

Semi-Annual Management Report of Fund Performance as at June 30 2009

Compass Conservative Balanced Portfolio

This semi-annual management report of fund performance contains financial highlights but does not contain either the semi-annual or annual financial statements of the investment. You can get a copy of the semi-annual or annual financial statements upon request at no charge, by calling 1-888-ATB-FUND, by emailing us at atbimservice@atb.com, by contacting your dealer, or by visiting SEDAR at www.sedar.com.

Securityholders may also contact us using these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure records, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective and Strategies

The Compass Conservative Balanced Portfolio (the portfolio) aims to reduce short-term volatility, provide investors with long-term capital appreciation and income by investing in fixed income and equity funds.

Under normal conditions, the portfolio holds an asset-mix consisting of 0-12% cash and equivalents, 58-68% fixed income funds, 3-13% Canadian equity funds, 3-13% US equity funds, 5-15% overseas and global equity funds, and 2-12% Real Estate Investment Trusts (REITs). The investments held in the portfolio are diversified by asset class and investment style to minimize volatility and to maximize risk-adjusted long-term returns.

Risk

No major changes were made to the portfolio's asset mix during the period. The mix is monitored on a regular basis, and each asset class is generally kept to within 1% of its target allocation.

Results from Operations

Cash and Equivalent

About 3% of the portfolio is invested in cash and equivalent instruments. In response to the financial system crisis that enveloped the world last autumn, the Bank of Canada joined other central banks in cutting its target for the short-term interest rate to nearly zero. Yields on Treasury Bills fell commensurately, followed by those of money market instruments issued by corporations. As a result of the record low short-term interest rates, the cash and equivalent part of the portfolio generated a gross return of only 0.5% over the six-month period.

Fixed Income

The conventional bonds that comprise about 36% of the portfolio experienced a gross composite return of about 3% for the six months. As the financial markets recovered, results were varied: government bond prices fell as corporate bond prices regained stability and rose. Including interest income, federal government bonds were down 1% for the six months, provincial government bonds were up only 2%, but conventional corporate bonds were up an astounding 10%.

The dedicated corporate/high-yield bonds that comprise the remainder of the fixed income portion of the portfolio fared even better than conventional corporate bonds because they are more sensitive to improvements in credit and financial market conditions. This part of the portfolio generated a gross return of 14% in the first half of the year.

Real Estate Investment Trusts

REITs comprise roughly 7% of the portfolio. Unlike the situation in the US, where many US REITs were required to cut distributions and are down in value this year, the slowing Canadian economy had only a modest effect on operating results and most Canadian REITs held distributions steady. REIT valuations were at near record lows at the beginning of the year, fell even further through January and February, but then rose until the end of June, generating a gross return of 12% over the six months.

Equities

Nearly 39% of the portfolio consists of Canadian, US and overseas equities.

The conventional Canadian, US, and overseas equities that each represent about 9-12% of the portfolio had a volatile six months, falling sharply until early March and then rising rapidly over much of the rest of the period. The change of investor sentiment was even more surprising because the overall economic environment changed very little, as unemployment stopped accelerating, and the financial system began to heal. The Canadian stock market was the highest performing of the three due mainly to the boost to the large energy sector. The price of oil rose from \$50 to nearly \$70. Also, the financial sector fell much less than the US and overseas financial sectors in the first quarter.

For the six months, the Canadian equity portion of the portfolio gained 14% and the overseas portion gained 7%. The US portion was virtually flat because a 5% decline in the US dollar, some of which was mitigated by the partial currency hedge within the portfolio, offset the modest local currency gains of the US stock market.

Recent Developments

Summary

The portfolio largely mirrors the performance of the conventional bond market but also has significant contributions from its equity portions. The above-average performance of all the fixed income components was augmented by high returns by most of the equity components, leading to an above-average return for the first half of 2009.

Changes

No changes were made to the portfolio during this period.

Related Party Transactions

The portfolio is managed by ATB Investment Management Inc. ATB Investment Management Inc. is a wholly owned subsidiary of ATB Financial.

Throughout the year, the portfolio uses the services of ATB Financial and its subsidiaries for administrative services. All transactions have been recorded at exchange value and are expected to continue into the future. Total services rendered by ATB Financial and its subsidiaries were \$29,677.

Financial Highlights

The following tables show selected key financial information about the portfolio and are intended to help you understand the portfolio's financial performance for the six-months ended June 30, 2009 and the fiscal periods indicated. This information is derived from the portfolio's audited annual financial statements and interim unaudited financial statements. The information on the following tables is based on prescribed regulations and as a result, is not expected to add up correctly because the increase (decrease) in net assets from operations is based on average units outstanding during the period and all other numbers are based on actual units outstanding at the relevant point in time.

Compass Conservative Balanced Portfolio – Series A

YEAR	2009	2008	2007	2006	2005
Net assets, beginning of period	\$10.49	\$12.07	\$12.39	\$11.65	\$11.08
Increase (decrease) from operations;					
Total revenue	0.19	0.52	0.51	0.51	0.43
Total expenses	(0.09)	(0.20)	(0.21)	(0.21)	(0.21)
Net investment income (loss)	0.10	0.32	0.30	0.30	0.22
Realized gains (losses) for the period	(0.06)	(0.27)	0.10	0.13	0.04
Unrealized gains (losses) for the period	0.69	(1.32)	(0.42)	0.63	0.48
Net gain (loss) on investment for the period	0.63	(1.59)	(0.32)	0.76	0.52
Total increase (decrease) from operations¹	0.73	(1.27)	(0.02)	1.06	0.74
Distributions;					
From income (excluding dividends)	-	(0.34)	(0.28)	(0.27)	(0.19)
From dividends	-	-	-	-	-
From net investment income	-	(0.34)	(0.28)	(0.27)	(0.19)
From capital gains	-	-	(0.06)	-	-
Return of capital	-	-	-	-	-
Total annual distributions²	-	(0.34)	(0.34)	(0.27)	(0.19)
Net assets, end of period³	\$11.22	\$10.49	\$12.07	\$12.39	\$11.65

(1) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from investment operations is based on the weighted average number of units outstanding over the financial period.

(2) Distributions were paid in cash, reinvested in additional units of the portfolio, or both.

(3) In compliance with the Canadian securities regulatory authorities and CICA Section 3855, a reconciliation between fund valuations for daily transactions and valuations for financial reporting is found in Note 10 of the *Notes to the Financial Statements*.

Ratios and Supplemental Data

YEAR	2009	2008	2007	2006	2005
Total net asset value (000's) ⁴	\$277,310	\$254,050	\$304,581	\$243,429	\$152,309
Number of units outstanding ⁴	24,697,687	24,199,057	25,235,274	19,647,857	13,078,129
Management expense ratio ⁵	1.67%	1.70%	1.72%	1.73%	1.83%
Management expense ratio before waivers or absorptions	1.67%	1.70%	1.72%	1.73%	1.86%
Trading expense ratio ⁶	0.01%	0.01%	0.00%	0.01%	0.02%
Portfolio turnover rate ⁷	21.42%	65.43%	19.35%	12.69%	8.31%
Net asset value per unit	\$11.23	\$10.50	\$12.07	\$12.39	\$11.65

(4) This information is provided as at December 31 of year shown, except 2009, which shows as at June 30, 2009.

(5) Management expense ratio (MER) is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(7) The portfolio's portfolio turnover rate indicates how actively the portfolio's Portfolio Advisor manages its portfolio of investments. A portfolio turnover rate of 100% is equivalent to the portfolio buying and selling all of the securities in its portfolio once in the course of the year. The higher a portfolio's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a portfolio.

The June 30, 2009, December 31, 2008, December 31, 2007, December 31, 2006, and December 31, 2005 layout of the financial highlights has been adjusted to conform to the requirement of National Instrument 81-106.

Financial Highlights (continued)

Compass Conservative Balanced Portfolio – Series F

YEAR	2009	2008	2007	2006	2005
Net assets, beginning of period	\$10.76	\$12.38	\$12.67	\$11.90	\$11.27
Increase (decrease) from operations;					
Total revenue	0.19	0.51	0.52	0.52	0.54
Total expenses	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)
Net investment income (loss)	0.18	0.50	0.51	0.51	0.52
Realized gains (losses) for the period	(0.06)	(0.28)	0.11	0.13	0.06
Unrealized gains (losses) for the period	0.68	(1.43)	(0.45)	0.65	0.41
Net gain (loss) on investment for the period	0.62	(1.71)	(0.34)	0.78	0.47
Total increase (decrease) from operations¹	0.80	(1.21)	0.17	1.29	0.99
Distributions;					
From income (excluding dividends)	-	(0.54)	(0.49)	(0.46)	(0.35)
From dividends	-	-	-	-	-
From net investment income	-	(0.54)	(0.49)	(0.46)	(0.35)
From capital gains	-	-	(0.03)	-	-
Return of capital	-	-	-	-	-
Total annual distributions²	-	(0.54)	(0.52)	(0.46)	(0.35)
Net assets, end of period³	\$11.59	\$10.76	\$12.38	\$12.67	\$11.90

(1) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from investment operations is based on the weighted average number of units outstanding over the financial period.

(2) Distributions were paid in cash, reinvested in the portfolio, or both.

(3) In compliance with the Canadian securities regulatory authorities and CICA Section 3855, a reconciliation between fund valuations for daily transactions and valuations for financial reporting is found in Note 10 of the *Notes to the Financial Statements*.

Ratios and Supplemental Data

YEAR	2009	2008	2007	2006	2005
Total net asset value (000's) ⁴	\$132,728	\$118,603	\$145,636	\$107,096	\$60,546
Number of units outstanding ⁴	11,442,044	11,018,766	11,764,947	8,453,144	5,089,692
Management expense ratio ⁵	0.15%	0.09%	0.07%	0.07%	0.13%
Management expense ratio before waivers or absorptions	0.15%	0.09%	0.07%	0.08%	0.16%
Trading expense ratio ⁶	0.01%	0.01%	0.00%	0.01%	0.02%
Portfolio turnover rate ⁷	21.42%	65.43%	19.35%	12.69%	8.31%
Net asset value per unit	\$11.60	\$10.76	\$12.38	\$12.67	\$11.90

(4) This information is provided as at December 31 of year shown, except 2009, which shows as at June 30, 2009.

(5) Management expense ratio (MER) is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(7) The portfolio's portfolio turnover rate indicates how actively the portfolio's Portfolio Advisor manages its portfolio of investments. A portfolio turnover rate of 100% is equivalent to the portfolio buying and selling all of the securities in its portfolio once in the course of the year. The higher a portfolio's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a portfolio.

The June 30, 2009, December 31, 2008, December 31, 2007, December 31, 2006, and December 31, 2005 layout of the financial highlights has been adjusted to conform to the requirement of National Instrument 81-106.

Management Fees

For the period ended June 30, 2009, the portfolio paid ATB Investment Management Inc. management fees of \$1,915,163. The management fee for each series is calculated as a percentage of its net asset value, as of the close of business on each business day. The management expense ratios were 1.67% for Series A and 0.15% for Series F. The portfolio's management fees were used by ATB Investment Management Inc. to pay costs for managing the investment portfolio, to provide investment analysis and recommendations, to make investment decisions, to purchase and sell investments, and to provide other services.

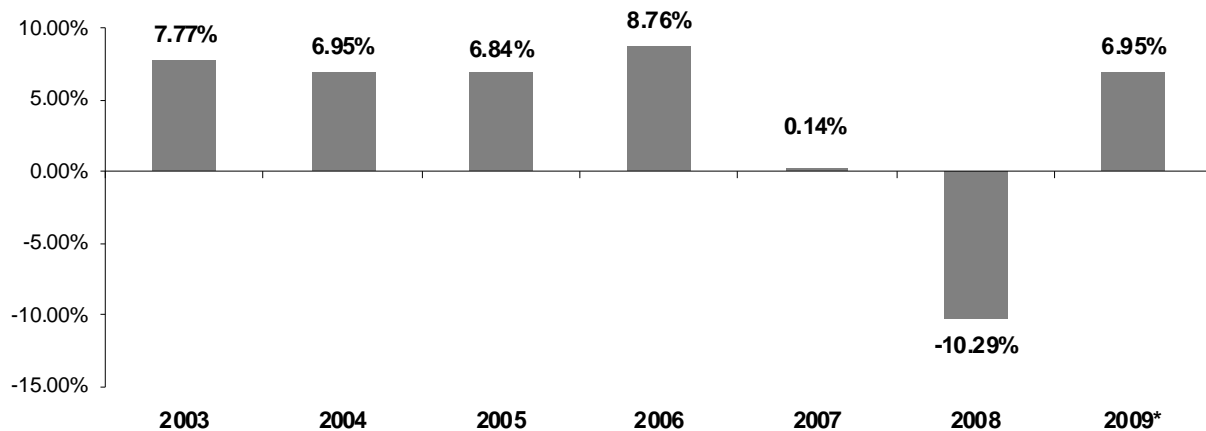
Past Performance

The performance information shown assumes all distributions made by the portfolio in the periods shown were reinvested into additional securities for the portfolio.

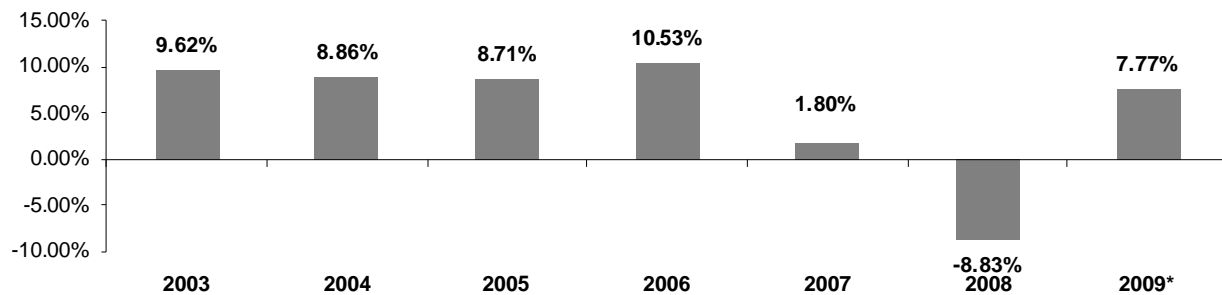
Year by Year Returns

The following information shows the portfolio's performance for the period ended June 30, 2009 and for each of the previous years. The bar charts illustrate how the portfolio's performance has changed from period to period and also indicates in percentage terms, how much an investment made on the first day of each financial year would have increased or decreased in value by the last day of each period.

Series 'A'



Series 'F'



* For the period January 1 to June 30, 2009

Compass Conservative Balanced Portfolio
Quarterly Summary of Investment Portfolio as at
June 30, 2009

Asset Mix

<i>Investment</i>	<i>% Weight</i>
Bonds	58.7%
Equities	38.5%
Cash & Other	2.8%

Sector Mix

<i>Investment</i>	<i>% Weight</i>
Bonds	58.7%
Financials	7.1%
REIT	7.0%
Industrials	4.5%
Energy	4.1%
Consumer Staples	3.8%
Info Technology	3.0%
Consumer Discretionary	2.9%
Cash & Other	2.8%
Health Care	2.5%
Materials	1.8%
Telecommunications	1.2%
Utilities	0.6%

Equity Weight by Location

<i>Investment</i>	<i>% Weight</i>
Overseas	11.5%
Canada	11.3%
US	8.7%
Cdn REITs	7.0%

Total Fund Net Assets \$ 409,607,271

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

The most recent annual or semi-annual reports are available at no cost by calling 1-888-ATB-FUND, by e-mailing <mailto:atbimservice@atb.com>, or by visiting our website at <http://www.atb.com/>.

Prospectus and other information about underlying investment funds is available on the internet at www.sedar.com.

Holdings

<i>Investment</i>	<i>% Weight</i>
Barclays Universe Bond Index	36.3%
Canso Corp Value Bond Portfolio	22.2%
Mawer Canadian Equity Fund	9.0%
Bissett REIT Portfolio	7.0%
Mawer World Investment Fund	6.6%
Barclays NonPension US Equity Index	6.2%
Mutual Beacon Fund	4.6%
Trimark International Cos. Fund	4.4%
Mawer New Canada Fund	2.6%
ATB Money Market Fund	1.6%
Cash & Other	-0.5%

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