

AXA's Wholesale Australian Diversified Property Securities Fund

Fund performance^{1, 2, 3}

One year rolling return

	Jun 2010 %	Jun 2009 %	Jun 2008 %	Jun 2007 %	Jun 2006 %
Distribution	6.9	3.8	9.4	22.4	10.7
Growth	11.4	-43.7	-45.5	4.2	5.8
Total	18.3	-39.9	-36.1	26.6	16.5
Benchmark	20.3	-42.1	-37.7	26.3	18.1

Fund return at 30 June 2010

	3 months %	1 year %	3 years % pa	5 years % pa	7 years % pa
Distribution	1.2	6.9	7.0	10.0	10.4
Growth	-3.3	11.4	-30.1	-17.7	-11.3
Total	-2.1	18.3	-23.1	-7.7	-0.9
Benchmark	-1.5	20.3	-24.3	-8.3	-1.5

Market and fund review

Global and Australian equities fell as investors fretted over fiscal troubles in Europe and a potential slowdown in the world's economic recovery. Listed real estate, globally and domestically, proved more resilient than broader equities.

This was notably the case in Australia where real estate equities – as measured by the S&P/ASX Listed Property Trust index – only fell 1.5%, compared to the broader markets drop of 11.2% over the quarter.

The Wholesale Australian Diversified Property Securities Fund underperformed the benchmark during the June quarter.

The biggest detractor was non-benchmark holding Lend Lease as investors saw it as at risk due to its exposure to the 2012 Olympics in London and the potential slow down in the UK. Another detractor was Charter Hall as its business model based on management fees fell out of favour amongst nervous investors. Contributors for the quarter included Australand Property Group, ING Industrial Fund, Westfield Group and Mirvac Group.

Bernstein Real Estate Securities believes the outperformance of the listed property versus the falling broader market reflects the relatively lower risk profile listed property but points out that a disciplined research approach is particularly important in the current environment, where the character of the recovery poses some challenges for real estate stock selection. Bernstein Real Estate continues to position its portfolio on attractively valued companies with strong balance sheets and cashflows, including those that can offer exposure to the cyclical recovery or can add value through strategic initiatives such as mergers and acquisitions.

¹ Past performance is not necessarily indicative of future performance. Performance figures are calculated using exit prices, are net of management fees, ongoing fees and expenses, assume distributions are reinvested and tax is not deducted. The Distribution return reflects total Distributions paid from the fund, while the Growth return reflects changes in the capital value of units.



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Sector analysis at 30 June 2010

	Portfolio %	Benchmark %
Retail	46.6	48.4
Diversified	31.3	36.6
Commercial	8.2	6.9
Industrial	8.9	7.7
Cash & other	5.0	0.4
Total	100.0	100.0

Top 10 holdings at 30 June 2010

	Profile	Portfolio %	Benchmark %
Westfield Group	Listed Property Trusts	40.1	39.9
Stockland	Listed Property Trusts	15.9	13.7
Goodman Group	Listed Property Trusts	8.2	6.3
GPT Group	Listed Property Trusts	5.2	7.4
Dexus Property Group	Listed Property Trusts	4.9	5.6
ING Office Fund	Listed Property Trusts	4.0	2.5
CFS Retail Prop	Listed Property Trusts	3.9	6.0
Macquarie Office	Listed Property Trusts	2.8	6.7
Macquarie Countrywide	Listed Property Trusts	2.5	N/av
Australand Prop. Group	Financials	2.2	N/av
Total		89.7	88.1
Total holdings		16	22

Fund size at 30 June 2010: \$175.3 million

Inception date: August 1993

Investment objective: The fund aims to provide investors with long term capital growth and outperform the S&P/ASX 300 Property Trusts Accumulation Index after costs and over rolling five year periods.

Investment manager: The fund uses the global investment resources and capabilities of Bernstein Real Estate Securities, the real estate investment and research management unit of AllianceBernstein L.P. (AllianceBernstein), a leading global investment management firm. This expertise is delivered to Australian investors through a joint venture between AXA Asia-Pacific Holdings and AllianceBernstein Australia Limited.

² The benchmark is the S&P/ASX 300 A-REITS Accumulation Index.

³ The Wholesale Australian Diversified Property Securities Fund, issued by National Mutual Funds Management Ltd, is available by way of PDS which you can obtain from your financial adviser or by calling 1800 780 085. You should read the PDS before making an investment decision.

Important information

This publication has been prepared to provide general information only and does not take into account the financial objectives, situation or needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Before making an investment decision, you need to consider (with or without the assistance of an adviser) whether this information is appropriate to your needs, objectives and circumstances. Past performance is not necessarily indicative of future performance. Detailed information about the product is contained in the PDS. Applications for investment in AXA Australia products will only be accepted on receipt of an application form accompanying a current PDS. A copy of the PDS is can be obtained by calling 137 292. National Mutual Funds Management Ltd and its associates derive income from issuing interests in the product, full details of which is contained in the PDS. Unless specifically stated, the repayment of capital or performance of our products is not guaranteed. This information is provided for persons in Australia only and is not provided for the use of any person who is in any other country.

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