



Fund Manager(s)
Martin Harvey,
Threadneedle
Asset
Management
Limited
 Since: 09 2009

Fund Facts

Index	Merrill Lynch EMU Large Cap Investment Grade 3-5 yrs
Peer Group ¹	GIFS Offshore – EUR Diversified Bond
Fund Size	€50.0m
Launch Date	April, 1999
Yield to Maturity	1.2%
Type of Share	For available share classes please see prospectus.

Share Class & General

	A	D	I
Initial Charge	2%	1%	0%
Annual	0.90%	1.45%	0.50%
Min. Investment	€2,500	€2,500	€100,000

All information expressed in Euro

Threadneedle (Lux) Euro Active Bonds

Fund Objective and Policy

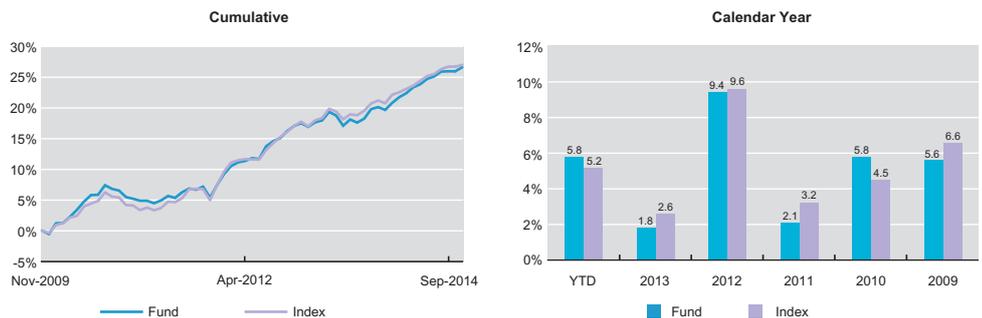
The aim of the Fund is to provide income with the potential to grow the amount you invested as well.

The Fund invests at least two-thirds of its assets in European bonds (which are similar to a loan and pay a fixed or variable interest rate) issued by companies and governments in, or companies that have significant operations in the countries that have adopted the Euro currency.

The Fund invests directly in these assets or by using derivatives. Derivatives are sophisticated investment instruments linked to the rise and fall of the price of other assets. The Fund may also make use of short selling techniques (which are designed to make a profit from falling prices) and leverage (which increases the effect that a change in the price of an investment has on the Fund's value). The Fund will actively manage interest rate risk - which may boost performance or reduce it.

The Fund will invest mainly in bonds that mature in less than 10 years.

5 Year Performance



Fund Performance - Cumulative

	1M%	3M%	YTD%	1Y%	3Y%	5Y%	10Y%
Fund (Net)	0.5	0.5	5.8	5.4	20.2	26.7	46.1
Index (Gross)	0.2	0.6	5.2	4.8	21.1	27.1	56.6
Peer Group (Net)	0.7	0.9	7.4	6.9	20.4	23.8	44.1
Ranking ¹	147/256	157/256	141/246	144/245	112/220	70/189	41/100
Quartile Ranking ¹	3	3	3	3	3	2	2

Performance 12 Months Ending

	30th Nov 10	30th Nov 11	30th Nov 12	30th Nov 13	30th Nov 14
	5.5%	-0.1%	11.1%	2.6%	5.4%

Note: All performance figures relate to the Net Acc Class A (Retail) EUR share class.

Past performance is not a guide to future performance.

The value of investments and any income is not guaranteed and can go down as well as up and may be affected by exchange rate fluctuations. This means that an investor may not get back the amount invested.

Data reflects current management and other charges, but does not consider the effect of initial charges applicable to new investments.

The index was Merrill Lynch Pan European Large Cap until 31/07/10 and Merrill Lynch EMU Large Cap Investment Grade 3-5 yrs thereafter.

Top 10 Issues

Issue	%
Gov of Spain 0.50% 31/10/2017	5.0
Gov of Spain 2.75% 30/04/2019	4.8
Gov of Spain 2.10% 30/04/2017	4.2
Gov of Italy 3.75% 01/05/2021	4.1
Gov of Italy 4.75% 01/06/2017	3.2
Gov of Finland 0.38% 15/09/2020	3.2
Gov of Portugal 5.65% 15/02/2024	2.8
Gov of Italy 1.50% 15/12/2016	2.8
Banca Monte dei Paschi di Siena SpA 3.50% 20/03/2017	2.5
Export-Import Bank of Korea 4.63% 20/02/2017	2.0

Total % in top 10: 34.7
 Total Number of Stocks in Portfolio: 159

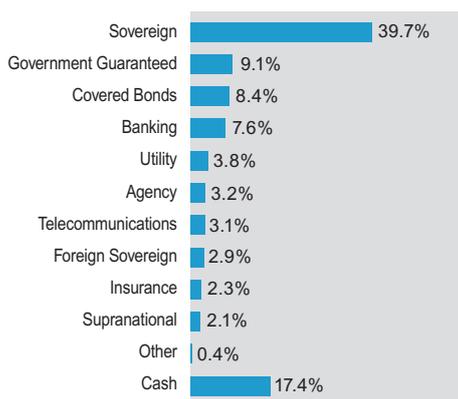
The mention of any specific shares or bonds should not be taken as a recommendation to deal.

For more information on Threadneedle's SICAV funds please visit our website at threadneedle.com/lux.

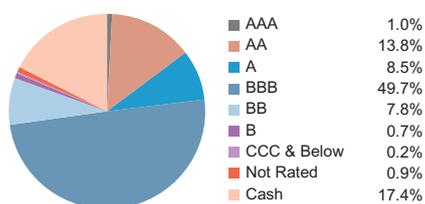
Source performance: Copyright © 2014 Morningstar UK Limited. Source other: Threadneedle.

¹The Ranking and Quartile Ranking are referenced to the Peer Group

Sector Weightings



Credit Rating Weightings*



Net Currency Exposure

Currency	Weighting
EUR	99.8%
HUF	0.1%
GBP	0.1%

Portfolio Characteristics

Average Life	6.0
Effective Duration	4.0

Risk Analysis

Absolute Volatility	2.33%
Relative Volatility	1.00
Tracking Error	0.87%
Sharpe Ratio	2.56

Relative Performance Summary

Information Ratio	-0.30
Jensen Alpha	0.17%
Beta	0.93
R ²	0.87

Note: Against Index over 3 years

Additional Information

Please note this fund may not be registered or authorised in all jurisdictions. For detailed information please consult threadneedle.com

* Credit Ratings are derived from averaging the scores of Moody's, Standard & Poor's and Fitch, where provided.

Fund Codes Class A Acc EUR

Sedol	B15HJC7
ISIN	LU0096353940
Bloomberg	AMEEBEU LX
WKN	930986
Valoren	683376

For further details on fund codes for other classes, please contact Threadneedle

Risk Warnings

MARKET RISK: The value of investments can fall as well as rise and investors might not get back the sum originally invested, especially if investments are not held for the long term.

CURRENCY RISK: Where investments are made in assets that are denominated in foreign currency, changes in exchange rates may affect the value of the investments.

ISSUER RISK: The fund invests in securities whose value would be significantly affected if the issuer either refused to pay or was unable to pay.

LIQUIDITY RISK: The fund invests in assets that are not always readily saleable without suffering a discount to fair value. The portfolio may have to lower the selling price, sell other investments or forego another, more appealing investment opportunity.

INFLATION RISK: Most bond funds offer limited capital growth potential and an income that is not linked to inflation. Therefore, inflation can affect the value of capital and income over time.

INTEREST RATE RISK: Changes in interest rates are likely to affect the fund's value. In general, as interest rates rise, the price of a fixed rate bond will fall, and vice versa. Duration is a measure of the extent to which this is the case, with a longer duration suggesting higher sensitivity to interest rate moves.

VALUATION RISK: The fund's assets may sometimes be difficult to value objectively and the true value may not be recognised until assets are sold.

SHORT SELLING RISK: Short selling is designed to make a profit from falling prices. However, if the value of the underlying investment increases, the short position will negatively affect the fund's value.

LEVERAGE RISK: Leverage amplifies the effect that a change in the price of an investment has on the fund's value. As such, leverage can enhance returns to investors but can also increase losses.

DERIVATIVES RISK: Investment in derivatives may result in losses in excess of the amount invested.

Summarised Glossary

In addition to the above specific risk warnings applicable to the fund, the second page of the factsheet includes a number of statistical measures that should also assist investors and/or their advisors in selecting funds that meets both their investment objectives and appetite for risk.

SHARPE RATIO: This measure is a risk-adjusted return statistic. It measures the fund's return over and above cash (excess return over a risk free asset) divided by the absolute volatility of the fund. It shows the trade-off between risk and return. The greater the result, the better the return the fund has delivered given the risks within the fund.

ABSOLUTE VOLATILITY: One of the main ways in which the risk of an investment is measured is calculating the degree to which its value fluctuates around an average. The standard method for calculating this volatility is standard deviation. Absolute volatility is the standard deviation of the fund's last three years' performance which is then expressed as a percentage. All the other risk measures below are also based on the last 3 year's fund performance.

AVERAGE LIFE: This is the weight adjusted average life of the bonds held in the portfolio i.e. on average how many years to go before their expected redemption.

BETA: This is a measure of the volatility of the fund relative to its benchmark. A figure greater than 1 indicates that the fund will tend to outperform in a rising market and under perform in a falling one. I.e. is more volatile than the market. The reverse applies to a Beta of less than 1.

INFORMATION RATIO: This statistic is commonly used to measure a fund manager's skill against the benchmark. The out/underperformance of the fund relative to its peer group is divided by the tracking error. Therefore, anything positive is above average and anything negative is below average. The larger the number the better.

JENSEN ALPHA: A risk-adjusted performance measure that represents the average return on the fund over and above that predicted by the CAPM (Capital Asset Pricing Model), given the fund's beta and the average market return as represented by the benchmark. If the value is positive then the fund has outperformed the market and if it is negative then the opposite is true.

MODIFIED DURATION: Is a measure of risk for fixed interest securities as it predicts the sensitivity of the value of the fund's portfolio to a change in interest rates. The higher the value the greater the volatility of the fund's performance resulting from changes to interest rates. If the modified duration of a fund is 5 years then the average price movement of the fund resulting from a +/- 1% change in interest rates is 5%.

R²: This is a measure of how close the portfolio of a fund is correlated (or can be explained by) the performance of the benchmark. A result of 1 means a perfect correlation whilst 0 means there is effectively no relationship between the two performances. The degree of reliance that can be placed on the result is not linear, however. Generally, a correlation is only significant for values of 0.75 and above. Finally, it is worth noting that the higher the R² the greater the reliance that can be placed on the beta result.

RELATIVE VOLATILITY: Shows how much more or less volatile the fund has been relative to its benchmark which for all risk measures will be an index. For example if the fund's absolute volatility is 9% and the benchmark's is 10% then the relative volatility is 0.90.

TRACKING ERROR: Indicates how closely the fund tracks the benchmark. It is the standard deviation of the monthly returns of the fund divided by the monthly returns of its benchmark. The lower the number the closer the fund follows its benchmark.

Please refer to the Databook or threadneedle.com for a full Glossary of Terms.

Important Information

Threadneedle (Lux) is an investment company with variable capital (Société d'investissement à capital variable, or "SICAV") formed under the laws of the Grand Duchy of Luxembourg. The SICAV issues, redeems and exchanges shares of different classes, which are listed on the Luxembourg Stock Exchange. The management company of the SICAV is Threadneedle Management Luxembourg S.A, who is advised by Threadneedle Asset Management Ltd. and/or selected sub-advisors.

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Subscriptions to a Fund may only be made on the basis of the current Prospectus, the Key Investor Information Document, the latest annual or interim reports and the applicable Terms & Conditions. Investors should note the 'Risk Factors' section of the Prospectus in terms of risks applicable to investing in any fund and specifically this Fund. The above documents are available free of charge on request from the SICAV's registered office at 69, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg, or

- in Austria from Erste Bank, Petersplatz 7, 1010 Wien
- in Belgium: J.P. Morgan Chase Bank Brussels, 1, Boulevard du Roi Albert II, 1210 Brussels;
- in France from CACEIS Bank, 1/3 Place Valhubert, 75013 Paris;
- in Finland from Eufex Bank Plc, Keilaranta 19, 02150 Espoo, Finland
- in Germany from JP Morgan AG, Junghofstr. 14, 60311 Frankfurt,
- in the UK from JPMorgan Worldwide Securities Services, 60 Victoria Embankment, London EC4Y 0JP.

The above documents and the instrument of incorporation can be obtained – in Switzerland from our representative and Paying Agent RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Badenerstr.567, 8066 Zürich.

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