

UnionBank Trust and Investment Services Group

UBP Large Capitalization Philippine Equity Portfolio
as of April 30, 2012

Investment Objective

The UnionBank Large Capitalization Philippine Equity Portfolio is a peso-denominated fund that seeks long-term capital growth by investing in a diversified portfolio of primarily large capitalization stocks listed in the Philippine Stock Exchange.

Fund Performance

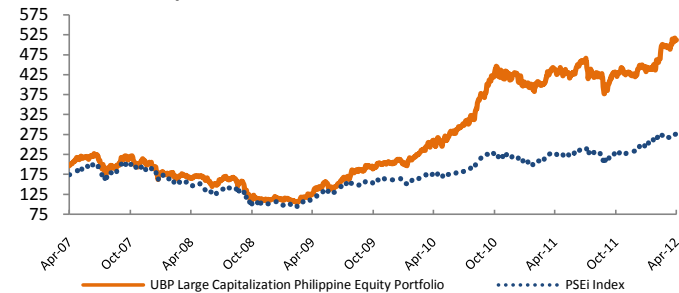
Calendar Absolute Returns*	Large Cap	PSEI Index
YTD	21.04%	19.00%
2011	-1.25%	4.07%
2010	109.32%	37.62%
2009	85.00%	62.99%
2008	-44.93%	-48.29%
2007	23.49%	21.43%
Cumulative Annualized Returns*	Large Cap	PSEI Index
3 Years	59.27%	35.06%
5 Years	21.10%	9.56%

*Returns are reported net of fees.

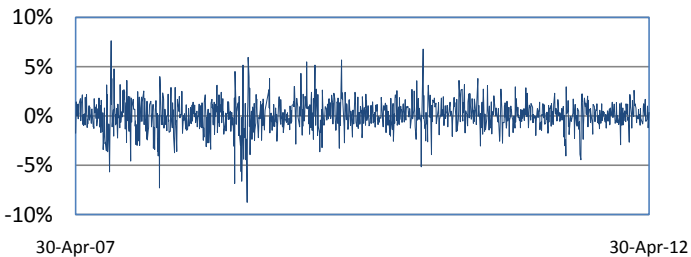
	Net Asset Value (NAV)	NAV Per Unit (NAVpu)
Bid ¹	Php 938.941 Million	Php 507.709557
Offer ¹	Php 941.246 Million	Php 514.275387
Mid ¹	Php 940.049 Million	Php 512.245524

Par Value: Php 100.00

Net Asset Value per Unit



Daily Percentage Change of NAVpu



Risk Characteristics:

One day VAR at 3σ:	2.76%
Volatility, Past 360 Days:	17.36%
PSEI Index, Volatility Past 360 days:	17.817%
Sharpe Ratio (Risk Free Rate = 1.715%):	0.88

Volatility is a measure of fluctuation of the NAVpu. Higher volatility means higher potential for gains or losses. Duration measures the sensitivity of the portfolio to interest rate movements. The higher the duration, the more the NAVpu will change with interest rate fluctuation. The Sharpe Ratio is a measure of risk-adjusted return. The higher the Sharpe, the higher the return per unit of risk. Risk-free rate used to compute the Sharpe ratio is the 1yr TBill rate.

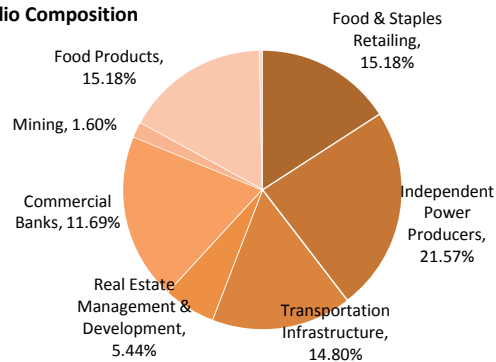
Fund Manager's Report

The Philippine Stock Exchange Index (PSEi) increased by 1.9 percent in April, again reaching record highs. April is the fifth uninterrupted month of gains for the index. Bad economic news from Europe failed to halt the market's momentum as good local macroeconomic data continued to attract buying interest.

Foreigners were net buyers in April, purchasing a net USD176 million worth of equities for the month. Apart from foreign buying, ample domestic liquidity also helped push the market's ascent despite the already elevated price levels. On the local front, exports recovered in February, registering an increase of 14.6 percent year-on-year. There was also a 15.0 percent year-on-year growth in government expenditures. This development implies that the government is ramping up spending to pursue economic growth.

On Public-Private-Partnership (PPP) projects, the government is set to start the bidding process for the PHP60.0 billion LRT-1 South extension project. Local conglomerates Metro Pacific Investments Corp. (PSE: MPI) and Ayala Corp. (PSE: AC) recently announced a partnership to jointly pursue these light rail projects.

Portfolio Composition



Top 5 Holdings²

Universal Robina Corp.	15.18%
Alliance Global Group	14.43%
ICTSI	14.80%
First Gen Corp.	13.74%
First Phil. Holdings	7.83%

Fund Facts

Classification:	Long-term Philippine Equity Fund
Launch Date:	March 01, 2005
Client Suitability:	Moderately aggressive risk to Aggressive risk tolerance
Base currency:	Philippine Peso
Initial Investment:	Php 100,000
Minimum Additional Investment:	Not Applicable
Minimum Holding Period:	90 calendar days
Settlement Period:	Four (4) Banking days after initial notice
Early Redemption Charge:	0.25% or Php 500 whichever is higher
Ave. Gross Market Value for the Qtr.	Php 860,555,821.06
Trust Fees ³ :	2% per annum; 0.67% for the quarter
Audit Fees ³ :	0.0017% for the quarter
Custodianship Fees ³	0.02% per annum
Applicable Tax:	20% on interest income 0.5% on equity sales
Custodian:	HSBC, Ltd Philippines
External Auditor:	Punong-bayan & Araullo
Dealing Time:	Daily up to 12noon
Available Thru:	Unionbank of the Philippines branches
Bloomberg Ticker:	IFDLCPPE
* All fees are accrued daily against the fund's total market value. Complete list of holdings available upon request	

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FOOTNOTES:**¹FUND VALUATION**

The Dual Pricing Method shall be used in computing the Net Asset Value (NAV) of the fund. Under this method, the **Bid Net Asset Value per Unit (Bid NAVpu)** and the **Offer Net Asset Value per Unit (Offer NAVpu)** shall be calculated.

The **Bid NAVpu** is the redemption price. It is the price used when a client wishes to redeem units from the fund. The Bid NAVpu is calculated using the closing bid prices of the underlying assets of the fund for the day, net of fees and other allowable expenses.

The **Offer NAVpu** is the admission price. It is the price used when a client wishes to contribute to the fund. The Offer NAVpu is calculated using the closing offer prices of the fund's underlying assets for the day, net of fees and other allowable expenses.

The **Mid/Last Net Asset Value per Unit (Mid/Last NAVpu)** shall also be computed for information or reporting purposes only. For client reporting, the Bid/Offer values shall be provided in the financial statement footnotes.

i. The Mid NAVpu shall be computed for UITFs with fixed income assets. It shall be determined from the average of the bid-side and offer-side market yields-to-maturity or prices of the underlying assets of the fund for the day, net of fees and other allowable expenses.

ii. The Last NAVpu shall be computed for all UITFs with equity holdings. It shall be determined from the LAST closing prices of outstanding equity holdings for the day, net of fees and other allowable expenses.

²PROSPECTIVE INVESTMENTS

The Fund may be invested and reinvested in:

- i. Debt securities issued by or guaranteed by the Philippine government, or the Bangko Sentral ng Pilipinas;
- ii. Large capitalization equity issues listed in the Philippine Stock Exchange;
- iii. Middle capitalization equity issues listed in the Philippine Stock Exchange;
- iv. Savings/Checking accounts and/or time deposits in any bank or financial institution, including UnionBank of the Philippines;
- v. Derivative instruments for the purpose of hedging market risk exposures of the existing investments of the Fund in accordance with the Bank's risk management and hedging policy duly approved by the Trust Committee.

A complete list of holdings is available upon request.

³FEES & EXPENSES

The Trustee shall collect from the Fund trust fees in the amount of TWO PERCENT (2%) per annum based on the Gross Market Value of the Fund which shall be accrued daily and shall be collectible from the Fund at the end of every calendar month.

The Trustee may charge the Fund for special expenses if the same is necessary to preserve or enhance the value of the Fund. Such special expenses shall be payable to pertinent third party or parties covered by separate contract/s, and disclosed to the Participants.

An investor should read the complete details of the fund in the Plan Rules, and should carefully consider the fund's investment objectives, risks, charges and expenses. He then should make his own risk assessment and, when necessary, seek independent/professional opinion before making an investment.