

NEWS FROM CNW GROUP

Front Street Performance Fund II announces its estimated distribution

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TORONTO, Dec. 19 /CNW/ - Front Street Performance Fund II (TSX:FPF.UN) announced today an estimated distribution of \$0.20472 per unit to unitholders of record on December 30, 2005, which will be paid in full on or about January 28, 2006. The distribution payable to a unitholder will be applied to purchase units of Front Street Performance Fund II pursuant to the Fund's automatic reinvestment plan, unless the unitholder has previously elected to receive such a distribution in cash.

The Fund's investment objective is to provide unitholders with long-term capital growth through selection and management of long and short positions in equity and debt securities and through strategic trading. The Fund's portfolio may include securities which the Fund's investment advisor believes are undervalued and may include short positions in securities which the investment advisor believes are overvalued.

The investment advisor manages the relative weightings of the Fund's long and short positions to achieve the Fund's investment objective. The Fund also engages in merger arbitrage, convertible arbitrage, trading in securities of issuers that are in distress situations such as bankruptcy or similar proceedings, and trading in securities of issuers that may be involved in restructurings or business unit dispositions.

Front Street Performance Fund II is managed by Front Street Capital 2004 and advised by Front Street Investment Management Inc. The trust units of the Fund are listed on the Toronto Stock Exchange under the symbol FPF.UN.

FORWARD LOOKING STATEMENTS

Certain statements in this press release may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of Front Street Performance Fund II to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this press release, such statements use such words as "may", "will", "expect", "anticipate", "project", "believe", "plan" and other similar terminology. The risks and uncertainties are detailed from time to time in reports filed by the Fund with the securities regulatory authorities in all of the provinces and territories of Canada. New risk factors may arise from time to time and it is not possible for management to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance and achievements of the Fund to be materially different from those contained in forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

For further information: interviews or other media related requests: Front Street Capital 2004, Investor Relations, 1-800-513-2832 or www.frontstreetcapital.com

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