

AXA Investment Managers (AXA IM) is a dedicated investment manager within the AXA Group, a world leader in financial protection and wealth management. Our aim is to develop close relationships with our customers and to provide them with outstanding investment solutions backed up with exceptional customer service.

As a 'multi-expert' investment manager, we aim to offer investment expertise across a broad range of asset classes that few of our competitors can match, but we focus on specific areas within each asset class where we can add real value for our clients.

Our total funds under management now exceed £487 billion. (Source: AXA IM as at 30 June 2013).

AXA Sterling Credit Short Duration Bond Fund

For the Year Ended 30 June 2013

Investment objective and policy

The aim of this Fund is to generate returns by gaining exposure generally to the sterling denominated investment grade bond market with a bias towards shorter maturities. The Fund may also invest at the Investment Manager's discretion in transferable securities, derivatives, cash, deposits, units in collective investment schemes and money market instruments. Use may be made of stocklending, borrowing, cash holding and hedging techniques permitted in applicable Financial Conduct Authority rules.

Results

Share Class	Share Type	Price at 30.06.13 (p)	Price at 30.06.12 (p)	Fund Performance	Comparative Benchmark
H gross	Acc	111.5	106.4	4.89%	N/A
H net	Acc	109.4	105.3	4.28%	N/A
Z gross	Acc	110.1	105.7	4.16%	N/A
Z gross	Inc	102.9	101.4	4.38%	N/A
Z net	Acc	108.5	104.8	3.92%	N/A
Z net	Inc	102.7	101.3	3.57%	N/A
R gross	Acc	109.0	104.9	3.91%	N/A
R gross	Inc	102.8	101.4	3.95%	N/A
R net	Acc	107.6	104.2	3.45%	N/A
R net	Inc	102.4	101.1	3.54%	N/A

Past performance is not a guide to future returns. Source of all performance data: AXA Investment Managers and Lipper to 30 June 2013. Please note, the AXA Sterling Credit Short Duration Bond Fund has no official benchmark.

Review and outlook

The 12-month review period proved generally supportive of the sterling credit market. Investors' thirst for yield along with steadily improving market sentiment, meant demand for sterling credit was robust. Only late in the review period, in May and June 2013, did we see some focused selling pressure firstly on gilts in May and then on both gilts and corporate bonds in June with the short-dated end of the market faring best.

The environment at the beginning of the review period was less than ideal for credit markets. In July, the Bank of England's Monetary Policy Committee (MPC), lowered its outlook for UK growth and announced that it was extending its asset purchase programme by £50 billion (to a total of £375 billion), in order to stimulate the economy. Indeed, Q2 GDP data confirmed that the UK economy had contracted -0.5% and this weak backdrop, along with the ongoing Euro sovereign uncertainty, meant investors were not particularly inclined to take on any risk, instead preferring the relative safety of gilts. However, a speech by European Central Bank (ECB) President Mario Draghi in late July, in which he pledged to do "whatever it takes to preserve the euro" marked somewhat of a turning point in investor sentiment. Subsequent decisive policy action from European policy makers effectively reduced the near-term risk of a potential

AXA Sterling Credit Short Duration Bond Fund

For the Year Ended 30 June 2013

Eurozone breakup. This, together with some early signs of global, if not local, economic improvement, saw investor sentiment much encouraged.

This environment proved supportive of credit markets which, although intermittently volatile, ultimately provided healthy total returns during the review period. A thirst for yield on the part of investors meant that there was generally a heavy demand for corporate bonds with the demand/supply imbalance throughout the review period being a key driver of credit market performance. Despite the still weak UK economic outlook during much of the review period, credit investors remained faithful to corporate bonds on fundamental grounds, given the generally sound nature of company balance sheets – following concerted strengthening in the four years since the financial crisis. Accordingly, credit spreads generally tightened over the course of the review period, giving up ground on occasion, at points of heightened, event-specific volatility – US fiscal cliff, Italian election uncertainty, Cyprus banking crisis – before continuing to tighten further.

However, the final 2 months of the 12-month review period proved to be significant for corporate bond markets. Following comments from the Chairman of the Federal Reserve, suggesting that the Fed would begin ‘tapering’ US quantitative easing earlier than expected, government bonds sold off globally. The prospect of massive central bank support for government bonds coming to an end saw gilt yields adjust sharply higher, sending prices in the opposite direction. In turn, corporate bonds also suffered, with spreads widening in June, exacerbated by evaporating market liquidity.

During the 12-months to 30 June 2013, the AXA Sterling Credit Short Duration Bond Fund provided a total return of +3.45% (net).

Activity early in the review period revolved around investing Fund inflows across a broad range of sectors and names, in the interests of maintaining strong portfolio diversification. Some of the names added included short-dated bonds from Imperial Tobacco, John Lewis, Marks & Spencer, Nordea, Phoenix Gas, Scottish Power and Westfield Group. As sentiment began to improve on the back of ECB policy initiatives, we began to increase our exposure to some higher yielding bonds, including select issues from peripheral European corporates. This proved beneficial to Fund performance as these subsequently rallied strongly as Eurozone breakup risk diminished. We similarly locked in some good profits by reducing some of our banking sector holdings, including senior bonds from RBS and

Lloyds. Towards the end of 2012, we focused on more defensive areas, adding short-dated issues from both BMW and Daimler and also from Vodafone. We also continued to add exposure to the insurance sector, buying new 3-year issues from Prudential and Mapfre. Early on in 2013, we continued to reduce exposure to banking senior debt following the expected ratification of the EU Directive on Recovery & Resolution in June 2013. Meanwhile, we invested inflows across a range of sectors, adding bonds from Northumbrian Water, La Poste, AT&T, Heineken, Holcim and Anglian Water. There were a number of new additions to the Fund during this time, including Urenco, BSKyB and Anglo American. Towards the end of the review period, we added euro-denominated subordinated bonds from French bank BNP and in June, increased the Fund’s exposure to floating rate bonds, investing in floating issues from Yorkshire Building Society and Southern Gas Networks.

June 2013 marked the start of a new phase in our view, with the market realising that the Fed’s unconditional liquidity may be coming to an end. Indeed, we may only be a few good data points away from the Fed starting to taper its asset purchasing programme. Therefore, until the uncertainties over US data and the path of the Fed’s monetary policy abate, global credit markets will most likely remain highly data sensitive and subject to renewed volatility that may persist throughout the summer and into the autumn. Such volatility may be further increased by heightened uncertainties in the Eurozone, with a weak coalition government in Italy and Portugal, German elections in September, high unemployment that may foster civil discontent and, finally, the risk that national reforms may stall in France, Italy and Spain.

Nicolas Trindade

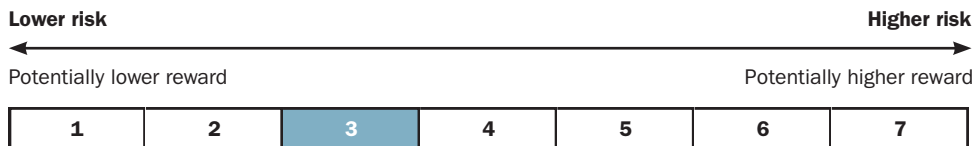
30 June 2013

AXA Sterling Credit Short Duration Bond Fund

For the Year Ended 30 June 2013

Risk and reward profile

By investing in a fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but has less potential for capital return than is the case with funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of a fund which invests significantly in equities or overseas. Typically, you would be investing for a period of at least five years.



The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation, which may result in gains or losses.

Additional risks

Credit Risk: risk that issuers of debt securities held in the Fund may default on their obligations or have their credit rating downgraded, resulting in a decrease in the Net Asset Value.

Liquidity Risk: risk of low liquidity level in certain market conditions that might lead the Fund to face difficulties valuating, purchasing or selling all/part of its assets and resulting in potential impact on its net asset value.

Counterparty Risk: risk of bankruptcy, insolvency, or payment or delivery failure of any of the Fund's counterparties, leading to a payment or delivery default.

Impact of any techniques such as derivatives: certain management strategies involve specific risks, such as liquidity risk, credit risk, counterparty risk, legal risk, valuation risk, operational risk and risks related to the underlying assets.

The use of such strategies may also involve leverage, which may increase the effect of market movements on the Fund and may result in significant risk of losses.

FUND FACTS

Lead Fund manager	Nicolas Trindade
Sector	IMA Sterling Corporate Bonds
Comparative Benchmark	No official benchmark
Launch date	12 Nov 2010
Fund size at 30/06/13	£71m
Fund size at 30/06/12	£89m
Minimum investments (Lump sum)	R: £1,000 Z: £100,000 H: £20,000,000
Minimum per month	R: £50 / Z&H: N/A
Yield H Acc net/gross	3.00%
Yield R Inc net/gross	2.10%
Yield R Acc net/gross	2.10%
Yield Z Inc net/gross	2.50%
Yield Z Acc net/gross	2.50%
Share types	Inc & Acc
Number of stocks	108
Initial charge	R: 4%/ Z: Nil/ H: 5%
Annual charge	R: 0.85%/ Z: 0.40%/ H: Nil
Ongoing charges	
H Acc net/ gross	0.03% / 0.03%
R Inc net/ gross	0.90% / 0.90%
R Acc net/ gross	0.91% / 0.91%
Z Inc net/ gross	0.45% / 0.48%
Z Acc net/ gross	0.45% / 0.46%
Accounting dates (int/ann)	31 Dec/ 30 Jun
Distribution dates (income)	28 Feb*, 31 May, 31 Aug, 30 Nov

All data, source: AXA IM as at 30 June 2013. *or last day in Feb.

Top five purchases

For the year ended 30 June 2013

Aviva 9.5%	20/06/16
France Telecom 5%	12/05/16
Imperial Tobacco Finance 5.5%	15/12/16
Marks & Spencer 5.625%	24/03/14
Westfield Finance 5.5%	27/06/17

Top five sales

For the year ended 30 June 2013

Compass 7%	08/12/14
Experian Finance 5.625%	12/12/13
Monumental Global Funding 4.625%	18/01/13
Royal Bank of Scotland 6.375%	29/04/14
Societe Generale 3.875%	17/12/15

AXA Sterling Credit Short Duration Bond Fund

For the Year Ended 30 June 2013

Five year discrete annual performance

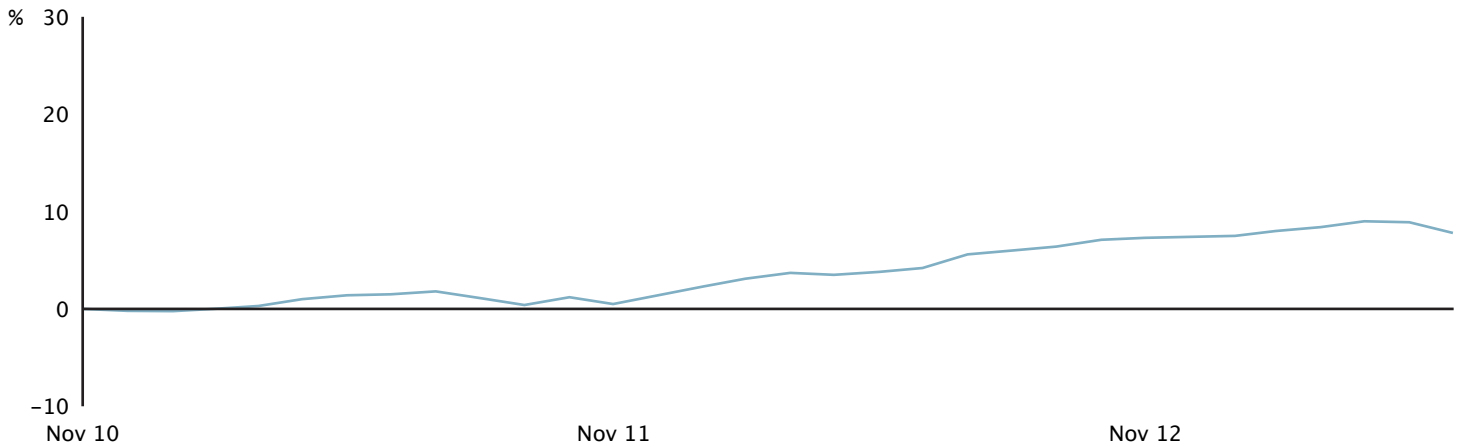
June 08 to June 09	Jun 09 to Jun 10	Jun 10 to Jun 11	Jun 11 to Jun 12	Jun 12 to Jun 13
N/A	N/A	N/A	+2.66%	+3.45%

The AXA Sterling Credit Short Duration Bond Fund's date of inception is 12 November 2010. Source: AXA IM & Lipper Hindsight as at 30 June 2013. Basis: mid to mid, net R share class, with net income reinvested, net of fees in GBP.

Cumulative Fund performance

as at 30 June 2013

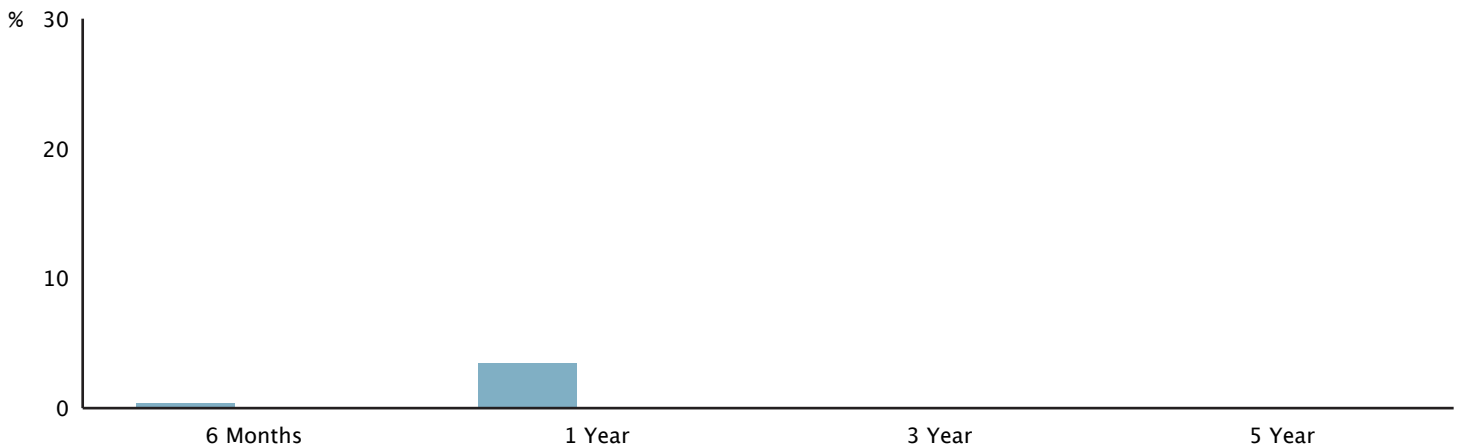
■ AXA Sterling Credit Short Duration Bond Fund ■ N/A



The AXA Sterling Credit Short Duration Bond Fund's date of inception is 12 November 2010. Source: AXA IM & Lipper Hindsight as at 30 June 2013. Basis: mid to mid, net R share class, with net income reinvested, net of fees in GBP.

as at 30 June 2013

■ AXA Sterling Credit Short Duration Bond Fund ■ N/A



The AXA Sterling Credit Short Duration Bond Fund's date of inception is 12 November 2010; as a result 3 and 5 year performance is not available. Source: AXA IM & Lipper Hindsight as at 30 June 2013. Basis: mid to mid, net R share class, with net income reinvested, net of fees in GBP.

AXA Sterling Credit Short Duration Bond Fund

For the Year Ended 30 June 2013

Summary of historic prices and distributions

Year	Share class	Share type	Highest share price (pence)	Lowest share price (pence)	Distribution per share (pence)	Share type	Highest share price (pence)	Lowest share price (pence)	Distribution per share (pence)
2013**	H	Acc (net)	110.9	108.7	1.328	Acc (gross)	112.7	110.2	1.687
2013**	R	Inc (net)	103.8	102.3	0.897	Inc (gross)	104.0	102.5	1.117
2013**	R	Acc (net)	109.1	107.2	0.941	Acc (gross)	110.3	108.3	1.186
2013**	Z	Inc (net)	104.1	102.6	1.083	Inc (gross)	104.1	102.6	1.355
2013**	Z	Acc (net)	110.0	107.9	1.142	Acc (gross)	111.3	109.0	1.443
2012	H	Acc (net)	108.9	102.1	3.331	Acc (gross)	110.5	102.9	3.313
2012	R	Inc (net)	103.2	99.02	2.169	Inc (gross)	103.3	99.14	2.612
2012	R	Acc (net)	107.5	101.4	2.221	Acc (gross)	108.5	102.0	2.780
2012	Z	Inc (net)	103.5	99.17	2.160	Inc (gross)	103.4	99.12	2.935
2012	Z	Acc (net)	108.2	101.8	2.618	Acc (gross)	109.3	102.4	3.271
2011	H	Acc (net)	102.3	99.38	2.658	Acc (gross)	103.0	99.48	3.333
2011	R	Inc (net)	100.9	98.40	2.030	Inc (gross)	101.1	98.52	2.475
2011	R	Acc (net)	101.9	99.34	2.068	Acc (gross)	102.2	99.34	2.493
2011	Z	Inc (net)	101.0	98.53	2.308	Inc (gross)	101.1	98.48	2.906
2011	Z	Acc (net)	102.1	99.33	2.356	Acc (gross)	102.7	99.42	2.934
2010	H	Acc (net)	100.1	99.34	0.323	Acc (gross)	100.1	99.39	0.403
2010	R	Inc (net)	100.1	99.28	0.236	Inc (gross)	100.1	99.32	0.296
2010	R	Acc (net)	100.1	99.30	0.277	Acc (gross)	100.1	99.32	0.296
2010	Z	Inc (net)	100.1	99.31	0.284	Inc (gross)	100.1	99.36	0.353
2010	Z	Acc (net)	100.1	99.31	0.282	Acc (gross)	100.1	99.36	0.353

Highest offer and lowest bid price quoted at anytime in the calendar year and * to 30 June 2013. + Distribution paid 31 August 2013.

Net asset value record

Share class	Share type	Net Asset Value as at 30 June 2013 (pence)	Net Asset Value as at 30 June 2012 (pence)	Share type	Net Asset Value as at 30 June 2013 (pence)	Net Asset Value as at 30 June 2012 (pence)
H	Acc (net)	109.5	106.1	Acc (gross)	111.4	105.0
R	Inc (net)	102.0	100.3	Inc (gross)	102.1	100.4
R	Acc (net)	107.6	104.0	Acc (gross)	108.8	104.7
Z	Inc (net)	102.2	100.6	Inc (gross)	102.1	100.4
Z	Acc (net)	108.5	104.5	Acc (gross)	109.9	105.5

Please note, that the NAV prices shown above are different from the results prices as at 30.06.13. The differences are due to the fund performance tables taking the quoted valuation prices on the last day of the period, whereas the NAV table above is showing prices including any accounting adjustments at the end of the period. Basis: mid to mid.

AXA Sterling Credit Short Duration Bond Fund

For the Year Ended 30 June 2013

Top ten holdings as at 30 June 2013

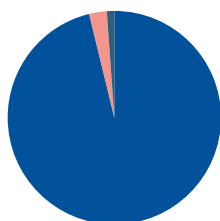
Company	Sector	%
BAA Funding 5.85% 27/11/15	Corporate Bonds	1.49
Segro 6.25% 30/09/15	Corporate Bonds	1.48
Westfield Finance 5.5% 27/06/17	Corporate Bonds	1.48
ING Bank 3.875% 23/12/16	Corporate Bonds	1.46
Aviva 9.5% 20/06/16	Corporate Bonds	1.46
France Telecom 5% 12/05/16	Corporate Bonds	1.44
BNP Paribas 3.5% 07/12/16	Corporate Bonds	1.42
Wales & West Utilities Finance 5.125% 02/12/16	Corporate Bonds	1.42
JPMorgan Chase FRN 30/05/17	Corporate Bonds	1.40
ENW Capital Finance 6.75% 20/06/15	Corporate Bonds	1.39

Top ten holdings as at 30 June 2012

Company	Sector	%
Royal Bank of Scotland 6.375% 29/04/14	Corporate Bonds	1.58
Societe Generale 3.875% 17/12/15	Corporate Bonds	1.56
ING Bank 3.875% 23/12/16	Corporate Bonds	1.55
Pearson Funding 6% 15/12/15	Corporate Bonds	1.54
QBE Insurance 6.125% 28/09/15	Corporate Bonds	1.54
Merrill Lynch 5.75% 12/12/14	Corporate Bonds	1.51
Experian Finance 5.625% 12/12/13	Corporate Bonds	1.49
Compass 7% 08/12/14	Corporate Bonds	1.47
Goldman Sachs 5.25% 05/12/15	Corporate Bonds	1.44
Koninklijke 5.75% 18/03/16	Corporate Bonds	1.43

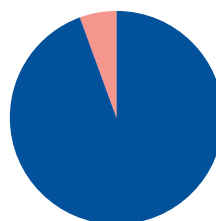
Portfolio breakdown

As at 30 June 2013



Sector	%
Corporate Bonds	96.26
Forward currency contracts	-0.08
Futures	0.03
Cash	2.66
Other	1.13

As at 30 June 2012



Sector	%
Corporate Bonds	94.76
Forward currency contracts	0
Futures	0.05
Cash	5.55
Other	-0.36

All data, source: AXA Investment Managers unless otherwise stated.

AXA Sterling Credit Short Duration Bond Fund

For the Year Ended 30 June 2013

Authorised Corporate Director

AXA Investment Managers UK Ltd
7 Newgate Street
London EC1A 7NX

Authorised and regulated by the Financial Conduct Authority (Formerly Financial Services Authority).

Dealing

AXA Investment Managers UK Ltd
Administration office
PO Box 10908
Chelmsford, CM99 2UT
Telephone Enquiries / Dealing 0845 777 5511
IFA Enquires 0845 766 0184

Registrar

AXA Investment Managers UK Ltd
7 Newgate Street
London, EC1A 7NX

Authorised and regulated by the Financial Conduct Authority (Formerly Financial Services Authority).

Investment advisers

AXA Investment Managers UK Ltd
7 Newgate Street
London EC1A 7NX

Authorised and regulated by the Financial Conduct Authority (Formerly Financial Services Authority).

Legal adviser

Eversheds LLP
1 Wood St
London EC2V 7WS

Depositary

HSBC Bank Plc
Registered Office
8 Canada Square
London E14 5HQ

Authorised and regulated by the Financial Conduct Authority (Formerly Financial Services Authority).

Independent auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

Fund accounting administrator

State Street Bank and Trust Company
20 Churchill Place
London E14 5HJ

Authorised and regulated by the Financial Conduct Authority (Formerly Financial Services Authority).

For more information on any AXA IM Fund please contact us via our website or telephone number below.

Copies of the latest Report and Accounts (long form) and Prospectus are available free of charge from the administration office: PO Box 10908, Chelmsford, CM99 2UT.

Telephone calls may be recorded or monitored for quality assurance purposes.

0845 777 5511

www.axa-im.co.uk

ADDITIONAL INFORMATION

Report and accounts

The purpose of sending this Short Report for the Fund is to give you a summary of how the Fund has performed during the accounting period in accordance with the Collective Investment Schemes Sourcebook (COLL) Rules. If you would like any additional information about the Fund you can request a copy of the more detailed long form accounts for the Fund. For a copy of this, please contact our dedicated customer services team on 0845 777 5511.

Other information

The Fund is a sub-fund of the AXA Fixed Interest Investment Company ICVC which is an open ended investment company authorised by the FCA, and has a UCITS certificate. The Company is managed in accordance with the FCA Collective Investment Schemes Sourcebook (COLL).

European Savings Directive

Under the European Savings Directive, information is collected about the payment of savings income to non-UK residents. The Fund falls within the 25% debt investment reporting threshold. This means that details of all income distributions and redemption proceeds paid to non UK investors will be reported by AXA Investment Managers to HM Revenue & Customs to be exchanged with the relevant tax authorities.

0845 777 5511

www.axa-im.co.uk

The value of investments and the income from them can fluctuate and investors may not get back the amount originally invested. Past performance is not a guide to future performance. Issued by AXA Investment Managers UK Ltd registered in England No. 01431068. The registered office address is 7 Newgate Street, London EC1A 7NX. AXA Investment Managers UK Ltd (119368) is authorised and regulated by the Financial Conduct Authority under the account shown. A member of the IMA. Telephone calls may be recorded or monitored for quality assurance purposes.

17423 SR/CSD 08/13

All data sources: AXA Investment Managers unless otherwise stated.