

▶ INVESTMENT OBJECTIVE & STRATEGY

The Long Term Bond Fund seeks to earn a high rate of income by investing primarily in long-term fixed income securities of Canadian government and high-grade corporate issuers. This Fund is suitable for investors wishing to diversify their fixed income investments into longer term maturities.

▶ AVAILABLE CLASSES

Class D

Fund Code: **BTG 871**

Creation Date: March 12, 1999

Management Expense Ratio (MER): 0.79%

Class F

Fund Code: **BTG 111**

Class B

Fund Code: **BTG 311**

▶ RISK METER



▶ PORTFOLIO CHARACTERISTICS

	BEUTEL GOODMAN LONG TERM BOND FUND	DEX LONG TERM
AVERAGE TERM	21.49 YEARS	22.83 YEARS
AVERAGE DURATION	13.16 YEARS	13.77 YEARS
YIELD	3.53 %	3.39 %

▶ PORTFOLIO MANAGERS

BEUTEL, GOODMAN & COMPANY LTD.

FIXED INCOME TEAM

Bruce L. Corneil, Managing Director, Fixed Income

David Gregoris, MBA, CFA

John Christie, MBA, CFA

John Fuca, BA, CFA

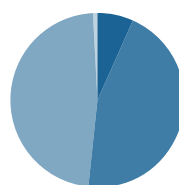
Sue McNamara, BA, CFA

Mary Granton, BA

▶ TOP 10 HOLDINGS

BC PROV	5.700 JUN 18 29	15.2 %
ONTARIO PROV	8.100 SEP 08 23	6.9 %
MANITOBA PROV	4.400 SEP 05 25	6.6 %
BC PROV	8.000 SEP 08 23	5.2 %
CANADA GOVT	5.750 JUN 01 33	4.8 %
MANITOBA PROV	4.400 MAR 05 42	3.4 %
HYDRO ONE INC	5.490 JUL 16 40	2.7 %
UNION GAS LTD	4.880 JUN 21 41	2.4 %
FORTISALBERTA INC	6.220 OCT 31 34	2.4 %
SASKATCHEWAN PROV	6.400 SEP 05 31	2.4 %
TOTAL		52.0 %

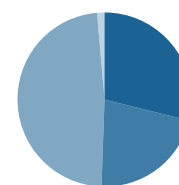
▶ BG LONG TERM BOND FUND



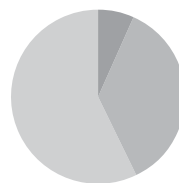
SECTOR WEIGHTS (%)

- Gov't of Canada Bonds (6.7)
- Corporate Bonds (45.2)
- Provincial Bonds (47.4)
- Cash (0.7)

▶ DEX LONG TERM BOND INDEX



- Gov't of Canada Bonds (29.0)
- Corporate Bonds (21.7)
- Provincial Bonds (48.1)
- Municipal (1.3)



BOND QUALITY (%)

- AAA (6.7)
- AA (36.3)
- A (57.0)
- BBB (0.0)



- AAA (34.1)
- AA (27.9)
- A (31.2)
- BBB (6.9)

▶ ANNUALIZED PERFORMANCE % AS AT DECEMBER 31, 2011

ANNUALIZED RETURNS	3 MTHS	6 MTHS	YTD	1 YR	3 YRS	5 YRS	10 YRS
LONG TERM BOND FUND, CLASS D*	4.61	13.38	15.88	15.88	13.11	7.80	8.66
DEX LONG TERM BOND INDEX	4.94	15.27	18.13	18.13	11.93	8.29	8.95

▶ CALENDAR PERFORMANCE % AS AT DECEMBER 31

CALENDAR RETURNS	2011	2010	2009	2008	2007	2006
LONG TERM BOND FUND, CLASS D*	15.88	11.33	12.16	-2.71	3.39	3.49
DEX LONG TERM BOND INDEX	18.13	12.52	5.49	2.66	3.44	4.08

* Mutual Fund Performance is net of fees.

▶ FUND ASSETS

\$270,949,140

The Beutel Goodman Long Term Bond 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.