication of short-term risk (low, moderate, high)
High

When was the Fund launched?
7 May 1998

What was the size of the Fund as at 31 May 2011?
RM 1,684.24 millions (1,361.53 units)

What is the fund's benchmark?
FTSE Bursa Malaysia EMAS Shariah Index

What is the fund distribution policy?
The Manager has the discretion to distribute part or all of the Fund's distributable income. The distribution (if any) may vary from period to period depending on the investment objective and the performance of the Fund.

What was the net income distribution for the period ended 31 May 2011?
No distribution is made for the period ended 31 May 2011.

PERFORMANCE DATA

Details of portfolio composition of the Fund for the last three financial years are as follows:

	31.05.2011	31.05.2010	31.05.2009
	%	%	%
Quoted Shariah-compliant Investments			
- Trading Services	42.63	44.50	45.08
- Industrial Products	9.19	7.47	3.82
- Infrastructure Project Company	8.30	2.71	2.96
- Consumer Products	3.44	6.84	4.02
- Properties	5.04	3.90	4.14
- Plantations	15.48	14.42	14.52
- Construction	6.31	9.51	8.29
- Technology	-	1.33	-
- TSR & Warrants	0.07	0.06	0.10
- Finance	1.26		
- REIT	0.35		
Unquoted securities	0.04	0.01	-
Cash	7.89	9.25	17.07
	100.00	100.00	100.00

Performance details of the Fund for the last three financial years are as follows:

	31.05.2011	31.05.2010	31.05.2009
Net asset value (RM Million)	1684.24	1,244.09	981.18
Units in circulation (Million)	1361.53	1,284.22	1,172.61
Net asset value per unit (RM)	1.2370 *	0.9687 *	0.8367
Highest NAV per unit (RM)	1.2490 *	1.0426 *	1.0365
Lowest NAV per unit (RM)	0.9614 *	0.8165 *	0.6862
Total return (%)	27.70	20.98	(14.21)
- Capital return (%)	27.70	15.72	(20.07)
- Income return (%)	-	4.54	7.34
Gross distribution per unit (sen)	-	4.50	7.00
Net distribution per unit (sen)	-	3.92	6.11
Date of distribution	-	18-Mar 2010	06-Jun-2008
Management Expense Ratio (%)	1.88	1.59	1.61
Portfolio Turnover Ratio (times) #	0.57	0.55	1.03

	Total return	Annualized
	%	%
- One year	27.70	27.70
- Three year	32.54	9.84
- Five year	113.73	16.41
- Since Inception	322.69	11.66

* Ex-distribution
(Launch date: 07 May 1998)

#The turnover of the Fund was maintained at about the same level compared to the previous year at 0.57x as the management style of the Fund remained unchanged.

PERFORMANCE DATA (CONTINUED)

	31.05.2011	31.05.2010	31.05.2009	31.05.2008	31.05.2007
Annual total return (%)	27.70	20.98	(14.21)	8.08	49.20

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures ended 31 May 2011 have been verified by Consulting Actuaries, Mercer Zainal Consulting Sdn Bhd.

MARKET REVIEW

The FBM Shariah Index increased 21.8% in the one year period under review against a backdrop of uncertainty globally. In the middle of 2010, as economic growth in the United States peaked out, concerns re-emerged about a double dip recession. The European debt crisis came to the fore, as Ireland defaulted on its debt.

In response to these concerns and to forestall deflation, the Federal Reserve announced its QE2 or a second round of quantitative easing, by buying another US$600bn in United States government securities. The impact was immediate. Both developed and emerging equity markets rallied. The US Dollar weakened while Asian currencies appreciated leading to a greater inflow of funds to emerging markets. The QE2 also ignited a rally in both hard and soft commodities. Gold, copper and wheat all hit record levels.

ASEAN and Malaysia attracted foreign fund inflows leading markets higher even as funds reduced weightings in China in response to the persistent increase in interest rates and bank statutory reserves to combat inflation.

The attack by North Korea on the South in late 2011 led to only a hiccup in the markets. But the Japanese earthquake and tsunami earlier this year caused a slowdown in global economic growth and de-rating of cyclical stocks globally. The Middle East “Spring” however hardly impacted global markets as the main oil producing countries in the region were not affected.

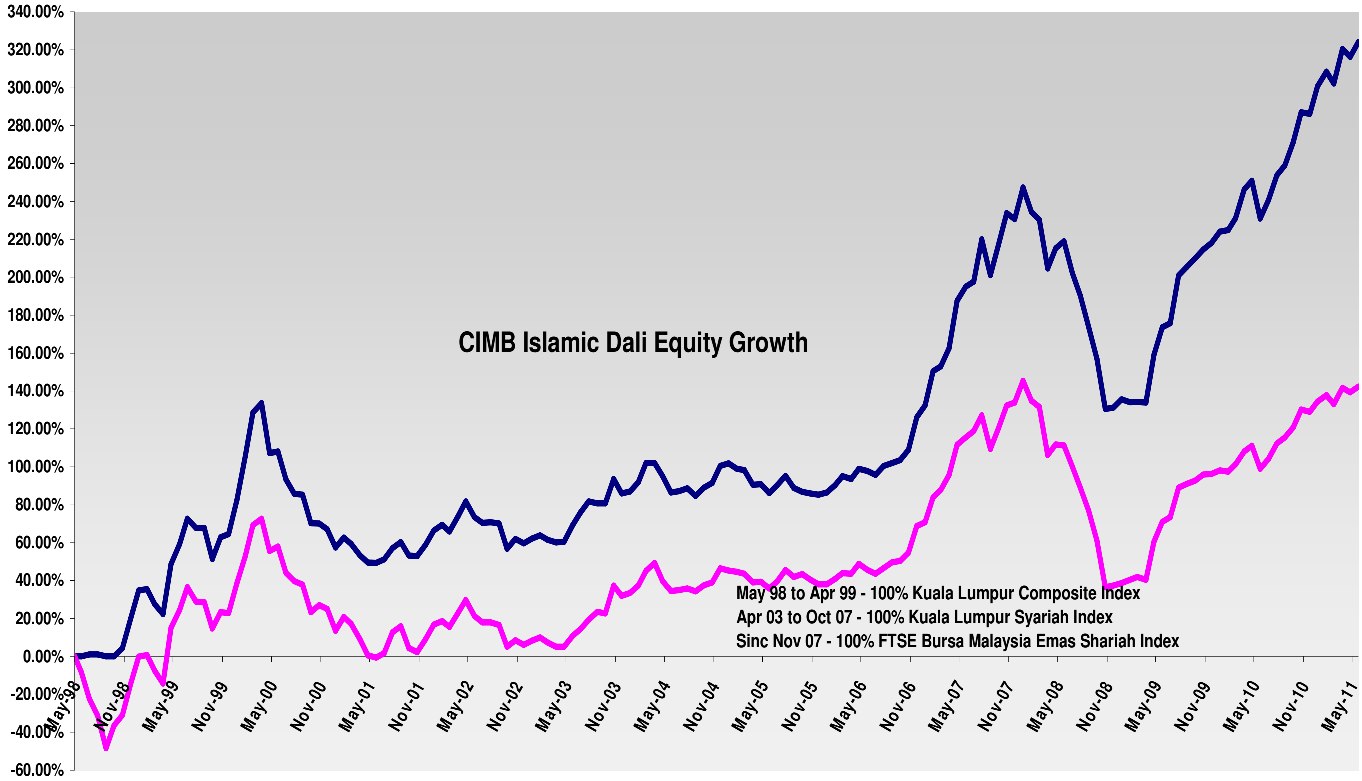
The most significant event in Malaysia during the period was the unveiling of the government’s four pillars for achieving Vision 2020. One of the four, the Economic Transformation Program or ETP led to the announcement of the Klang Valley Mass Rapid Transit Project which boosted performance of the Construction sector. The Oil & Gas sector befitted from announcement of marginal oil fields by Petronas and the development of an RM60bn petrochemical complex at Pengerang, Johore.

In the period under review, investors who correctly focused on the fundamentals while ignoring the noise were able to take advantage of the rise in the markets.

FUND PERFORMANCE

	1 Year to 31.05.2011	3 years to 31.05.2011	5 years to 31.05.2011	Since Inception
Income (%)	-	12.21	27.63	44.53
Capital (%)	27.70	18.11	67.46	192.47
Total Return (%)	27.70	32.54	113.73	322.69
Benchmark (%)	21.77	14.70	66.48	142.33
Average Total Return (%)	27.70	9.84	16.41	11.66

Over the last one year the Fund has provided a total return of 27.7% outperforming the benchmark by 5.93%.



Changes in Net Asset Value ("NAV")

	31.05.2011	31.05.2010	% changes
Net Asset Value ("NAV") (RM Million)	1,684.24	1,244.09	35.38
NAV/unit (RM)	1.2370	0.9687	27.70

The net asset value of the Fund has increased in the last one year from RM1.24bn to RM1.68bn due to market appreciation and continual unit creations. The increase in price per unit is at 27.7%. The unit price was at RM1.237 at year end.

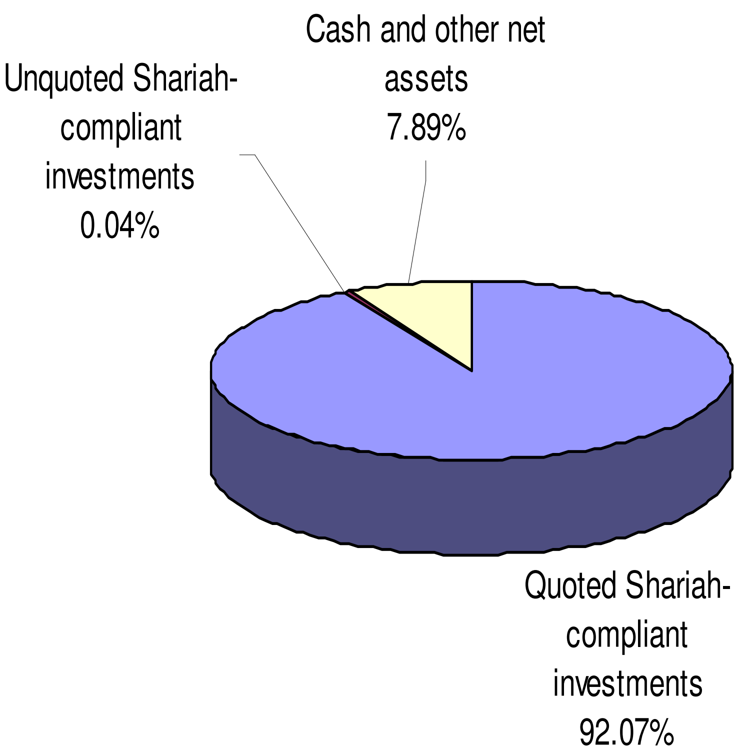
Performance data represents the combined income and capital return as a result of holding units in the fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. 1 year financial year ended 31 May 2011 performance figures have been verified by Consulting Actuaries, Mercer Zainal Consulting Sdn Bhd.

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31 May 2011	31 May 2010
Quoted Shariah-compliant investments	92.07	90.74
Unquoted Shariah-compliant investments	0.04	0.01
Cash and other net assets	7.89	9.25
TOTAL	**100.00**	**100.00**

The equity allocation of the Fund was at 92.07% as at year end. This was about 1.3% higher than the equity allocation a year ago. The Fund has held more then 90% in equities over the last year to take advantage of stock opportunities.



MARKET OUTLOOK

The global economy is in slow growth mode with the recovery in the United States plodding along at 2.50 -2.75%; although 2H 2011 will be stronger as Japan recovers from the effects of the earthquake and subsequent tsunami. China is finally succeeding in slowing its economy although inflation will remain elevated above 5.0%. The sovereign debt crisis in Europe will linger on while Greece will remain on life support.

Against this global backdrop, the Malaysian economy has entered a soft patch with the IPI for April falling 3.7% mom. This has raised questions about the expected GDP growth for 2011. Most research houses have maintained forecasts for now with CIMB still at 5.5%. Our government, though, is continues to shoot for an ambitious 6.0%.

The government's optimism is based on the implementation of projects under the government's Economic Transformation Project ("ETP"). In the latest (6th) progress report, 50% of ETP projects announced have taken off, accounting for RM170.3bn in cumulative investments. More encouraging, is the pick up in Foreign Direct Investment ("FDI"). RM10.7bn and RM11.1bn entered the country in 4Q10 and 1Q11 respectively, which is the highest in a decade (except for 2Q08). There are reasons for optimism. As further evidence, loan growth hit 13.8% in May 2011, boosted by continued growth in housing loans and corporate loan growth.

Bursa Malaysia is trading at 2012 PER of 13.9x; below the 5-year average of 14.2x. When we consider that EPS growth has recently been upgraded to 14.2% and 14.0% for 2011 and 2012 respectively, the market look undervalued.

INVESTMENT STRATEGY

FM to comment on Investment Strategy

We have been keeping the Fund defensive while maintaining equity allocation at above 90%. Under this scenario of slow growth, growth stocks with dominant market positions and dividend-growth stocks are expected to outperform. The sectors that are keyed to the ETP have probably been played out but we find value elsewhere and will position the Fund to take advantage of it.

At the same time, we keep lowering the overall PER of the portfolio to minimize downside risk.

UNIT HOLDING STATISTICS

Breakdown of unit holdings by size as at 31 May 2011 are as follows:

Size of holdings(units)	No. of unit holders	No. of units held	% of units held
5,000 and below	110,061	89,793,542	6.60
5,001-10,000	19,589	142,084,115	10.44
10,001-50,000	28,922	614,140,108	45.11
50,001-500,000	4,647	437,619,236	32.13
Above 500,000	36	77,896,566	5.72
Total	**163,255**	**1,361,533,567**	**100.00**

SOFT COMMISSION & REBATES

Dealings on investments of the Fund through brokers or dealers will be on terms which are best available for the Fund. Any rebates from brokers or dealers will be directed to the account of the Fund.

The Investment Manager may from time to time receive and retain soft commissions in the form of subscription for real-time services or advisory services that assist in the decision-making process relating to the Fund's investments from brokers or dealers.

During the financial period under review, the management company did not receive any rebates and soft commissions from brokers or dealers.

STATEMENT BY MANAGER TO THE UNIT HOLDERS OF CIMB ISLAMIC DALI EQUITY GROWTH FUND

I, being the Director of CIMB-Principal Asset Management Berhad, do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 15 to 49 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 May 2011 and of its financial performance, changes in equity and cash flows of the Fund for the financial year then ended in accordance with Financial Reporting Standards in Malaysia.

For and on behalf of the Manager,
CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD
(COMPANY NO.: 304078-K)

JOHN CAMPBELL TUPLING
Chief Executive Officer/Director

Kuala Lumpur
29 July 2011

TRUSTEE'S REPORT TO THE UNITHOLDERS OF CIMB ISLAMIC DALI EQUITY GROWTH FUND

We, AmTrustee Berhad, being the Trustee of CIMB Islamic DALI Equity Growth Fund ("the Fund"), are of the opinion that CIMB-Principal Asset Management Berhad ("the Manager"), has managed the Fund for the financial year from 1 June 2010 to 31 May 2011 in accordance with the following:

(a) the Fund is being managed in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the Securities Commission's Guidelines on the Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws during the financial year from 1 June 2010 to 31 May 2011;

(b) valuation/pricing is carried out in accordance with the Deed and any regulatory requirements;

(c) creation and cancellation of units is carried out in accordance with the Deed and any regulatory requirements

For and on behalf of the Trustee
AmTrustee Berhad

Tan Kok Cheeng
Chief Executive Officer

Kuala Lumpur, Malaysia
29 July 2011

SHARIAH ADVISOR'S REPORT TO THE UNIT HOLDERS OF CIMB ISLAMIC DALI EQUITY GROWTH FUND

We have acted as the Shariah Advisor of CIMB Islamic DALI Equity Growth Fund. Our responsibility is to ensure that the procedures and processes employed by CIMB-Principal Asset Management Berhad are in accordance with Shariah.

In our opinion, CIMB-Principal Asset Management Berhad has managed and administered CIMB Islamic Dali Equity Growth Fund in accordance with Shariah principles and complied with applicable guidelines, rulings or decisions issued by the Securities Commission pertaining to Shariah matters for the financial year ended 31 May 2011.

In addition, we also confirm that the investment portfolio of CIMB Islamic Dali Equity Growth Fund comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission ("SACSC"). As for the securities which are not certified by the SACSC, we have reviewed the said securities and opine that these securities are designated as Shariah-compliant.

For and on-behalf of Shariah Advisor
CIMB ISLAMIC BANK BERHAD

ABDUL GHANI ENDUT
Head, Shariah Department/ Designated Person Responsible for Shariah Advisory

Kuala Lumpur
29 July 2011

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF CIMB ISLAMIC DALI EQUITY GROWTH FUND

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of CIMB Islamic DALI Equity Growth Fund, which comprise the statement of financial position as at 31 May 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flow for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 40.

The Manager's Responsibility for the Financial Statements

The Manager is responsible for the preparation of financial statements that gives a true and fair view in accordance with Financial Reporting Standards in Malaysia, and for such internal control as the Manager determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Fund's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Manager's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Fund as of 31 May 2011 and of its financial performance, changes in equity and cash flows for the financial year then ended.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF CIMB ISLAMIC DALI EQUITY GROWTH FUND (CONTINUED)

OTHER MATTERS

This report is made solely to the unitholders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

Kuala Lumpur
29 July 2011

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MAY 2011

	Note	2011 RM	2010 RM
NET INVESTMENT INCOME			
Dividend income		40,265,427	29,701,296
Profit and hibah earned		2,773,140	2,436,513
Accretion of discounts		-	698
Net realised gain on sale of financial assets at fair value through profit or loss		182,417,744	96,491,809
Unrealised capital gain on financial assets at fair value Through profit or loss		174,157,888	-
Write back of diminution in investments		-	2,109,407
		399,614,199	130,739,723
EXPENSES			
Management fee	4	22,677,310	18,083,620
Trustee's fee	5	1,123,789	964,460
Transaction costs		4,523,743	-
Audit fee		9,500	9,500
Tax agent's fee		9,290	6,315
Other expenses		104,931	384,978
		28,448,563	19,448,873
NET PROFIT BEFORE TAXATION		371,165,636	111,290,850
TAXATION	7	(3,965,846)	(2,154,353)
NET PROFIT AFTER TAXATION REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		367,199,790	109,136,497
Net income after taxation is made up as follows:			
Realised amount		193,041,902	96,491,809
Unrealised amount		174,157,888	698
		367,199,790	96,492,507

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2011

	Note	2011 RM	2010 As restated RM	2009 As restated RM
INVESTMENTS				
Financial assets at fair value through profit or loss	8	1,551,322,791	-	-
Quoted Shariah-compliant investments	9	-	1,126,360,990	813,900,383
Unquoted Sukuk	10	-	589,410	-
		1,551,322,791	1,126,950,400	813,900,383
LIQUID ASSETS				
Deposits with licensed financial institutions		132,956,851	113,701,000	153,186,385
Bank balance with a licensed bank		2,767,278	155,243	5,197
	11	135,724,129	113,856,243	153,191,582
OTHER ASSETS				
Amount due from Manager		16,658,353	9,628,351	4,744,163
Dividend receivable		4,228,335	2,501,002	1,917,287
Amount due from stockbrokers		26,944,297	1,519,261	10,326,782
Profit income receivable from Shariah-compliant deposits		-	39,435	163,013
Tax recoverable		494,974	523,610	1,352,838
Other receivables		-	-	6,425,390
		48,325,959	14,211,659	24,929,473
TOTAL ASSETS		1,735,372,879	1,255,018,302	992,021,438
LIABILITIES				
Amount due to Manager		12,161,490	7,042,582	1,594,827
Amount due to stockbroker		36,568,692	4,284,234	7,587,195
Accrued management fee		2,166,953	1,617,002	1,201,108
Amount due to Trustee		115,571	171,908	64,059
Other payables and accruals		122,147	303,546	179,734
TOTAL LIABILITIES		51,134,853	13,419,272	10,626,923
NET ASSET VALUE OF THE FUND	12	1,684,238,026	1,241,599,030	981,394,515

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2011 (CONTINUED)

	Note	2011 RM	2010 As restated RM	2009 As restated RM
EQUITY				
Unitholders' capital		1,087,175,408	1,011,736,202	911,266,714
Retained earnings/(accumulated losses)		597,062,618	47,831,665	(13,163,921)
Fair value reserve		-	182,031,163	83,291,722
		1,684,238,026	1,241,599,030	981,394,515
Number of units in circulation	12	1,361,533,567	1,284,220,808	1,172,614,000
Net asset value per unit (RM)		1.2370	0.9668	0.8369

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MAY 2011

	Note	Unitholders' capital RM	Retained earnings RM	Fair value reserve RM	Total RM
Balance as at 1 June 2010, as previously stated		-	-	-	-
Prior year adjustment for adoption of amendments to FRS 132	18(a)	1,011,736,202	47,831,665	182,031,163	1,241,599,030
Balance as at 1 June 2010, restated after adoption of amendments to FRS 132		1,011,736,202	47,831,665	182,031,163	1,241,599,030
Adjustment for adoption of FRS 139	18(b)	-	182,031,163	(182,031,163)	-
Balance as at 1 June 2010, restated after adoption of FRS 139		1,011,736,202	229,862,828	-	1,241,599,030
Movement in unitholders' contribution:					
Creation of units from application		939,524,129	-	-	939,524,129
Cancellation of units		(864,084,923)	-	-	(864,084,923)
Total comprehensive income for the financial year		-	367,199,790	-	367,199,790
Balance as at 31 May 2011, Restated		1,087,175,408	597,062,618	-	1,684,238,026

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MAY 2011 (CONTINUED)

	Note	Unitholders' capital RM	(Accumulated losses)/ retained earnings RM	Fair value reserve RM	Total RM
Balance as at 1 June 2009 as previously stated		-	-	-	-
Prior year adjustment for adoption of amendments to FRS 132	18(a)	911,266,714	(13,163,921)	83,291,722	981,394,515
Balance as at 1 June 2009, restated after adoption of amendments to FRS 132		911,266,714	(13,163,921)	83,291,722	981,394,515
Movement in unitholders' contribution:					
Creation of units from distribution		46,814,119	-	-	46,814,119
Creation of units from application		582,569,831	-	-	582,569,831
Cancellation of units		(528,914,462)	-	-	(528,914,462)
Total comprehensive income for the financial year		-	109,136,497	-	109,136,497
Distribution for the financial year (Gross/net : 5.00 sen)			(48,140,911)		(48,140,911)
Change in fair value reserve		-	-	98,739,441	98,739,441
Balance as at 31 May 2010, restated		1,011,736,202	47,831,665	182,031,163	1,241,599,030

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR 31 MAY 2011

	Note	2011 RM	2010 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		885,690,960	666,113,079
Proceeds from capital repayment		-	6,424,390
Purchase of Shariah-compliant investments		(951,039,968)	(775,379,691)
Profit income and hibah received		2,812,575	2,560,091
Dividend received		34,551,530	25,874,177
Management fee paid		(22,127,359)	(17,667,726)
Trustee and custodian fees paid		(1,180,126)	(856,611)
Payment for other fees and expenses		(305,120)	(275,981)
Tax paid		(62,717)	980,787
Net cash outlow from operating activities		(51,660,225)	(92,227,485)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from unit created		932,494,126	577,685,643
Payment for cancellation of units		(858,966,015)	(523,466,707)
Distribution paid			(1,326,790)
Net cash inflow from financing activities		73,528,111	52,892,146
Net increase/(decrease) in cash and cash equivalents		21,867,886	(39,335,339)
Cash and cash equivalents at the beginning of the financial year		113,856,243	153,191,582
Cash and cash equivalents at the end of the financial year	11	135,724,129	113,856,243

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2011

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITY

CIMB Islamic DALI Equity Growth Fund ("the Fund") is governed by a Principal Master Deed dated 15 May 2008, a Fourth Supplemental Master Deed dated 25 June 2008, a Sixth Supplemental Master Deed dated 14 July 2008 and a Seventh Supplemental Master Deed dated 19 November 2008, (collectively referred to as "the Deed"), made between CIMB-Principal Asset Management Berhad ("the Manager") and AmTrustee Berhad ("the Trustee") and the registered unitholders of the Fund.

The Fund invests principally in Shariah-compliant equities and any other Shariah-compliant investments as approved by the Securities Commission ("SC") from time to time, each of which has been and remains approved by a competent authority on the Shariah (which includes but shall not be limited to the Shariah Advisory Council of the SC and/or the Shariah Advisor of the Fund) as permissible investments that comply with Shariah requirements.

Up to 98% of the Fund's net asset value will be invested in Shariah-compliant securities and other Shariah-compliant investments, with at least 2% of the Fund's net asset value in Shariah-compliant liquid assets.

All investments will be subject to the SC Guidelines on Unit Trust Funds, SC requirements, the Deed, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund's objective.

The Manager, a company incorporated in Malaysia, is a subsidiary of CIMB Group Sdn. Bhd. and regards CIMB Group Holdings Berhad as its ultimate holding company. Its principal activities are the management of unit trusts and fund management activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standards ("FRS") in Malaysia.

The preparation of financial statements in conformity with the FRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(n).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards and amendments to published standards and interpretations that are applicable and are effective (continued):

- FRS 8 "Operating Segments" (effective from 1 July 2009) replaces FRS 114_{2004} Segment Reporting. The new standard requires a ‘management approach’, under which segment information is reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The improvement to FRS 8 (effective from 1 January 2010) clarifies that entities that do not provide information about segment assets to the chief operating decision-maker will no longer need to report this information. Prior year comparatives must be restated.

- FRS 7 “Financial instruments: Disclosures” (effective from 1 January 2010) provides information to users of financial statements about an entity’s exposure to risks and how the entity manages those risks. The improvement to FRS 7 clarifies that entities must not present total profit income and expense as a net amount within finance costs on the face of the Income Statement. This standard does not have any impact on the classification and valuation of the Fund's financial statements.

- The revised FRS 101 “Presentation of financial statements” (effective from 1 January 2010) prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity. 'Non-owner changes in equity' are to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

  Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period.

- FRS 107 “Statement of cash flows” (effective from 1 January 2010) clarifies that only expenditure resulting in a recognised asset can be categorised as a cash flow from investing activities.

- FRS 110 “Events after the balance sheet date” (effective from 1 January 2010) reinforces existing guidance that a dividend declared after the reporting date is not a liability of an entity at that date given that there is no obligation at that time.

- FRS 118 “Revenue” (effective from 1 January 2010) provides more guidance when determining whether an entity is acting as a ‘principal’ or as an ‘agent’. This standard does not have material impact on the classification and valuation of the Fund's financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards and amendments to published standards and interpretations that are applicable and are effective (continued):

- Amendment FRS 132 “Financial Instruments: Presentation”

  In the previous financial year, the Fund had classified its puttable instruments as liabilities in accordance with FRS 132, 'Financial instruments: Presentation'. However, the FRS 132 (amendment), 'Financial instruments: Presentation', and FRS 101 (amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2010) (the 'amendment') requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met.

  Those criteria include: (i) the puttable instruments must entitle the holder to a pro-rata share of net assets; (ii) the puttable instruments must be the most subordinated class and that class's features must be identical; (iii) there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and (iv) the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer. As a result, the prior year financial statements are restated from amounts previously reported to conform with the amendment. The amendment has been applied retrospectively.

  The effects as a result of adoption of the amendment on the statement of financial position for the prior periods are set out in Note 18(a).

- FRS 139 “Financial Instruments: Recognition and Measurement”

  In the previous financial year, unrealised gains or losses from the derivative financial instrument are recognised in the statement of financial position as receivables and payables while the corresponding effect are transferred to the fair value reserve included in the capital and reserves attributable to equity holders of the fund.

  However, the FRS 139 (new standard) ‘Financial Instruments: Recognition and Measurement’ (effective 1 January 2010) (the ‘standard’) requires the Fund to recognise all investments in its balance sheet as assets and shall measure them at fair value (except for a derivative that is linked to and that must be settled by delivery of an unquoted equity instrument whose fair value cannot be measured reliably) at the beginning of the financial period in which this standard is initially applied. The unrealised gains or losses transferred to the fair value reserve in the previous financial period shall be recognised as an adjustment of the balance of retained earnings at the beginning of the financial period in which this Standard is initially applied (other than for a derivative that is a designated hedging instrument).

  The effects as a result of adoption of the new standard on the opening balances of the statement of financial position at the beginning of the financial year are set out in Note 18(b).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards and amendments to published standards and interpretations that are applicable and are effective (continued):

In respect of FRS 7 and FRS 139, the Fund has applied the transitional provision in the respective standards which exempts entities from disclosing the possible impact arising from the initial application of the standards on the financial statements of the Fund. Comparatives related to financial instruments have not been adjusted and therefore the corresponding balances are not comparable.

(ii) The new standards, amendments and interpretations to published standards which are relevant to the Fund and have not been early adopted are:

- Amendments to FRS 7 "Financial instruments: Disclosures" and FRS 1 "First-time adoption of financial reporting standards" (effective from 1 January 2011) require enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The Fund will apply this standard when effective.

  The Fund has applied the transitional provision which exempts entities from disclosing the possible impact arising from the initial application of this amendment on the financial statements of the Fund.

- IC Interpretation 17 "Distribution of non-cash assets to owners" (effective from 1 July 2010) provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. FRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable.

(b) Financial assets and liabilities

Classification

The Fund designates its Shariah-compliant quoted investment as financial assets at fair value through profit or loss at inception.

Financial assets are designated at fair value through profit or loss when they are managed and their performance evaluated on a fair value basis.

Financing and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and have been included in current assets. The Fund’s financing and receivables comprise cash and cash equivalents, amount due from Manager, dividend receivable and amount due from stockbroker which are all due within 12 months.

The Fund classifies amount due to Manager, amount due to stockbrokers, accrued management fee, amount due to Trustee, other payables and accruals as other financial liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and liabilities (continued)

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. Shariah-compliant quoted investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Financial assets are derecognised when the rights to receive cash flows from the Shariah-compliant quoted investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Gains or losses from the changes in fair value of the investments are presented in the statement of comprehensive income in the financial year on which they are incurred.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund's right to receive payments is established.

Shariah-compliant quoted investments in Malaysia are valued at the last done market price quoted on Bursa Malaysia Securities Berhad ("Bursa Securities") at the date of the statement of financial position.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

Financing and receivables and other financial liabilities are subsequently carried at amortised cost using the effective profit method.

For assets carried at amortised cost, the Fund assesses at the end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective profit rate. The asset's carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If 'financing and receivables' or a 'held-to-maturity investment' has a variable profit rate, the discount rate for measuring any impairment loss is the current effective profit rate determined under the contract.

As a practical expedient, the Fund may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and liabilities (continued)

Recognition and measurement (continued)

When an asset is uncollectible, it is written off against the related allowance account. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined

(c) Income recognition

Dividend income from quoted Shariah-compliant investments are recognised on the ex-dividend date.

Profit income earned from Shariah-compliant deposits is recognised based on effective profit rate method on an accrual basis.

Realised gain or loss on disposal of Shariah-compliant quoted investments is calculated based on sales proceeds less cost of Shariah-compliant quoted investments which is determined on a weighted average cost basis.

(d) Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in Ringgit Malaysia, which is the Fund’s functional and presentation currency.

(e) Creation and cancellation of units

The Fund issues cancellable units, which are cancelled at the unitholder’s option and are classified as equity. Cancellable units can be returned to the Fund at any time for cash equal to a proportionate share of the Fund’s net asset value. The outstanding units are carried at the redemption amount that is payable at the statement of financial position date if the unitholder exercises the right to return the unit to the Fund.

Units are created and cancelled at the unitholder’s option at prices based on the Fund’s net asset value per unit at the time of creation or cancellation. The Fund’s net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

(f) Cash and cash equivalents (Shariah-compliant)

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and deposits held in highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Taxation

Current tax expense is determined according to Malaysian tax laws at the current tax rate based on taxable profits earned during the financial year.

(h) Distributions

Proposed distributions to unit holders are recognised in the statement of changes in equity upon approval by the Board of Directors of the Manager.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Amount due from/to stockbrokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective profit method, less provision for impairment for amounts due from brokers. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from brokers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, profit income is recognised using the profit rate used to discount the future cash flows for the purpose of measuring the impairment loss.

The effective profit method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the profit income or profit expense over the relevant period. The effective profit rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective profit rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective profit rate, transaction costs and all other premiums or discounts.

(j) Proceeds and payments on creation and cancellation of units

The net asset value per unit is computed for each dealing day. The price at which units are created or cancelled is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day. Units in the Fund are classified as equity in the statement of financial position and are stated at fair value representing the price at which unitholders can redeem the units from the Fund.

(k) Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include the bid-ask spread, fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses. Transaction costs are expensed as incurred in the statement of comprehensive income.

(l) Segmental information

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographic segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Segmental information

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Investment Committee of the Fund's manager that undertakes strategic decisions for the Fund.

(m) Financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is the amount at which a financial asset could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction. The information presented herein represents the estimates of fair values on the statement of financial position date.

Financial instruments as at 31 May 2011 are as follows:

	Financing and receivables RM	Financial assets at fair value through profit or loss RM	Total RM
Financial assets at fair value through profit or loss (Note 8)	-	1,551,322,791	1,551,322,791
Cash and cash equivalents (Note 11)	135,724,129	-	135,724,129
Amount due from Manager	16,658,353	-	16,658,353
Amount due from Broker	26,944,297	-	26,944,297
Dividend receivable	4,228,335	-	4,228,335
	183,555,114	1,551,322,791	1,734,877,905

All current liabilities are financial liabilities which are carried at amortised cost.

(n) Critical accounting estimates and judgements in applying accounting policies

The preparation of financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amount of assets and liabilities at the statement of financial position date, and the reported amount of income and expenses during the reported financial year. Although these estimates are based on the Manager's best knowledge of current events and actions, actual results may differ from those estimates.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.
The resulting accounting estimates will, by definition, seldom equal the related actual results.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The investment objective of the Fund is to provide investors with consistent capital growth over the medium to long-term through investments in Shariah-compliant equities and any other Shariah-compliant investments as approved by the Securities Commission ("SC") from time to time.

Up to 98% of the Fund's net asset value will be invested in Shariah-compliant securities and other Shariah-compliant investments, with at least 2% of the Fund's net asset value in Shariah-compliant liquid assets. The Fund is exposed to a variety of risks which include market risk (price risk, profit rate risk and currency risk), credit risk, liquidity risk, single issuer risk, non-compliance risk, reclassification of Shariah status risk and capital risk.

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated by the SC Guidelines on Unit Trust Funds.

(a) Market risk

(i) Price risk

Price risk is the risk that the fair value of an investment quoted Shariah-compliant investment will fluctuate because of changes in market prices (other than those arising from profit rate risk and currency risk). The price risk is managed through diversification and selection of securities and other financial instruments within specified limits according to the Deed.

As at 31 May 2011, the Fund's overall exposures to price risk were as follows:

	2011 **RM**
Financial asset at fair value through profit and loss	1,551,322,791

The table below summarises the sensitivity of the Fund's net asset value to movements in prices of quoted securities as at 31 May 2011. The analysis is based on the assumptions that the price of the quoted securities fluctuates by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the fair value through profit and loss, having regard to the historical volatility of the prices.

% Change in price of quoted securities	**Market value RM**	**Change in net asset value RM**
-5%	1,473,756,651	(77,566,140)
0%	1,551,322,791	-
5%	1,628,888,931	77,566,140

(ii) Profit rate risk

Profit rate risk is the risk that the value of the Fund's Shariah-compliant quoted investments and its return will fluctuate because of changes in market profit rates.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(ii) Profit rate risk (continued)

Profit rate is a general economic indicator that will have an impact on the management of the Fund. The Fund's exposure to the profit rate risk is mainly confined to short term placements with financial institutions. The Manager overcomes the exposure by way of maintaining deposits on short term basis.

As at 31 May 2011, the Fund is not exposed to a material level of profit rate risk.

(iii) Currency risk

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Manager will evaluate the likely directions of a foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as profit rate differentials, balance of payments position, debt levels, and technical chart considerations.
As at 31 May 2011, the Fund does not hold any financial instruments that expose it to currency risk.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Fund. The major classes of financial assets of the Fund are cash and cash equivalents, and other assets.

The credit risk arising from placements of Shariah-compliant deposits in licensed financial institutions is managed by ensuring that the Fund will only place Shariah-compliant deposits in reputable licensed financial institutions. For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Securities. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the Securities Commission's Guidelines on Unit Trust Funds. The credit/default risk is minimal as all transactions in Shariah-compliant quoted investments are settled/paid upon delivery using approved brokers. The following table sets out the credit risk concentration of the Fund:

	Cash and cash equivalents	Amount due from stock-brokers	Amount due from Manager	Dividends receivable	Total
	RM	RM	RM	RM	RM
31 May 2011					
Construction	-	9,236,607	-	100,896	9,337,503
Consumer goods	-	2,971,174	-	160,080	3,131,254
Financials	135,724,129	-	-	155,996	135,880,125
Industrials	-	-	-	148,744	148,744
Infrastructure project company	-	-	-	976,573	976,573
REITs	-	-	-	118,109	118,109
Plantation	-	2,395,618	-	-	2,395,618
Trading/services	-	12,340,898	-	2,567,937	14,908,835
Others	-	-	16,658,353	-	16,658,353
	135,724,129	26,944,297	16,658,353	4,228,335	183,555,114

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (continued)

All financial assets of the Fund as at 31 May 2011 are neither past due nor impaired.

(c) Liquidity risk

Liquidity risk is the risk that Shariah-compliant quoted investments cannot be readily sold at or near its actual value without taking a significant discount. This will result in lower net asset value of the Fund. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unitholders. Liquid assets comprise cash, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days. The Fund has a policy of maintaining a minimum level of 0.5% of liquid assets at all times to reduce the liquidity risk.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period on the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month RM	**Within 1 year RM**
At 31 May 2011		
Amount due to Manager	12,161,490	-
Amount due to stockbroker	36,568,692	
Accrued management fee	2,166,953	-
Amount due to Trustee	115,571	-
Other payables and accruals	-	122,147
Contractual cash out flows	51,012,706	122,147

(d) Single issuer risk

Any major price fluctuation of a particular security invested by the Fund may affect the Fund's net asset value and thus the prices of units.

The single issuer risk is managed by adhering to the investment limits as specified in the SC Guidelines on Unit Trust Funds.

(e) Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund are not compliant to the rules set out in the Fund's constitution, the law that governs the Fund or applicable internal control procedues, or act fraudulently or dishonestly. These non-compliance may expose the Fund to higher risks of a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the Manager. For the Fund, foreign market risk is managed through portfolio diversification by the collective investment scheme which invests among markets/countries and in companies which are well researched.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(f) Reclassification of Shariah status risk

The risk refers to the risk that the currently held Shariah-compliant securities in the portfolio of Shariah-compliant funds may be reclassified to be Shariah non-compliant in the periodic review of the securities by the relevant Shariah advisors. If this occurs, the value of the Fund may be adversely affected where the Manager will take the necessary steps to dispose of such securities in accordance with the advice from the Shariah Advisor.

(g) Capital risk management

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of shareholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

4. MANAGEMENT FEE

In accordance with Clause 24(1) of the Fourth Supplemental Deed dated 25 June 2008, the Manager is entitled to a management fee at a rate of 2.25% (2010: 2.25%) per annum calculated daily based on the net asset value of the Fund.

For the financial year ended 31 May 2011, the management fee is recognized at a rate of 1.50% (2010:1.50%) per annum.

There will be no further liability to the Manager in respect of management fee other than amounts recognised above.

5. TRUSTEE'S FEE

In accordance with Clause 24(2) of the Fourth Supplemental Deed dated 25 June 2008, the Trustee is entitled to a fee at a rate of 0.2% (2010: 0.2%) per annum calculated daily based on the net asset value of the Fund.

For the financial year ended 31 May 2011, the Trustee's fee is recognised at a rate of 0.08% (2010:0.08%) per annum.

There will be no further liability to the Trustee in respect of trustee's fee other than amounts recognised above.

6. DISTRIBUTION

Distribution to unitholders is derived from the following sources:

	2011 RM	2010 RM
Current year's realised income:		
Dividend income from quoted Shariah-compliant securities	-	14,814,868
Profit income from Shariah-compliant deposits with licensed financial institutions	-	1,287,824
Net realised gain on sale/redemption of Shariah-compliant investments	-	48,484,912
	-	64,587,604
Previous years' realised income:		
Dividend income from quoted Shariah-compliant securities	-	26,945,438
Profit income from Shariah-compliant deposits with licensed financial institutions	-	5,660,131
Net realised gain on sales of Shariah-compliant investments	-	(16,265,829)
Other income	-	1,494
Accretion of discounts, net of amortisation of premiums	-	(42,180)
Write back of Shariah-compliant fixed income securities	-	229,938
Write-off of unquoted Shariah-compliant fixed income securities no longer recoverable	-	(1,821,234)
Distribution equalisation (memorandum account)	-	-
	-	14,707,758
Less:		
Expenses	-	(24,074,466)
Taxation	-	(7,079,985)
Net distribution amount	-	48,140,911
Distribution on 18 March 2010 :		
Gross distribution per unit (sen)	-	4.50
Net distribution per unit (sen)	-	3.92

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution for unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

No distribution was made in the current year.

Distribution equalisation represents the average amount of distributable income included in the creation and cancellation prices of units. It is computed as at each date of creation and cancellation of units. For the purpose of determining amount available for distribution, distribution equalisation is included in the computation of realised gains or income available for distribution.

7. TAXATION

	2011 RM	2010 RM
Current taxation	3,665,388	1,844,545
Under provision in prior years	300,458	309,808
	3,965,846	2,154,353

The numerical reconciliation between net profit before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	2011 RM	2010 RM
Net profit before taxation	371,165,636	111,290,850
Taxation at Malaysian statutory rate of 25% (2010: 25%)	92,791,409	27,822,713
Tax effects of:		
Investment income not subject to tax	(50,064,652)	(6,256,067)
Net realised gain on sale of Shariah-compliant investments not subject to tax	(45,604,436)	(24,122,952)
Expenses not deductible for tax purposes	1,421,401	248,552
Restriction on tax deductible expenses for unit trust funds	5,121,666	4,152,299
Under provision in prior years	300,458	309,808
	3,965,846	2,154,353

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net value %
As at 31 May 2011				
QUOTED SHARIAH-COMPLIANT INVESTMENTS				
Construction				
Gamuda Berhad	7,666,900	20,930,103	29,134,220	1.73
IJM Corporation Berhad	7,018,900	28,208,427	43,236,424	2.57
Malaysian Resources Corporation Berhad	7,176,500	12,837,363	15,788,300	0.94
YTL Corporation Berhad	11,369,220	17,301,211	17,963,368	1.07
	33,231,520	79,277,104	106,122,312	6.31
Consumer Products				
Nestle Malaysia Berhad	145,600	5,571,188	6,956,768	0.41
Tan Chong Motor Holdings Berhad	5,398,100	16,751,985	23,157,849	1.37
Tradewinds Malaysia Berhad	1,217,700	12,355,165	11,361,141	0.67
UMW Holdings Berhad	2,335,700	15,566,319	16,653,541	0.99
	9,097,100	50,244,657	58,129,299	3.44
Finance				
Bank Islam Malaysia Berhad	13,143,800	21,332,232	21,161,518	1.26
	13,143,800	21,332,232	21,161,518	1.26
Industrial Products				
Ann Joo Resources Berhad	1,738,500	5,157,455	4,693,950	0.28
Hartalega Holdings Berhad	1,101,300	4,051,143	6,189,306	0.37
Lion Industries Corporation	4,539,200	6,798,431	7,171,936	0.43
Parkson Holdings Berhad	1,625,511	7,649,147	9,362,943	0.56
Petronas Chemicals Group	11,032,800	65,492,006	79,877,472	4.74
Petronas Gas Berhad	1,422,000	16,477,145	16,097,040	0.96
Supermax Corporation Berhad	4,576,050	19,432,603	16,931,385	1.01
Top Glove Corporation Berhad	2,157,100	9,541,301	11,216,920	0.67
YTL Cement Berhad	522,600	2,852,834	2,822,040	0.17
	28,715,061	137,452,065	154,362,992	9.19
Infrastructure Project Company				
Digi.com Berhad	2,271,100	54,610,568	64,726,350	3.84
Maxis Communications Berhad	7,580,300	40,512,022	41,085,226	2.44
Time Dotcom Berhad	24,136,000	16,938,670	20,274,240	1.20
YTL Power International Berhad	6,447,457	13,406,270	13,862,033	0.82
	40,434,857	125,467,530	139,947,849	8.30

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 31 May 2011				
QUOTED SHARIAH-COMPLIANT INVESTMENTS (CONTINUED)				
Plantation				
Genting Plantations Berhad	4,714,700	29,569,300	37,859,041	2.25
IOI Corporation Berhad	18,569,117	89,650,580	98,416,320	5.84
Kuala Lumpur Kepong Berhad	4,199,500	59,386,402	92,389,000	5.49
TH Plantations Berhad	12,979,700	25,705,271	26,348,791	1.56
Tradewinds Plantation Berhad	1,535,200	6,180,648	5,803,056	0.34
	41,998,217	210,492,201	260,816,208	15.48
Properties				
IJM Land Berhad	4,317,700	7,018,385	12,521,330	0.74
Mah Sing Group Berhad	6,320,200	14,448,468	16,622,126	0.99
SP Setia Berhad	3,971,425	11,005,077	16,123,986	0.96
UEM Land Berhad	14,187,633	30,668,299	39,583,496	2.35
	28,796,958	63,140,229	84,850,938	5.04
REITs				
Axis Real Estate Investment Trust	2,481,700	4,875,346	5,856,812	0.35
	2,481,700	4,875,346	5,856,812	0.35
Trading and services				
Aeon Corporation Berhad	80,200	379,101	513,280	0.03
Airasia Berhad	16,667,900	38,899,181	49,670,342	2.95
Axiata Group Berhad	25,664,750	79,860,815	128,323,750	7.62
Dialog Group Berhad	17,479,235	24,034,352	48,941,858	2.91
Kencana Petroleum Berhad	15,004,230	20,078,829	41,861,802	2.49
KPJ Healthcare Berhad	3,037,300	10,474,347	13,181,882	0.78
Malaysia Marine and Heavy Engineering Berhad	7,197,300	33,312,115	55,779,075	3.31
MMC Corporation Berhad	2,380,600	5,837,745	6,641,874	0.39
Petra Energy Berhad	483,300	795,595	744,282	0.04
Petronas Dagangan Berhad	4,169,700	38,316,140	67,966,110	4.04
Pos Malaysia Berhad	4,108,700	13,618,070	12,736,970	0.76

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (CONTINUED)

Name of counter	Quantity	Aggregate cost	Market value	Percentage of net asset value
	Units	RM	RM	%
As at 31 May 2011				
QUOTED SHARIAH-COMPLIANT INVESTMENTS (CONTINUED)				
Trading and services (continued)				
QSR Brands Berhad	2,360,900	9,937,377	14,047,355	0.83
Sapura Crest Petroleum Berhad	7,363,600	13,051,583	28,718,040	1.71
SEG International Bhd	492,200	1,923,223	1,875,282	0.11
Sime Darby Berhad	17,712,056	134,880,298	162,773,795	9.66
Telekom Malaysia Berhad	7,577,900	28,169,958	29,478,030	1.75
Tenaga Nasional Berhad	7,709,400	47,673,932	54,813,833	3.25
	139,489,271	501,242,661	718,067,560	42.63
TSR & Warrants				
Unisem Berhad -Warrant	3,156,022	1,199,335	1,262,409	0.07
	3,156,022	1,199,335	1,262,409	0.07
TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS	**340,544,506**	**1,194,723,360**	**1,550,577,897**	**92.07**
UNQUOTED FIXED INCOME SECURITIES				
As at 31 May 2011				
Talam Corporation Berhad-0% 28/06/2019 (B+)	1,970,618	410,380	744,894	0.04
TOTAL UNQUOTED FIXED INCOME SECURITIES	**1,970,618**	**410,380**	**744,894**	**0.04**
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**342,515,124**	**1,195,133,740**	**1,551,322,791**	**92.11**
UNREALIZED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		**356,189,051**		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		**1,551,322,791**		

9. QUOTED SHARIAH-COMPLIANT INVESTMENTS

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 31 May 2010				
QUOTED SECURITIES				
Construction				
Gamuda Berhad	7,146,600	16,906,803	21,082,470	1.70
IJM Corporation Berhad	7,840,500	26,774,348	37,477,590	3.02
Malaysian Resources Corporation Berhad	6,295,000	9,086,758	9,442,500	0.76
Mudajaya Group Berhad	2,130,700	10,817,192	10,653,500	0.86
WCT Berhad	8,787,655	19,923,092	23,550,915	1.90
YTL Corporation Berhad	2,154,944	15,353,506	15,817,289	1.27
	34,355,399	**98,861,699**	**118,024,264**	**9.51**
Consumer Products				
Mamee Double Decker Berhad	220,000	686,846	638,000	0.05
Nestle Malaysia Berhad	157,000	5,503,031	5,385,100	0.44
PPB Group Berhad	2,935,700	32,685,458	45,679,492	3.68
Tan Chong Motor Holdings Berhad	5,472,300	12,711,353	22,108,092	1.78
UMW Holdings Berhad	1,742,500	10,902,566	11,082,300	0.89
	10,527,500	**62,489,254**	**84,892,984**	**6.84**
Industrial Products				
Hartalega Holdings Berhad	1,197,600	6,608,075	9,161,640	0.74
Lafarge Malayan Cement Berhad	3,026,300	14,294,435	19,913,054	1.60
Lion Industries Corporation Berhad	9,227,700	13,374,875	13,749,273	1.11
Supermax Corporation Berhad	1,418,000	5,951,420	9,174,460	0.74
Top Glove Corporation Berhad	2,860,200	22,866,032	35,123,256	2.83
Wah Seong Corporation Berhad	2,521,073	6,328,166	5,571,571	0.45
	20,250,873	**69,423,003**	**92,693,254**	**7.47**
Infrastructure Project Company				
Digi.com Berhad	838,700	18,657,266	19,189,456	1.55
YTL Power International Berhad	6,494,857	13,504,830	14,418,583	1.16
	7,333,557	**32,162,096**	**33,608,039**	**2.71**

9. QUOTED SHARIAH-COMPLIANT INVESTMENTS (CONTINUED)

Name of counter As at 31 May 2010 QUOTED SECURITIES (CONTINUED)	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
Plantations				
Genting Plantations Berhad	5,836,700	35,580,907	37,646,715	3.03
IOI Corporation Berhad	16,264,117	68,878,365	79,856,814	6.43
Kuala Lumpur Kepong Berhad	3,869,400	47,430,370	61,523,460	4.96
	25,970,217	151,889,642	179,026,989	14.42
Properties				
IJM Land Berhad	6,743,400	10,961,340	14,768,046	1.19
KLCC Holdings Berhad	1,967,600	6,079,278	5,706,040	0.46
SP Setia Berhad	4,475,350	16,932,053	17,319,605	1.39
Sunrise Berhad	1,298,900	2,900,621	2,441,932	0.20
UEM Land Berhad	5,838,300	6,458,657	8,173,620	0.66
	20,323,550	43,331,949	48,409,243	3.90
Technology				
Unisem Berhad	5,914,000	10,202,229	16,500,060	1.33
Trading and services				
Aeon Co. M Berhad	1,535,700	6,585,736	7,647,787	0.62
Axiata Group Berhad	32,188,750	86,602,395	121,351,588	9.77
Dialog Group Berhad	25,702,635	21,325,668	26,730,740	2.15
Kencana Petroleum Berhad	14,729,230	16,546,551	20,179,045	1.63
KPJ Healthcare Berhad	1,056,000	3,114,542	3,157,440	0.25
MMC Corporation Berhad	1,646,800	3,520,125	4,034,660	0.32
Malaysian Bulk Carriers Berhad	2,376,300	7,561,569	7,033,848	0.57
Maxis Communications Berhad	7,358,200	38,954,068	38,409,804	3.09
MISC Berhad - Local	2,199,420	19,158,588	18,541,111	1.49
Parkson Holdings Berhad	2,312,655	9,790,725	12,372,704	1.00
Petronas Dagangan Berhad	3,763,900	30,043,827	33,686,905	2.71
PLUS Expressways Berhad	7,679,500	25,367,901	25,495,940	2.05
Pos Malaysia Berhad	2,420,000	7,838,116	6,461,400	0.52
QSR Brands Berhad	1,247,600	4,235,371	4,304,220	0.35
Sapura Crest Petroleum Berhad	9,995,900	14,435,919	20,091,759	1.62
Sime Darby Berhad	13,818,856	96,248,537	107,096,134	8.63
Suria Capital Holdings Berhad	881,500	1,201,380	1,251,730	0.10
Tenaga Nasional Berhad	11,338,500	83,485,451	94,676,475	7.63
	142,251,446	**476,016,469**	**552,523,290**	**44.50**

9. QUOTED SHARIAH-COMPLIANT INVESTMENTS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 31 May 2010				
QUOTED SECURITIES (CONTINUED)				
TSR & Warrants				
Gamuda Berhad - Warrant 25/05/15	791,812	79,181	502,801	0.05
Ann Joo Resources Berhad – Warrant 10/01/2013	318,700	54,313	180,066	0.01
	1,110,512	**133,494**	**682,867**	**0.06**
TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS	**268,037,054**	**944,509,835**	**1,126,360,990**	**90.74**
FAIR VALUE RESERVE		**181,851,155**		
MARKET VALUE		**1,126,360,990**		

10. UNQUOTED SUKUK

Name of counter	Nominal value RM	Carrying value RM	Fair value RM	Percentage net asset value of Fund %
As at 31 May 2010				
FIXED INCOME SECURITIES				
Talam Corporation Berhad - 0% 28/06/2019 (B+)	1,970,618	409,402	589,410	0.01
TOTAL UNQUOTED FIXED INCOME SECURITIES	**1,970,618**	**409,402**	**589,410**	**0.01**
FAIR VALUE RESERVE		**180,008**		
MARKET VALUE		**589,410**		

11. CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)

	2011 RM	2010 RM
Deposits with licensed financial institutions	132,956,851	113,701,000
Bank balances in a licensed bank	2,767,278	155,243
	135,724,129	113,856,243

The effective weighted average profit rates per annum of Shariah-compliant deposits with licensed financial institutions are as follows:

	2011 %	2010 %
Deposits with licensed financial institutions	2.96	2.38

Deposits with licensed financial institutions have an average maturity of 4 days (2010: 4 days).

12. NUMBER OF UNITS IN CIRCULATION AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	No. of units	2011 RM	No. of units	2010 RM
At the beginning of the financial year	1,284,220,808	1,241,599,030	1,172,614,000	981,394,515
Add: Creation arising from distribution	-	-	47,248,808	46,814,119
Add: Creation arising from application	821,845,901	939,524,129	602,089,003	582,569,831
Less: Cancellation of units	(744,533,142)	(864,084,923)	(537,731,003)	(528,914,462)
Total comprehensive income for the financial year	-	367,199,790	-	109,136,497
Distribution for the financial year	-	-	-	(48,140,911)
Net change in fair value reserve	-	-	-	98,739,441
At the end of the financial year	1,361,533,567	1,684,238,026	1,284,220,808	1,241,599,030
Approved size of the Fund	1,800,000,000		1,800,000,000	

As at 31 May 2011, the number of units not yet issued is 438,466,433 (2010: 515,779,192).

13. MANAGEMENT EXPENSE RATIO ("MER")

	2011 %	2010 %
MER	1.88	1.61

MER is derived from the following calculation:

$$MER = \frac{(A + B + C + D + E + F) \times 100}{G}$$

A = Management fee
B = Trustee's fee
C = Auditors' remuneration
D = Tax agent's fee
E = Other expenses
F = Transaction costs
G = Average net asset value of the Fund calculation on a daily basis

The average net asset of the Fund for the financial year calculated on daily basis is RM 1,336,788,821 (2010: RM 1,205,704,177).

14. PORTFOLIO TURNOVER RATIO ("PTR")

	2011	2010
PTR (times)	0.57	0.55

PTR represents the average of total acquisitions and disposals of Shariah-compliant investments in the Fund for the financial year over the Fund's average net asset value calculated on a daily basis.

where:
total acquisition for the financial year = RM 980,955,570 (2010: RM 772,076,730)
total disposal for the financial year = RM 731,037,824 (2010: RM 560,813,749)

15. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The related parties and their relationship with the Fund are as follows:

Related parties	Relationship
CIMB-Principal Asset Management Berhad	The Manager
CIMB-Group Sdn Bhd	Holding company of the Manager
CIMB Group Holdings Berhad ("CIMB")	Ultimate holding company of the Manager
Subsidiaries and associates of CIMB as disclosed in its financial statements	Subsidiary and associated companies of the ultimate holding company of the Manager

Units held by the Manager and parties related to the Manager

	No. of units	2011 RM	No. of units	2010 RM
Manager				
CIMB-Principal Asset Management Berhad	276,078	341,508	148,644	143,710

The above units were transacted at the prevailing market price.

The units are held beneficially by the Manager for booking purposes. Other than the above, there were no units held by Directors or parties related to the Manager.

15. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER (CONTINUED)

In addition to related party disclosure mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on terms and conditions obtained in transactions with unrelated parties unless otherwise stated. Profit income rates on fixed and short-term Shariah-compliant deposits were at normal commercial rates.

	2011 RM	2010 RM
Significant related party transactions		
Profit income from deposits with licensed financial institutions:		
- CIMB Bank Berhad	531,152	255,899
Significant related party balances		
Deposits with licensed financial institutions		
- CIMB Bank Berhad	30,010,507	15,352,000

16. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the top 10 brokers/dealers for the financial year ended 31 May 2011 are as follows:

	Values of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
RHB Islamic Bank	1,617,086,000	17.92	-	-
CIMB Islamic Bank #	1,522,279,000	16.87	-	-
Hong Leong Islamic Bank Berhad	1,128,364,000	12.51	-	-
Malayan Banking Berhad	826,907,000	9.16	-	-
CIMB Investment Bank #	783,327,268	8.68	1,749,128	44.60
EONCAP Islamic Bank Berhad	454,575,000	5.04	-	-
Bank Muamalat Berhad	409,970,000	4.54	-	-
AmIslamic Bank Berhad	312,122,000	3.46	-	-
Credit Suisse Sendirian Berhad	274,795,535	3.05	454,391	11.59
OSK Investment Bank	250,082,000	2.77	-	-
Others	1,443,644,864	16.00	1,717,973	43.81
	9,023,152,667	100.00	3,921,492	100.00

16. TRANSACTIONS WITH BROKERS/DEALERS (CONTINUED)

Details of transactions with the top 10 brokers/dealers for the financial year ended 31 May 2010 are as follows:

	Values of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
CIMB Islamic Bank #	1,145,287,000	19.52	-	-
Hong Leong Islamic Bank Berhad	732,017,960	12.48	-	-
Bank Islam Malaysia Berhad	577,588,304	9.85	-	-
CIMB Investment Bank #	522,418,226	8.91	1,267,979	40.73
Kuwait Finance House Berhad	419,878,318	7.16	-	-
RHB Bank Islamic Berhad	413,546,000	7.05	-	-
Bank Kerjasama Rakyat Berhad	343,472,152	5.86	-	-
Public Bank Islamic	266,131,000	4.54	-	-
JPMorgan Securities (M) Sendirian Berhad	207,479,854	3.54	434,899	13.97
Malayan Islamic Banking Berhad	198,702,841	3.39	-	-
Others	1,039,378,180	17.70	1,410,595	45.30
	5,865,899,835	100.00	3,113,473	100.00

Included in transactions by the Fund are trades conducted on normal terms with CIMB Investment Bank Berhad and CIMB Islamic Bank, companies related to the Manager amounting to RM 783,327,268 (2010: RM 522,418,226) and RM 1,522,279,000 (2010 : RM 1,145,287,000) respectively.

17. SEGMENT INFORMATION

The Investment Committee of the Manager makes the strategic resource allocations on behalf of the Fund. The Fund has determined the operating segments based on the reports reviewed by this committee that are used to make strategic decisions.

The committee is responsible for the Fund's entire portfolio and considers the business to have a single operating segment. The committee's asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The reportable operating segment derives their income by seeking Shariah-compliant investments to achieve targeted returns consummate with an acceptable level of risk within each portfolio. These returns consist of dividends and gains on the appreciation in the value of Shariah-compliant investments.

There were no changes in the reportable segments during the year.

17. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Investment Committee for the reportable operating segment is as follows:

	Shariah-compliant quoted investments sub-portfolio	
	2011	2010
	RM	RM
Dividend income	40,265,427	29,701,296
Net realised gain on sale of financial assets at fair value through profit or loss	182,417,744	96,491,809
Unrealised capital gain on financial assets at fair value through profit or loss	174,157,888	-
Accretion of discounts	-	698
Transaction costs	(4,523,743)	-
Write back on dimunition in investments	-	2,109,407
Total segment income	392,317,316	128,303,210
Dividend receivable	4,228,335	2,501,002
Amount due from stockbrokers	26,944,297	1,519,261
Financial assets at fair value through profit or loss	1,551,322,791	1,126,950,400
Total segment assets	1,582,495,423	1,130,970,663
Amount due to stockbrokers	36,568,692	4,284,234
Total segment liabilities	36,568,692	4,284,234

The Fund's management fee, trustee's fees and other expenses are not considered to be segment expenses

A reconciliation of total segmental income to the net income is provided as follows:

	2011	2010
	RM	RM
Total net segmental income	392,317,316	128,303,210
Profit and hibah earned	2,773,140	2,436,513
Other fees and expenses	(23,924,820)	(19,448,873)
Net profit before taxation	371,165,636	111,290,850
Taxation	(3,965,846)	(2,154,353)
Net profit for the financial year	367,199,790	109,136,497

17. SEGMENT INFORMATION (CONTINUED)

Reportable operating segment's assets and liabilities are reconciled to total assets and total liabilities as follows:

	2011 RM	2010 RM
Total segment assets	1,582,495,423	1,130,970,663
Cash and cash equivalents	135,724,129	113,856,243
Amount due from Manager	16,658,353	9,628,351
Profit income receivable	-	39,435
Tax recoverable	494,974	523,610
Total assets	1,735,372,879	1,255,018,302
Total segment liabilities	36,568,692	4,284,234
Amount due to Manager	12,161,490	7,042,582
Accrued management fee	2,166,953	1,617,002
Amount due to Trustee	115,571	171,908
Other payables and accruals	122,147	303,546
Total liabilities	51,134,853	13,419,272

The Fund's other receivables and other payables and accrued expenses are not considered to be segment assets and segment liabilities respectively and are managed by the administration function.

18. CHANGES IN ACCOUNTING POLICIES

(a) Amendment FRS 132 "Financial Instruments: Presentation"

In the previous financial year, the Fund had classified its puttable instruments as liabilities and distribution to unitholders of the puttable instruments as finance costs in accordance with FRS 132, 'Financial instruments: Presentation'. However, the FRS 132 (amendment), 'Financial instruments: Presentation', and FRS 101 (amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2010) (the 'amendment') requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met. As a result, distribution to unitholders of these puttable instruments shall be debited by the entity directly to equity.

Those criteria include: (i) the puttable instruments must entitle the holder to a pro-rata share of net assets; (ii) the puttable instruments must be the most subordinated class and that class's features must be identical; (iii) there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and (iv) the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer. As a result, the prior year financial statements are restated from amounts previously reported to conform with the amendment. The amendment has been applied retrospectively.

18. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(a) Amendment FRS 132 “Financial Instruments: Presentation” (continued)

The effects as a result of adoption of the amendment on the statement of financial position and statement of comprehensive income for the prior periods are set out below.

	As previously stated	Adjustment	As restated
	RM	RM	RM
1 June 2009			
Statement of Financial Position			
Financial liability	981,394,515	(981,394,515)	-
Unitholders' capital	-	911,266,714	911,266,714
Retained earnings	-	28,442,283	28,442,283
Distribution		(41,606,204)	(41,606,204)
Fair value reserve	-	83,291,722	83,291,722
	-	981,394,515	981,394,515
Statement of Comprehensive Income			
Finance cost	41,606,204	(41,606,204)	-
Total comprehensive loss for the financial year	(137,595,791)	41,606,204	(95,989,587)
31 May 2010			
Statement of Financial Position			
Financial liability	1,241,599,030	(1,241,599,030)	-
Unitholders' capital	-	1,011,736,202	1,011,736,202
Retained earnings	-	95,972,576	95,972,576
Distribution		(48,140,911)	(48,140,911)
Fair value reserve	-	182,031,163	182,031,163
	-	1,241,599,030	1,241,599,030
Statement of Comprehensive Income			
Finance cost	48,140,911	(48,140,911)	-
Total comprehensive loss for the financial year	60,995,586	48,140,911	109.136,497

18. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(a) Amendment FRS 132 “Financial Instruments: Presentation” (continued)

Effect of changes in accounting policy on the statement of financial position as at 31 May 2011 and statement of changes in equity for the year ended 31 May 2011 are set out below.

	Previous accounting policy	**Change in accounting policy**	**Revised accounting policy**
31 May 2011	**RM**	**RM**	**RM**
Statement of Financial Position			
Financial liability	1,684,238,026	(1,684,238,026)	-
Unitholders' capital	-	1,087,175,408	1,087,175,408
Retained earnings	-	243,058,714	243,058,714
Fair value reserve	-	354,003,904	354,003,904
	-	1,684,238,026	1,684,238,026

(b) FRS 139 “Financial Instruments: Recognition and Measurement”

In the previous financial year, unrealised gains or losses from the financial instruments are recognised in the statement of financial position as investments while the corresponding effect are transferred to the fair value reserve included in the capital and reserves attributable to equity holders of the fund.

However, the FRS 139 (new standard) ‘Financial Instruments: Recognition and Measurement’ (effective 1 January 2010) (the ‘standard’) requires the Fund to recognise all investments in its statement of financial position as assets and shall measure them at fair value (except for a derivative that is linked to and that must be settled by delivery of an unquoted equity instrument whose fair value cannot be measured reliably) at the beginning of the financial period in which this standard is initially applied. The unrealised gains or losses transferred to the fair value reserve in the previous financial period shall be recognised as an adjustment of the balance of retained earnings at the beginning of the financial period in which this Standard is initially applied (other than for a derivative that is a designated hedging instrument).

The effects as a result of adoption of the new standard on the opening balances of the statement of financial position at the beginning of the financial year are set out below.

	As restated after adoption of amendments to FRS 132 (Note 18(a))	**Adjustment**	**As restated**
	RM	**RM**	**RM**
1 June 2010			
Unitholders' capital	1,011,736,202	-	1,011,736,202
Retained earnings	47,831,665	182,031,163	229,862,828
Fair value reserve	182,031,163	(182,031,163)	-
	1,241,599,030	-	1,241,599,030

18. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) FRS 139 "Financial Instruments: Recognition and Measurement" (continued)

Effect of changes in accounting policy on the statement of financial position as at 31May 2011, statement of comprehensive income and statement of changes in equity for the financial year 31 May 2011are set out below.

	Previous accounting policy	Change in accounting policy	Revised accounting policy
	RM	RM	RM
Statement of Financial Position			
Financial assets at fair value through profit or loss	-	1,551,322,791	1,551,322,791
Quoted investments	1,550,577,897	(1,550,577,897)	-
Unquoted Sukuk	744,894	(744,894)	-
Fair value reserve	354,003,904	(354,003,904)	-
Profit income receivable from Shariah-compliant deposit	68,851	(68,851)	-
Deposits with licensed financial institutions	132,888,000	68,851	132,956,851
Statement of Comprehensive Income			
Net realised gain on sale of financial assets at fair value through profit or loss	180,078,172	2,338,597	182,416,769
Net unrealised gain on financial assets at fair value through profit or loss	171,972,742	2,185,146	174,157,888
Transaction costs	-	(4,523,743)	(4,523,743)
Total comprehensive income for the financial year	195,227,048	171,972,742	367,199,790

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CIMB Islamic DALI Equity Growth Fund is also available from CIMB Wealth Advisors Berhad's Offices

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HEAD OFFICE	
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• 1 Jalan PJU 8/3B, Damansara Perdana, 47820 Petaling Jaya, Selangor.	03-77262000
REGIONAL OFFICES	
• 5A, 1st & 2nd Floor, Jalan Todak 4, Bandar Sunway, Seberang Jaya, 13700 Perai, Penang.	04-3702155 04-3702156
• 23 & 23A Jalan Harimau Tarum Taman Century, 80250 Johor Bahru, Johor.	07-3341748
• 46, Jalan SS 21/39, Damansara Utama 47400 Petaling Jaya, Selangor.	03-77122888
• 5B, Lot 414, Section 10, KTLD Jalan Rubber, 93400 Kuching, Sarawak.	082-259777
• No 1 Jalan Pasar Baru, Kampung Air, 88000 Kota Kinabalu, Sabah.	088-239951 088-239952
BRANCHES	
• Ground Floor, No. 298-B, Jalan Tok Hakim, 15000 Kota Bharu, Kelantan	09-7471190 09-7471172
• 30A, First Floor, Persiaran Greentown 1, Greentown Business Centre, 30450 Ipoh, Perak.	05-2439001 05-2439002
• No 13B, 2nd Floor, Jalan Mamanda 7/1, Off Jalan Ampang, 68000 Ampang, Selangor.	03-42702970
• 39-3 & 41-3, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur.	03-90592333
• 61, Jalan Melaka Raya 24,Taman Melaka Raya, 75000 Melaka.	06-2811111
• Lot 228, 1st Floor, Beautiful Jade Centre, Jalan Maju, 98000 Miri, Sarawak.	085-432525

SALES OFFICES

• Unit 113 & 213, Block C, Damansara Intan 1, Jalan SS20/27, 47400 Petaling Jaya	03-7118 2234
• Lot C-615 & Lot C-616, Level 6 Block C Kelana Square, 17 Jalan SS7/26, Kelana Jaya, 47301 Petaling Jaya, Selangor	03-7880 6893
• 2-6A, Jalan PJU 8/3A, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor	03-7725 6320
• 12A-3 (2nd Floor), Block C, Jalan PJU 5/17 Dataran Sunway, Kota Damansara, 47810 Petaling Jaya Selangor	03-6141 6369
• UNIT A-2-5 & A-3-5, Block A, Pusat Perdagangan Pelangi, Pelangi Damansara, PJU 6 Persiaran Surian,47800 Petaling Jaya Selangor	03-7725 2880
• Lot No 35-2, 2ND Floor, Jalan Sepah Puteri 5/1B, Pusat Dagangan Seri Utama, PJU 5 Kota Damansara, 47410 Selangor	03-6140 3046
• No. 6-2, Jalan Dagang 1/1A, Taman Dagang, 68000 Ampang, Selangor	03-4251 1129
• I-91-2, Block I, Jalan Teknologi 3/9, Kota Damansara, 47810 Petaling Jaya, Selangor	03-6140 7275
• No 6B, 2ND Floor, Jalan Tengku Zabedah Ampuan K/9K, 40000 Shah Alam, Selangor	03-5541 0350
• Block E-1-03A & E-2-03A, Jalan SS6/20A, Dataran Glomac, 47301 Kelana Jaya, Selangor	03-7880 7082
• 98A, Jalan SS21/39, Damansara Utama, 47400, Petaling Jaya, Selangor	03-7725 0825
• D-10-08-G & D10-08-1, Pusat Perdagangan Dana 1, Jalan PJU 1A/46 47301 Petaling Jaya Selangor	TBA
• 32 – 3, 3rd Floor, Jalan 1/27F, KL Satellite Centre (KLSC), Wangsa Maju Section 5 53300 Kuala Lumpur	03-4142 2911
• A-2-1, Block A, 8 Jalan PJU 1A/20A Dataran Ara Damansara , 47301 Petaling Jaya	03-7843 0506
• A-2-3, Block A, 8 Jalan PJU 1A/20A, Dataran Ara Damansara, 47301 Petaling Jaya	03-7843 0503
• Unit B-3A-1, Setiawangsa Business Suites Jalan Setiawangsa 11, Taman Setiawangsa, 54200 Kuala Lumpur	03-4256 6277
• 22-2, Jalan Metro Wangsa, Seksyen 2 Wangsa Maju, 53300 Kuala Lumpur	03-4149 8818
• J-06-01 Level 6 Block J, Solaris Mont Kiara, Jalan Solaris, 50480 Kuala Lumpur	03-6204 0113

• Suite B-12-11 Plaza Mont Kiara 2, Jalan 1/70C, Mont Kiara, 50480 Kuala Lumpur	03-6203 9036
• A-7, Tingkat 1 Lorong Tun Ismail 12, Sri Dagangan 2, 25000 Kuantan Pahang	09-5161 430
• 15A, Jalan Ruby, 96000 Sibu, Sarawak	084-325 515