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eastspring 
investments

A member of Prudential plc (UK) 

EASTSPRING INVESTMENTS ISLAMIC INCOME FUND

PRODUCT HIGHLIGHTS SHEET

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the authorised persons approved by the Board of Eastspring Investments Berhad and they have collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief that there are no false or misleading statements or omissions of other facts which would make any statement in the Product Highlights Sheet false or misleading.

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of Eastspring Investments Islamic Income Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Eastspring Investments Islamic Income Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Eastspring Investments Islamic Income Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Eastspring Investments Berhad responsible for the Eastspring Investments Islamic Income Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.



This Product Highlights Sheet only highlights the key features and risks of the Fund. Investors are advised to request, read and understand the master prospectus and its supplementary master prospectus(es) (if any) (hereinafter collectively referred to as "Master Prospectus") of the Fund before deciding to invest. If in doubt, please consult a professional adviser.

PRODUCT HIGHLIGHTS SHEET

**Eastspring Investments Islamic Income Fund
("Fund")**

Fund Category	Islamic money market	Launch Date	8 February 2007
Fund Type	Income	Manager	Eastspring Investments Berhad
Financial Year End	31 March		

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

The Fund is suitable for investors who:

- › seek liquidity and a steady income* stream;
- › have low risk tolerance; and
- › adopt a short-term investment horizon.

Refer to "Investor Profile" in the "Key Data" section of the Fund's Master Prospectus.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

You are investing in an Islamic money market fund which seeks to provide liquidity and a steady income* stream by investing in Islamic money market instruments and/or Deposits.

Refer to "Fund Objective" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

Investment Strategy

The Fund seeks to achieve its objective by investing in a portfolio of short-term Islamic money market instruments and/or Islamic Deposits.

The Fund shall invest in Islamic money market instruments issued by financial institutions or its parent company with minimum credit rating of A3 or P1 by RAM Rating Services Berhad ("RAM"), or its equivalent rating by any other domestic rating agencies. Should the credit rating of the issuing financial institutions or its parent company be downgraded by the rating agencies to below the minimum credit rating, the Manager shall cease to place new monies with the financial institutions concerned.

The Fund is actively managed. However, the frequency of its trading strategy will depend on market opportunities and its liquidity needs.

Refer to "Investment Strategy" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

* Income distributed to a Unit Holder will be reinvested into additional Units unless Unit Holders opt for the distribution to be paid out.

Asset Allocation

- ▶ Maximum of 99% of the Fund's NAV in permitted investments which have a remaining maturity period of not more than 365 days.
- ▶ Maximum of 10% of the Fund's NAV in permitted investments which have a remaining maturity period of more than 365 days but fewer than 732 days.
- ▶ Minimum of 1% of the Fund's NAV in Islamic Deposits or Islamic liquid assets.

Refer to "Asset Allocation" in the "Information In Relation to the Fund" section of the Fund's Master Prospectus.

Income Distribution Policy

Distribution of income, if any, after deduction of taxation and expenses, will be declared at least monthly.

Refer to "Income Distribution" in the "Transaction Information" section of the Fund's Master Prospectus.

Parties Involved

WHO ARE YOU INVESTING WITH?

- ▶ The Manager is Eastspring Investments Berhad (company no.: 531241-U) incorporated in November 2000 and is part of Prudential plc (United Kingdom) group.
- ▶ The Trustee of the Fund is Deutsche Trustees Malaysia Berhad (company no.: 763590-H).
- ▶ The Shariah adviser of the Fund is IBFIM (company no.: 763075-W).

Refer to "The Management and the Administration of the Fund", "The Trustee" and "The Shariah Adviser" sections of the Fund's Master Prospectus.

Possible Outcomes of Investing in the Fund

Investment involves risk and different types of unit trust funds carry different levels of risk. The value of the Fund and its distributions (if any) may rise or fall. These risk factors, among others, may cause you to lose some or all of your investment.

Refer to "Risk Factors" section of the Fund's Master Prospectus.

KEY RISKS

WHAT ARE THE KEY RISKS ASSOCIATED WITH THE FUND?

Credit or Default Risk

This risk refers to the creditworthiness of the financial institutions and their expected ability to make timely payment of profit and/or principal. In the event the financial institutions default in the profit and/or principal payments, the value of the Fund will be adversely affected.

Refer to "Risk Factors" section of the Fund's Master Prospectus.

Interest Rate Risk

Interest rate fluctuations will affect the Islamic deposit returns of the Fund. Interest rates offered by the financial institutions will fluctuate according to the overnight policy rate determined by Bank Negara Malaysia and this has direct impact on the Fund's placement in Islamic deposit. The Fund will benefit from higher interest rate and in the event that the interest rate is low, the Fund's returns will also be low.

Please be advised that if you invest in Units through an Institutional Unit Trust Adviser which adopts the nominee system of ownership, you would not be considered to be a Unit Holder under the Deed and you may, consequently, not have all the rights ordinarily exercisable by a Unit Holder (for example, the right to call for a Unit Holder's Meeting and to vote thereat and the right to have your particulars appearing in the register of Unit Holders of the Fund).

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THE FUND?

All fees, charges and expenses payable by the Unit Holder and/or the Fund, as the case may be, are subject to the Goods and Services Tax ("GST") at a rate of 6% or such other prescribed rate as may be imposed from time to time, and incurred by the Unit Holder directly when purchasing or redeeming Units of the Fund and indirectly when investing in the Fund. The fees, charges and expenses disclosed are exclusive of GST or any other taxes or duties that may be imposed by the government or other authorities from time to time.

Refer to "Fees, Charges and Expenses" section of the Fund's Master Prospectus.

Payable directly by you

Sales charge	Nil
Repurchase charge	Nil
Switching fee	There is no switching fee imposed on switching of Units but Unit Holders have to pay the difference between sales charge if Unit Holders wish to switch into another fund with a higher sales charge. However, no sales charge will be imposed if the fund to be switched into has lower sales charge than the Fund.

Payable indirectly by you

Annual management fee	Up to 0.25% of the NAV of the Fund per annum.
Annual trustee fee	Up to 0.04% of the NAV of the Fund per annum, subject to a minimum of RM18,000 per annum.

If you redeem your units in a unit trust fund and purchase units in another unit trust fund, you will probably have to pay a sales charge. However, if you perform switching, you may pay lower sales charge. Please refer to switching fee for more details.

VALUATION AND EXITING FROM THE FUND

HOW OFTEN ARE VALUATIONS AVAILABLE FOR THE FUND?

The Fund will be valued at least once every Business Day. The latest Unit prices are published daily on the Manager's website, www.eastspringinvestments.com.my or you may contact the Manager directly at (603) 2332 1000.

Refer to "Valuation of the Fund" in the "Information In Relation to the Fund" section and "Transaction Information" section of the Fund's Master Prospectus.

HOW CAN YOU EXIT FROM THE FUND AND WHAT ARE THE RISKS AND COSTS INVOLVED?

You may redeem all or some of the Units held on any Business Day by completing a transaction form. Redemption application should be made before the cut-off time of 11.00 a.m. on any Business Day. The Units will be redeemed at the NAV per Unit calculated at the next valuation point (i.e. forward pricing) after the redemption application is received by the Manager. When the redemption application is received after the cut-off time as stated above, the application will be deemed to have been received on the next Business Day.

[Note: Effective 1 January 2017, the cut-off time where redemption application should be made is revised to 11.00 a.m.]

The Manager shall despatch the redemption proceeds to you within four (4) Business Days from the date the Manager receives the duly completed transaction form. Payment will be made via E-payment according to your bank account details as stated in the duly completed transaction form.

Refer to "Transaction Information" section of the Fund's Master Prospectus.

COOLING-OFF POLICY

- ▶ A cooling-off right is only given to an individual investor who is investing in any of the unit trust funds managed by the Manager for the first time but shall not include the Manager's staff and a person registered with a body approved by the SC to deal in unit trusts.
- ▶ The cooling-off right allows Unit Holder the opportunity to reverse an investment decision which could have been unduly influenced by certain external elements or factors.
- ▶ The cooling-off period shall be within six (6) Business Days which shall be effective from the date the Manager receives the duly completed transaction form.

Refer to "Key Data" section and "Cooling-off Period & Cooling-off Right" in the "Transaction Information" section of the Fund's Master Prospectus.

YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.

PERFORMANCE OF THE FUND

AVERAGE TOTAL RETURN OF THE FUND

Period	1-Year	3-Year	5-Year	Since inception
As at 31 March 2016 (%)				
Fund	3.82	3.46	3.28	2.77

(Source: Lipper for Investment Management)

ANNUAL TOTAL RETURN OF THE FUND FOR THE LAST 10 YEARS

As at 31 March (%)									
Year	2008	2009	2010	2011	2012	2013	2014	2015	2016
Fund	1.42*	2.66	1.75	2.61	3.01	3.05	3.08	3.48	3.82
Benchmark	2.50	2.46	1.52	1.99	2.45	1.90	1.65	1.79	1.85

For the period under review (i.e. 1 April 2015 to 31 March 2016), the Fund registered a positive return of 3.82%, outperforming its benchmark return of 1.85% by 1.97%.

The outperformance of the Fund was contributed by investing in short-term Islamic deposits and Islamic money market placements of various tenures to capture interest rate movement while maintaining its liquidity requirements.

* Since inception until financial year end.

(Source: Annual Report for Eastspring Investments Islamic Income Fund for the Financial Year Ended 31 March 2016)

BASIS OF CALCULATION AND ASSUMPTIONS MADE IN CALCULATING RETURNS

$$\text{Percentage growth} = \frac{\text{NAV}_t}{\text{NAV}_0} - 1$$

NAV_t = NAV at the end of the period

NAV_0 = NAV at the beginning of the period

$$\text{Performance annualised} = (1 + \text{Percentage Growth})^{1/n} - 1$$

n = number of years

PORTFOLIO TURNOVER RATIO ("PTR") FOR THREE MOST RECENT FINANCIAL YEARS

As at 31 March			
Year	2016 (times)	2015 (times)	2014 (times)
Fund	5.79	7.25	10.05

The Fund registered a lower PTR for the financial year ended 31 March 2016 compared to the financial year ended 31 March 2015 as the incremental cash inflow permits cash allocation towards a more diversified and longer tenure deposits portfolio.

INCOME DISTRIBUTION FOR THREE MOST RECENT FINANCIAL YEARS

As at 31 March			
Eastspring Islamic Income	2016	2015	2014
Gross distribution per Unit (sen)	1.96	1.74	1.57
Net distribution per Unit (sen)	1.96	1.74	1.57

Income distribution is in the form of cash.

PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.

OTHER INFORMATION

- ▶ Only registered unit trust consultants are allowed to sell unit trust funds. Your unit trust consultants should show you a valid authorisation card confirming that he or she is registered with the Federation of Investment Managers Malaysia ("FiMM").
- ▶ A unit trust fund may only be offered to the public if it is approved by the Securities Commission Malaysia ("SC"). Go to www.sc.com.my for a list of unit trust funds currently available in the market or call 603-6204 8777 for assistance.
- ▶ When you buy into a unit trust fund, you should be given the latest copy of prospectus for free. Read the prospectus carefully; understand its contents before investing.

CONTACT INFORMATION

1. To lodge a complaint or for an internal dispute resolution, you may contact our client services personnel:

(a) via phone to	(603) 2332 1000
(b) via fax to	(603) 2052 3366
(c) via email to	cs.my@eastspring.com
(d) via letter to	Eastspring Investments Berhad Level 12, Menara Prudential, No. 10, Jalan Sultan Ismail 50250 Kuala Lumpur

2. Investor can contact FIMM Complaints Bureau:

(a) via phone to	(603) 2092 3800
(b) via fax to	(603) 2093 2700
(c) via email to	complaints@fimm.com.my
(d) via online complaint form	www.fimm.com.my
(e) via letter to	Legal, Secretarial & Regulatory Affairs Federation of Investment Managers Malaysia 19-06-1, 6 th Floor Wisma Tune, No. 19, Lorong Dungun Damansara Heights, 50490 Kuala Lumpur

3. Should an individual or a sole proprietor investor be dissatisfied with the outcome of the internal dispute resolution process, he may refer his dispute to the Securities Industry Dispute Resolution Center (SIDREC) via the following modes. The individual or a sole proprietor investor may do so within 180 days of receiving the final answer from the Manager or within 90 days from filing the complaint irrespective of whether a final answer has been sent by the Manager.

(a) via phone to	(603) 2282 2280
(b) via fax to	(603) 2282 3855
(c) via email to	info@sidrec.com.my
(d) via letter to	Securities Industry Dispute Resolution Center (SIDREC) Unit A-9-1, Level 9, Tower A, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1, 59000 Kuala Lumpur

4. The investor can also direct his complaint to the SC even if he has initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:

(a) via phone to the Aduan Hotline at	(603) 6204 8999
(b) via fax to	(603) 6204 8991
(c) via email to	aduan@seccom.com.my
(d) via online complaint form available at	www.sc.com.my
(e) via letter to	Investor Affairs & Complaints Department Securities Commission Malaysia No. 3, Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur

APPENDIX: GLOSSARY OF TERMS

Business Day	<p>Means a day in which Bursa Malaysia is open for trading. The Manager may also declare certain Business Days as non-Business Days when:</p> <ul style="list-style-type: none">▶ one or more of the foreign markets in which the Fund is invested therein is closed for trading; and/or▶ one or more collective investment schemes in which the Fund is invested therein declared certain business days as non-business days.
Deposits	<p>Means money placed with financial institutions in fixed deposit or current account.</p>
liquid assets	<p>Means any permitted investments capable of being converted into cash within seven (7) days.</p>
Net Asset Value or (NAV)	<p>Is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point. For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund should be inclusive of the management fee and trustee fee for the relevant day.</p>
NAV per Unit	<p>Means the NAV of the Fund divided by the number of units in circulation, at the valuation point.</p>
SACSC	<p>Means Shariah Advisory Council of the Securities Commission Malaysia.</p>
Unit(s)	<p>Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a unit of the Fund.</p>
Unit Holder(s) or you	<p>Means the person for the time being who is registered pursuant to the deed of the Fund as a holder of Units of the Fund, including jointholder.</p>

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