

▶ INVESTMENT OBJECTIVE & STRATEGY

The Fund aims to achieve a balance of income generation and capital growth. This is achieved through investing in a selection of fixed income, Canadian and global equities. The firm's highly disciplined value investing approach emphasizes capital preservation, and focuses on absolute return and risk. This results in a Fund that generates strong long-term equity performance. The fixed income component is managed with the objective of delivering a yield greater than that of the DEX Universe benchmark while remaining in high quality bonds. The Fund will generally reflect its target mix of 40% Fixed Income and 60% Equity, as Fund managers do not make large reallocations to the Fund's asset mix. They rely instead on the bottom up opportunities that exist in the equity markets to naturally drive exposures, and rebalance back to the Fund's target mix on a regular basis. This Fund is suitable as a core holding in your portfolio.

▶ AVAILABLE CLASSES

Class D

Fund Code: **BTG 772**

Creation Date: August 23, 1990

Management Expense Ratio (MER): 1.24%

Class F

Fund Code: **BTG 106**

Class B

Fund Code: **BTG 306**

▶ BENCHMARK

BG Blended Balanced Benchmark: 5% 91 Day T-bill Index, 40% DEX Universe Index, 30% S&P/TSX Index, 12% S&P500 Index C\$, 13% MSCI EAFE Index C\$

▶ RISK METER



▶ PORTFOLIO CHARACTERISTICS

	\$ (BIL.)	AVG. CAP.	DIVIDEND P/E	PRICE/ YIELD	DURATION BOOK	AVG. TERM (YRS.)
BONDS	-	-	-	-	6.19	9.68
CANADIAN EQUITY	27.0	11.38X	2.84%	1.80X	-	-
U.S. EQUITY	79.5	12.31X	2.19%	3.20X	-	-
INT'L EQUITY	32.6	11.86X	4.10%	1.56X	-	-

▶ PORTFOLIO MANAGERS

BEUTEL, GOODMAN & COMPANY LTD.

BEUTEL GOODMAN CANADIAN EQUITY TEAM

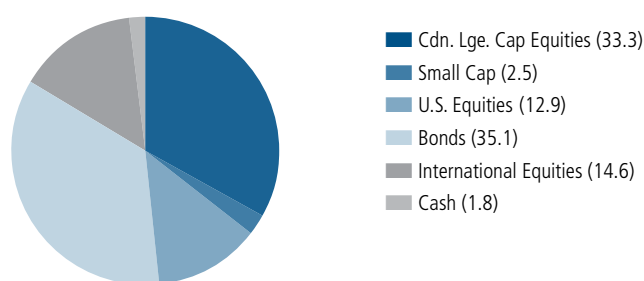
BEUTEL GOODMAN GLOBAL EQUITY TEAM

BEUTEL GOODMAN FIXED INCOME TEAM

▶ TOP 10 EQUITY HOLDINGS

TORONTO DOMINION BK	2.8 %
ROYAL BANK CDA	2.4 %
CDN IMP BANK COMMERC	2.2 %
TELUS CORP	2.2 %
ROGERS COMMUNICATION	1.6 %
BANK OF NOVA SCOTIA	1.5 %
MOLSON COORS CANADA	1.5 %
CDN NATL RAILWAY	1.4 %
GREAT-WEST LIFECO	1.2 %
CDN PACIFIC RAILWAY	1.2 %
TOTAL	18.0 %

▶ ASSET CLASS WEIGHTS %



▶ ANNUALIZED PERFORMANCE % AS AT DECEMBER 31, 2011

ANNUALIZED RETURNS	3 MTHS	6 MTHS	YTD	1 YR	3 YRS	5 YRS	10 YRS
BALANCED FUND, CLASS D*	3.71	-2.68	-0.67	-0.67	7.14	1.75	4.93
BG BLENDED BALANCED BENCHMARK	3.24	-1.14	0.42	0.42	8.23	2.06	5.15

▶ CALENDAR PERFORMANCE % AS AT DECEMBER 31

CALENDAR RETURNS	2011	2010	2009	2008	2007	2006
BALANCED FUND, CLASS D*	-0.67	8.52	14.09	-10.98	-0.37	12.75
BG BLENDED BALANCED BENCHMARK	0.42	9.61	15.17	-14.86	2.6	12.23

* Mutual Fund Performance is net of fees.

▶ FUND ASSETS

\$1,984,401,389

The Beutel Goodman Balanced 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 indices 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.