

AXA's Mortgage Funds – first capital repayment will be made in December

As you know, we* commenced the wind-up process for the following AXA mortgage funds on 3 October 2011:

- Australian Monthly Income Fund (AMIF)
- Australian Income Fund (AIF)
- Wholesale Australian Monthly Income Fund (WAMIF), and
- Wholesale Australian Income Fund (WAIF).

We previously communicated our expectation to make the first capital repayment to investors this December and can now confirm payments will be made between 12 and 14 December 2011.

Payment details are provided in the table below:

Fund	Payment date	Total payment amount \$m	% of Fund paid
AMIF (NML0317AU)	12 December 2011	\$143.3	15%
AIF (NML0010AU)	13 December 2011	\$40.0	25%
WAMIF (NML0316AU)	14 December 2011	\$82.9	15%
WAIF (NML0257AU)	14 December 2011	\$5.4	25%

All unitholders will receive the above-mentioned percentage of their investment in the relevant Fund.

Process for AMIF and AIF

For AMIF and AIF, capital is being returned via a proportionate cancellation of units, with the unit price remaining unchanged. A withdrawal confirmation statement will be sent to all direct investors shortly after the payment has been made.

Process for WAMIF and WAIF

For WAMIF and WAIF, capital is being returned without a cancellation of units. This first payment will result in the unit price falling by the amount of the capital distribution, with each investor's number of units remaining unchanged. A distribution statement will be sent to all direct investors which will provide details of the amount paid.

Next capital repayment

We expect the next capital repayment to be made in March 2012 and we remain on track to complete the capital repayment process by mid 2014. In addition to regular capital repayments, we expect unitholders to continue receiving income distributions throughout this process.

For further information

For further information, please contact your AXA relationship manager or axaresearch@axa.com.au

* National Mutual Funds Management Ltd AFSL 234 652 (referred to as 'AXA' or 'we') is the Responsible Entity of the Australian Monthly Income Fund ARSN 091 553 856, Wholesale Australian Monthly Income Fund ARSN 091 553 954, Australian Income Fund ARSN 088 999 679 and Wholesale Australian Income Fund ARSN 088 919 359.

