

# Quarterly Snapshot BB&T Special Opportunities Equity Fund

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

## Performance History<sup>1</sup>

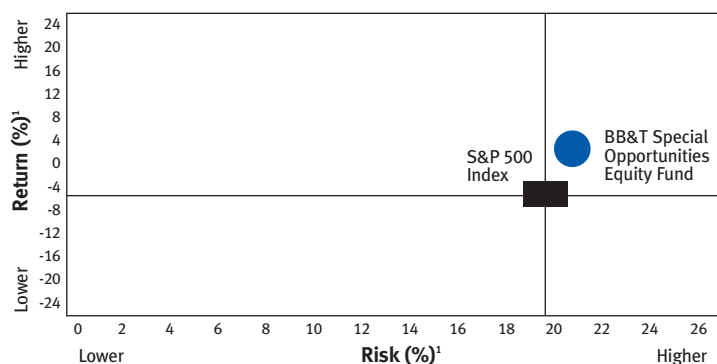
	Aggregate Returns		Average Annual Returns				Capture Ratio (Since Inception)	
	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception	Up	Down
<b>Without Sales Charge</b>	5.59%	38.22%	38.22%	2.13%	6.07%	11.25%	124.97%	85.27%
<b>With 5.75% Sales Charge</b>	-0.45%	30.30%	30.30%	0.14%	4.83%	10.25%	—	—
<b>S&amp;P 500<sup>®</sup> Index</b>	6.04%	26.46%	26.46%	-5.63%	0.42%	4.31%	100.00%	100.00%
<b>Lipper Median Multi-Cap Core Funds</b>	5.26%	31.02%	31.02%	-5.10%	0.88%	5.47%	—	—

The gross expense ratio for Class A Shares is 1.50%. 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 1.25%.

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](http://www.bbtffunds.com).

<sup>1</sup> The performance of the BB&T Special Opportunities Equity 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 6/02/03. Performance shown also reflects the reinvestment of all dividend and capital gains distributions.

## Risk/Reward Statistics

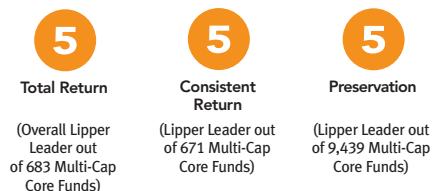


	Fund	S&P 500 <sup>®</sup> Index
Alpha (3 yr) <sup>2</sup>	8.82	0.00
Beta (3 yr) <sup>3</sup>	0.93	1.00
R-Squared (3 yr) <sup>4</sup>	0.80	1.00
Std. Deviation (3 yr) <sup>5</sup>	20.56	19.91
Sharpe Ratio (3 yr) <sup>6</sup>	0.15	-0.31
Wtd. Avg. P/E	51.64	33.85
Wtd. Avg. P/B	3.35	3.54
Avg. Wtd. Mkt. Cap.	\$26.4B	\$80.6B
Turnover Ratio	36%	NA
Number of Stocks	30	500

<sup>1</sup> The 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. <sup>2</sup> Alpha measures performance on a risk-adjusted basis by comparing the fund to the benchmark index. <sup>3</sup> The 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. <sup>4</sup> R-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. <sup>5</sup> Standard 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. <sup>6</sup> Sharpe 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 Rating<sup>1</sup>



### Morningstar Rating<sup>2</sup>

#### Large-Cap Growth Funds Category

Period	Rating	Funds in Category
Overall	★★★★★	1548
3 Years	★★★★	1548
5 Years	★★★★★	1276

### Lipper Ranking<sup>3</sup>

#### Multi-Cap Core Funds Category

Period	Quartile (Percentile)	Ranking/Funds
1 Year	1 (19%)	146 out of 795
3 Years	1 (2%)	13 out of 683
5 Years	1 (3%)	14 out of 519

### Past performance does not guarantee future results.

<sup>1</sup> Lipper Leaders for Total Return reflects a fund's historical total return performance relative to its peer group. Lipper Leaders for Consistent Return reflects a fund's historical risk-adjusted returns, adjusted for volatility, 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 Special Opportunities Equity Fund Class A Shares received the following ratings for the 3 year, 5 year and Overall periods, respectively: Total Return: Leader out of 683 funds; Leader out of 519 funds; Leader out of 683 funds; Consistent Return: Leader out of 670 funds; Leader out of 507 funds; Leader out of 671 funds; Preservation: Leader out of 9,439 funds; Leader out of 7,440 funds; Leader out of 9,439 funds.

<sup>2</sup> For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating<sup>™</sup> 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<sup>™</sup> for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year Morningstar Rating<sup>™</sup> 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.

<sup>3</sup> 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 <sup>1</sup>	S&P 500 Index	Top 10 Holdings	Fund <sup>1</sup>
Health Care	28.1%	12.6%	Akamai Technologies, Inc.	4.25%
Information Technology	28.0%	19.9%	Harris Corp.	4.17%
Energy	8.8%	11.5%	Apache Corp.	4.03%
Consumer Discretionary	6.1%	9.6%	Bristol-Myers Squibb Co.	3.88%
Industrials	5.8%	10.2%	Baxter International, Inc.	3.87%
Consumer Staples	5.7%	11.4%	Gilead Sciences, Inc.	3.86%
Financials	2.9%	14.4%	Unitedhealth Group, Inc.	3.86%
Materials	2.8%	3.6%	Cisco Systems, Inc.	3.83%
Cash & Cash Equivalents	11.8%	0.0%	Becton, Dickinson & Co.	3.76%
			Comcast Corp., Class A	3.72%

<sup>1</sup> The composition of the Fund's holdings is subject to change.

## Portfolio Manager Highlights

- The fund underperformed its benchmark for the fourth quarter, but it significantly outperformed the S&P 500 Index and the Russell 3000 Index for the year. Even though economic conditions remained challenging, all 10 S&P 500 Index sectors produced positive returns in 2009.
- Only six of our stocks declined during the quarter, while 20 of our investments produced gains, 12 of which were double-digit advances. Akamai was the top performer for the quarter (+36%), as technology was the leading sector. Three of our other top performers were technology outfits: Harris, Intuit, and Symantec.
- Our quarterly winners also included health care names, including United Health (+24%), Becton-Dickinson (+15%), Baxter (+14%), and Teva (+14%), which rallied on optimism that the final health care reform bill would not be as threatening as previously feared.
- Energy commodities advanced for the quarter, with oil and natural gas prices up sharply. Apache and Halliburton responded accordingly, with share price gains of +15% and +14%, respectively.
- Our worst holding for the quarter (Weatherford) declined by 14%. We still have a favorable outlook for oil services, and Weatherford's decline for the quarter was dwarfed by its 66% advance for the year.
- We made few changes to our portfolio in the fourth quarter, harvesting our gain in Allscripts, and adding Bank of New York and Ralcorp.
- We believe Allscripts has been (and remains) well positioned to capitalize on the shift from paper-based medical records to electronic records. Nevertheless, we couldn't ignore the doubling of Allscripts' stock price during 2009. With risk/reward no longer compelling, we elected to move on.
- Bank of New York holds a No. 1 position in businesses such as stock transfer services, transaction clearing, corporate trust, and custodian for mutual funds and ADRs. It is the nation's only triple-A-rated bank. Ultimately, we believe Bank of New York distinguished itself from peers by producing profits in 2007 and 2008. At the time of our purchase, the shares traded at just 11 times earnings and scarcely above book value.
- Our investment in Ralcorp, a leading maker of private-label foods, reflects our view that consumers will remain frugal for the foreseeable future. Growth in private-label products has outpaced branded offerings, and since 1997, Ralcorp's sales and earnings have grown 17% and 15%, respectively. We purchased the shares at their lowest valuation since at least 2002.
- We remain optimistic about the stocks we own, but we are concerned about the direction of public policy and its impact on the economy. Policymakers have succeeded in eroding the public's trust in the capital markets, and we are concerned about the implications.
- While low-quality stocks have rallied the most since the market's March 9, 2009 low, we believe the market will embrace strong balance sheets, strong returns, inexpensive valuations, and strong growth, and we are enthusiastic that our companies fit the bill on those evergreen investment attributes.

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 equity
- Style- and capitalization-neutral
- Research-driven
- Bottom-up approach

## Investment Process

### Quantitative Screening

- Market Capitalization > \$500M
- P/E Ratio < S&P 500 Index
- EPS Growth > S&P 500 Index
- Debt to Capital Ratio < S&P 500 Index

### Fundamental Analysis

- Demonstrated above-average profitability and growth
- Stronger-than-average balance sheets
- Broad, long-term catalyst independent of the economic cycle
- Below-average valuations

### Sell Discipline

- Original buy factors no longer apply
- Company faces earnings growth risk
- Economics of the business or industry change unfavorably
- Oversized positions trimmed for better balance
- More attractive opportunities arise

Universe  
6,000  
Stocks



300  
Stocks



100  
Stocks



24-30  
Stocks

**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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