

Quarterly Snapshot BB&T Equity Income Fund

Class A Shares (BAEIX) — Data as of 12/31/09

Performance History¹

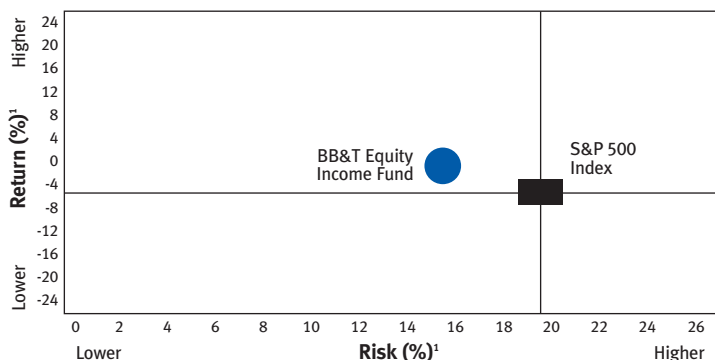
	Aggregate Returns		Average Annual Returns				Capture Ratio (Since Inception)	
	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception	Up	Down
Without Sales Charge	7.08%	22.92%	22.92%	-0.05%	6.13%	8.18%	100.13%	70.21%
With 5.75% Sales Charge	0.90%	15.81%	15.81%	-2.00%	4.88%	7.03%	—	—
S&P 500® Index	6.04%	26.46%	26.46%	-5.63%	0.42%	1.73%	100.00%	100.00%
Lipper Median Equity Income Funds	5.86%	22.55%	22.55%	-5.26%	1.40%	2.19%	—	—

The gross expense ratio for Class A Shares is 1.41%. The Fund's Adviser has contractually agreed to limit the management fees paid by the Fund for the period 2/1/09 through 1/31/10. Had this waiver not been in effect, the performance would have been lower. The net expense ratio for Class A Shares is 1.16%.

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month end, please visit www.bbtffunds.com.

¹ The performance of the BB&T Equity Income Fund reflects the deduction of fees for value-added services associated with a mutual fund, such as investment management and fund accounting fees. The inception date for Class A Shares is 6/30/04. Performance shown also reflects the reinvestment of all dividends and capital gains distributions.

Risk/Reward Statistics

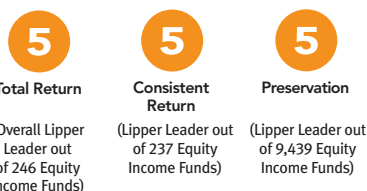


	Fund	S&P 500® Index
Alpha (3 yr) ²	4.60	0.00
Beta (3 yr) ³	0.76	1.00
R-Squared (3 yr) ⁴	0.93	1.00
Std. Deviation (3 yr) ⁵	15.65	19.91
Sharpe Ratio (3 yr) ⁶	0.00	-0.31
Wtd. Avg. P/E	21.40	33.85
Wtd. Avg. P/B	4.00	3.54
Avg. Wtd. Mkt. Cap.	\$55.6B	\$80.6B
Turnover Ratio	27%	NA
Number of Stocks	27	500

¹The return measure reflects the 3-year average annual total return for the period 12/31/06 through 12/31/09. Risk is calculated using annualized standard deviation, a measure of how returns vary over time, for the same period. ²Alpha measures performance on a risk-adjusted basis by comparing the it to the benchmark index. ³The Beta attempts to measure the relative risk. A beta rating above 1.0 indicates greater volatility than the market. A Beta rating below 1.0 indicates lower volatility than the market. ⁴R-Squared is a statistical measure that represents what amount of a fund's movements can be explained by movements in its benchmark index. A high R-Squared (between 85 and 100) indicates the fund's performance patterns have in line with the index. ⁵Standard Deviation is a statistical measurement showing how widely the returns varied over a certain period of time. When a fund has a high standard deviation, the predicted range of performance implies greater volatility. ⁶Sharpe Ratio measures a fund's excess return. This helps determine if a fund's returns are due to sound investment decisions or excess risk. The greater a fund's Sharpe ratio, the better its risk-adjusted performance has been.

Comparative Ratings and Rankings

Lipper Leaders Rating¹



Morningstar Rating² Large Value Funds Category

Period	Rating	Funds in Category
Overall	★★★★★	1,104
3 Years	★★★★★	1,104
5 Years	★★★★★	912

Lipper Ranking³ Equity Income Funds Category

Period	Quartile (Percentile)	Ranking/Funds
1 Year	2 (48%)	143 out of 299
3 Years	1 (5%)	10 out of 246
5 Years	1 (2%)	3 out of 189

Past performance does not guarantee future results.

¹ Lipper Leaders for Total Return reflects a fund's historical total return performance relative to its peer group. Lipper Leaders for Preservation reflects a fund's historical loss avoidance relative to other funds in the same asset class. Preservation ratings are relative, rather than absolute, and funds may still experience losses periodically; those losses may be larger for equity and mixed-equity funds than fixed-income funds. The highest 20% in each peer group are named Lipper Leaders and receive a score of 5, the next 20% receive a score of 4, the middle 20% receive a score of 3, the next 20% receive a score of 2 and the lowest 20% score 1. Lipper Leaders are subject to change every month, are not intended to predict future results and Lipper does not guarantee the accuracy of this information. The Equity Income Fund Class A Shares received the following ratings for the 3 year, 5 year and Overall periods, respectively: Total Return: Leader out of 246 funds; Leader out of 189 funds; Leader out of 246 funds; Consistent Return: Leader out of 237 funds; Leader out of 180 funds; Leader out of 237 funds. Preservation: Leader out of 9,439 funds; Leader out of 7,440 funds; Leader out of 9,439 funds.

² For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year Morningstar Rating™ metrics. 2009 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from the use of this information.

³ Lipper rankings are based on average annual total returns, including the reinvestment of dividends and capital gains (not including sales charges) for the periods indicated and compare total return performance with that of other funds in the category.

Portfolio Composition

Sector Breakdown	Fund ¹	S&P 500 Index	Top 10 Holdings	Fund ¹
Energy	17.6%	11.5%	Kinder Morgan Management LLC	4.70%
Consumer Staples	17.2%	11.4%	McDonald's Corp.	4.32%
Information Technology	12.3%	19.9%	Novartis AG, ADR	4.11%
Health Care	11.1%	12.6%	Lockheed Martin Corp.	4.02%
Consumer Discretionary	8.9%	9.6%	Verizon Communications, Inc.	3.89%
Industrials	8.5%	10.2%	Philip Morris International, Inc.	3.88%
Financials	4.6%	14.4%	Natural Resource Partners L.P.	3.86%
Telecommunication Services	3.9%	3.2%	Dominion Resources, Inc.	3.82%
Utilities	3.8%	3.6%	Pepsico, Inc.	3.81%
Cash & Cash Equivalents	12.1%	0.0%	Kimberly-Clark Corp.	3.77%

¹ The composition of the Fund's holdings is subject to change.

Portfolio Manager Highlights

- The fund outperformed its benchmark for the quarter, sporting 22 winners and just four losers.
- Among the winners were a cadre of less-economically-sensitive companies, including education publisher Pearson (+16%), alcoholic beverage maker Diageo (+13%), and pharmaceutical giant Pfizer (+10%). In addition, energy-related holdings benefited from the 12% gain in oil and 101% gain in natural gas prices, which helped power Natural Resource Partners to a 16% advance, Kinder Morgan to a 15% gain, and Dominion to a 13% advance. Waste Management (+13%) rounded out our double-digit gainers.
- We continue to view smart phones as offering significant growth prospects for the future. Thus, the global leader in mobile phone handsets, Nokia, should be well-positioned to benefit. Unfortunately, increasing competition has encroached on Nokia's market share and contributed to the stock's 13% loss for the quarter. Nevertheless, the stock continues to appear inexpensive on a variety of valuation measures, and we remain optimistic about Nokia's advantages in low-cost manufacturing and broad distribution.
- Following the consummation of its merger with Wyeth, Pfizer announced a 12.5% boost to its dividend, an increase that coincidentally matched that of microprocessor manufacturer Intel. Diversified utility Dominion announced a 4.6% bump in its payment.
- Extreme-value retailer Family Dollar represented the only addition to the portfolio during the quarter. With more than 6,000 stores in 44 states, Family Dollar has been a steady, solid performer, has no debt, and has raised its dividend in 36 straight years. In our view, the company still has plenty of growth ahead of it, with opportunity to penetrate the West Coast and increase its density in existing markets.
- We did not sell any positions during the quarter, primarily because we are bullish (though not complacent) about the stocks we own.
- Although S&P expects dividend growth to resume in 2010 (forecasting a 6% year-over-year increase), it says the aggregate level of dividends won't return to pre-downturn levels until 2012 or 2013. Given that backdrop, we believe companies that have continued to enrich their dividend payments through the downturn are all the more rare, and therefore more valuable.
- Investors appear starved for yield, with money markets and similar deposit products offering near-zero returns and Treasury yields remaining unusually low. Therefore, yield-hungry investors may begin to view low-beta, high-quality, dividend-paying stocks as a superior alternative to other yield-oriented securities.

Please note: *The opinions contained in the preceding commentary reflect those of BB&T Asset Management, Inc. and not those of BB&T Corporation or its executives.* The stated opinions are for general information only and are not meant to be predictions or an offer of individual or personalized investment advice. They also are not intended as an offer or solicitation with respect to the purchase or sale of any security. This information and these opinions are subject to change without notice. Any type of investing involves risk and there are no guarantees. BB&T Asset Management, Inc. does not assume liability for any loss which may result from the reliance by any person upon any such information or opinions.

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Portfolio Manager

Sub-advised by Scott & Stringfellow LLC —
Managed by George F. Shipp, CFA

- Over 26 years investment experience
- MBA, Darden Graduate School of Business, University of Virginia
- BA, University of Virginia

Investment Style

- Concentrated large-cap core
- Style-neutral
- Research-driven
- Bottom-up approach

Investment Process

Quantitative Screening

- Market Capitalization > \$500M
- Dividend Yield > S&P 500 Index
- P/E and/or P/B < S&P 500 Index

Fundamental Analysis

- Demonstrated history of consistent dividend increases for at least the last 3 years or for 6 out of the last 10 years
- Attractive financial fundamentals
- P/E and other valuation metrics

Sell Discipline

- Original buy factors no longer apply
- Negative changes in the dividend policy
- Economics of the business or industry change unfavorably
- Oversized positions trimmed for better balance
- More attractive opportunities arise



Investment Considerations: A concentrated portfolio may add a measure of volatility to performance, as major fluctuations in any one holding will likely affect the fund more than a fund with a greater number of holdings. Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including investments in high-grade fixed income securities. The net asset value per share of this Fund will fluctuate as the value of the securities in the portfolio changes.

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