

▶ INVESTMENT OBJECTIVE & STRATEGY

The Fund aims to grow capital over the long term through the application of a highly disciplined value investing approach emphasizing capital preservation, and a focus on absolute return and risk. This is achieved through investing in a small number of carefully researched securities issued by U.S. based companies. The Fund focuses on equity securities issued by larger companies which are leaders in their field. Each investment needs to show, through in-depth independent research, that it is significantly undervalued and has the ability to appreciate to true value within an investment time frame of 3 years - thereby contributing to our objective of achieving a margin of safety. The firm's highly disciplined value investing approach results in a Fund that performs defensively in volatile markets, while aiming to capture a significant portion of the market's upside. This Fund is suitable as a core holding in your portfolio.

▶ AVAILABLE CLASSES

Class D

Fund Code: **BTG 774**

Creation Date: August 23, 1990

Management Expense Ratio (MER): 1.53%

Class F

Fund Code: **BTG 105**

Class B

Fund Code: **BTG 308**

▶ RISK METER



▶ PORTFOLIO CHARACTERISTICS

	BEUTEL GOODMAN AMERICAN EQUITY FUND	S&P 500 C\$
P/E RATIO (CURRENT)	12.31 X	12.30 X
DIVIDEND YIELD	2.19 %	2.10 %
PRICE/BOOK RATIO	3.20 X	2.00 X
PRICE TO CASH FLOW*	8.61 X	8.70 X
TURNOVER (1 YEAR)	29.01 %	N/A
BETA (5 YEAR)	0.97	1.00
STANDARD DEVIATION (5 YEAR)	12.56 %	12.80 %
CAPITALIZATION (AVERAGE) \$BIL	\$78.21 USD	\$95.22 USD
CURRENT # OF STOCKS IN PORTFOLIO	27	500

*WEIGHTED AVERAGE FOR P/ CF OF PORTFOLIO IS EX FINANCIALS

▶ PORTFOLIO MANAGERS

BEUTEL, GOODMAN & COMPANY LTD.

GLOBAL EQUITY TEAM

Gavin Ivory, BA, CFA

Glenn Fortin, B. Comm., CFA

Ehren Mendum, B.Sc., CFA

KC Parker, MBA, CFA

Colin Ramkissoon, MBA, CFA

▶ TOP 10 HOLDINGS

WELLS FARGO & CO	5.1 %
CVS CAREMARK CORP	4.9 %
METLIFE INC	4.7 %
COVIDIEN PLC	4.7 %
CISCO SYSTEMS INC	4.6 %
PFIZER INC	4.6 %
MICROSOFT CORP	4.5 %
COMCAST CORP	4.3 %
KRAFT FOODS INC	4.3 %
KOHL'S CORP	4.0 %
TOTAL	45.7 %

▶ SECTOR WEIGHTS VS BENCHMARK

SECTOR	BG	S&P 500 C\$	UNDERWEIGHT/OVERWEIGHT %
Consumer D.	19.7	10.7	9.0
Industrials	14.6	10.7	3.9
Consumer S.	14.9	11.5	3.4
Health Care	13.3	11.9	1.4
Info. Tech.	19.4	19.0	0.4
Financials	12.6	13.4	-0.8
Telecom	0.0	3.2	-3.2
Materials	0.0	3.5	-3.5
Utilities	0.0	3.9	-3.9
Energy	1.3	12.3	-10.9
Cash	4.1		

▶ ANNUALIZED PERFORMANCE % AS AT DECEMBER 31, 2011

ANNUALIZED RETURNS	3 MTHS	6 MTHS	YTD	1 YR	3 YRS	5 YRS	10 YRS
AMERICAN EQUITY FUND, CLASS D*	8.13	1.19	3.48	3.48	5.49	-1.53	-1.41
S&P500 INDEX (C\$)	9.46	1.57	4.41	4.41	7.26	-2.93	-1.59

▶ CALENDAR PERFORMANCE % AS AT DECEMBER 31

CALENDAR RETURNS	2011	2010	2009	2008	2007	2006
AMERICAN EQUITY FUND, CLASS D*	3.48	6.29	6.74	-10.4	-11.98	18.19
S&P500 INDEX (C\$)	4.41	9.35	8.08	-21.92	-10.54	15.74

* Mutual Fund Performance is net of fees.

▶ FUND ASSETS

\$104,726,611

The Beutel Goodman American Equity Fund is qualified for use in registered plans under the Income Tax Act of Canada. This Fund is only available for sale through Investment Advisors.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus to obtain more information before investing. The indicated rates of return are Canadian dollar historical total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Only periods greater than a year are

annualized. Annualized rates of return are used only to illustrate the effects of the compound growth rate and are not intended to reflect future values of the mutual fund or returns on investment in the mutual fund.

Mutual funds are not guaranteed, their values change frequently and past performance may not be repeatable. Securities noted herein are not to be construed as recommendations to buy or sell and are not representative of Beutel Goodman Managed Funds as a whole.

The Index information contained in this document has been obtained from sources believed to be reliable, but we do not represent that it is accurate or complete and it should not be relied on as such.