

KiwiSaver news

Important changes to KiwiSaver

In 2008, the National Government made a number of amendments to the KiwiSaver legislation which took effect from 1 April 2009.

The AMP KiwiSaver Scheme is designed to make KiwiSaver simple, while making the most of the great benefits it has to offer. While many of the main incentives remain in place, we believe it's important that you're aware of the key changes to KiwiSaver that were effective from 1 April 2009. In summary:

Employee contributions

- For employees, the minimum contribution rate has reduced to 2% of gross salary or wages. Contribution options are now 2%, 4% or 8%

Employer contributions

- The compulsory employer contribution rate has increased to 2% (from 1%) of gross salary or wages, but won't increase further in future years as planned under the original legislation
- All non-compulsory employer contributions are now subject to the Employer's Superannuation Contribution Tax (ESCT)

Government fee subsidy

- The Government's annual \$40 fee subsidy contribution has been removed

Member tax credits

- The maximum member tax credit entitlement is unaltered (up to approximately \$1,040 a year, if eligible) - but reducing your contribution rate from 4% to 2% of your salary or wages may reduce your member tax credits.

If you're happy with your current contribution rate, you don't need to do anything. However, if you'd like to reduce your contribution rate to 2%, you'll need to let your employer know in writing. Either complete a KiwiSaver deduction form (KS2) available at www.kiwisaver.govt.nz or simply write to your employer. Existing members will not be automatically moved to the minimum contribution rate of 2%. It's valuable to note that reducing your contribution rate will decrease the amount you will have saved by the age of 65 and may reduce your member tax credit entitlement (if eligible). A copy of the AMP KiwiSaver Scheme Investment Statement is available from www.amp.co.nz, your AMP Adviser or you can call our Customer Contact Centre on 0800 808 267.

AMP was named 2008 KiwiSaver Fund Manager of the Year by investment research company Morningstar.

The award recognises the strength of AMP's KiwiSaver Scheme based on the nature of our offer, fee levels, quality of regular investor updates, educational materials, website tools and content, transparency of disclosure, and performance.



Fund Manager of the Year
KiwiSaver
New Zealand

For more information talk to your Adviser today. You can also contact us by:

phone 0800 808 267
web www.amp.co.nz

Important note

The information contained in this report is given in good faith, is of a general nature, and has been derived from sources believed to be accurate at the date of issue. However, neither AMP nor any of the other member companies of the AMP Group nor the New Zealand Guardian Trust Company Ltd as the Trustee of the AMP KiwiSaver Scheme nor any of their employees or directors gives any warranty of reliability or accuracy nor accepts any responsibility arising in any other way for errors or omissions. The information and views contained in this report are not a substitute for financial or other professional advice. You should always seek financial advice or other professional advice relevant to your personal circumstances before you make decisions about your investment. A disclosure statement is available on request and free of charge. Asset allocations, performance objectives and other details may change from time to time. It is important to note that past performance is not necessarily indicative of future performance. There is no guarantee of returns achieved in the future.



AMP monitors and records all telephone calls to our Customer Contact Centre personnel to allow AMP to provide the best possible service. AMP records these calls for the following purposes:

- Maintaining accurate records of AMP's dealings with you;
- Monitoring the level of service being provided by AMP;
- Investigating complaints and resolving disputes between you and AMP; and
- Auditing, compliance and reporting purposes; and training and development.

Any information we collect from these telephone calls will be used in strict compliance with privacy laws.



Let's make plans

New Zealand Retirement Trust

30 June 2009



In brief

The AMP Scholarship Programme – helping Kiwis achieve extraordinary things

In 2008 we announced fifteen fabulous scholarship winners and AMP received a Robin Hood Social Hero Award for 'Enabling Others' through the AMP Scholarship Programme. This is a huge accolade and we were truly humbled to be recognised for our work.

Then in 2009, the AMP Scholarship Programme became the public face of the AMP brand. Two new television commercials, featuring 2008 AMP Scholarship winners Paul Avery and Genevieve Silvester, appeared on television screens across the country.

It's been an eventful time! Following on from that, the 2009 AMP Scholarship Programme closed on 31 May with an overwhelming 1100 applications received from all over the country. Talented Kiwis rushed to put their best foot forward and compete against some of the country's finest up and coming talent.

Since 1998, AMP has been giving people a hand up to get where they want to go – and this year we'll be announcing our 100th winner, along with the rest of the 2009 winners, at a formal 'black tie' dinner that will be held at the Auckland Museum Event Centre, attended by the Prime Minister, the Hon John Key.

This year thirteen AMP Adviser Businesses took part in the AMP Scholarship Programme, offering their own Regional Scholarships – with a combined total of just over \$30,000 to give away to inspirational Kiwis in their local regions. The Regional Scholarship winners will be announced in September.

We look forward to introducing you to our latest 2009 AMP Scholarship winners later in the year.

Genevieve's story



THE DREAM

Genevieve's passion for the preservation of artworks took her all the way to London. Inspired by beautiful art, Genevieve is determined that future generations will have the chance to be inspired too.

THE SUCCESS

Now she's an Art Conservator!

Paul's story



THE DREAM

When we met Paul, he was truly one of New Zealand's unsung rural sports champions.

His goal was to compete at the 2008 Shearing World Championships in Norway. All he needed was a little help to get there.

THE SUCCESS

He went on to become the next World Title Holder!

AMP Foundation making a difference

The AMP Foundation continues to make a difference in the communities we are part of, with the aim of building New Zealand's social capital. We currently work alongside six Foundation partners: Habitat for Humanity, YWCA Future Leaders, Project K, Conservation Volunteers NZ (CVNZ), NZ Federation of Family Budgeting Services and Big Buddy Mentoring Trust.

We provide assistance, both financial and staff volunteers to these partners and also to other charitable and community organisations throughout the country, through the Community Fundraising Programme.



This year AMP volunteers have been busy working with CVNZ to create an urban oasis in Hamlin's Hill, planting trees and creating pathways and cycling tracks. In September we'll be working with Habitat for Humanity on two AMP/Habitat building projects

giving AMP employees and Advisers the chance to really make a difference when they don tool belts and help build two deserving families a home in Auckland and Wellington.

The AMP Foundation was established in 2000 and now distributes around \$500,000 a year in funds to our partners and programmes around New Zealand.

AMP celebrates 160 years

In June, AMP Group celebrated its 160th birthday and in New Zealand AMP has a proud history dating back 155 years.

This milestone marks the significant work and support of AMP's customers, Advisers, and people over that time, and the strength of the AMP brand that is inextricably linked with the company's history and heritage as a life insurer.

The past has shaped the company of today and AMP will hold on to the best things about its history as it looks to the future to continue to build a more customer and market-focused organisation.



Reminder: Your PIE tax rate

Each year you should review your PIE tax rate as it may change. If it has changed you need to notify us.

Please see www.amp.co.nz for more details.

The shape of New Zealand Superannuation

Two recent policy developments from the National-led Government have the potential to confuse those planning for an income in their retirement.

The first is the 2009 Budget announcement that the government has suspended contributions to the New Zealand Superannuation Fund – the second is the National Party's election policy that has seen tax-free employer contributions to KiwiSaver reduce from 4% to 2% of gross salary or wages.

While the Budget announced that contributions to the New Zealand Superannuation Fund would be suspended, it also committed the government to paying out New Zealand Superannuation at the present rate. These two statements may seem inconsistent. However, we need to be clear about the separation between the New Zealand Superannuation Fund and the payment of New Zealand Superannuation.

New Zealand Superannuation

The government has committed to continue paying universal New Zealand Superannuation on the present basis. New Zealand Superannuation is paid by the government to all those aged 65 and over who have met New Zealand residency requirements. The rate of New Zealand Superannuation is linked to average wages and is adjusted each year to take account of inflation and the movement in average wages. For a couple who both qualify, the rate is 66% of average earnings or, presently, \$28,458 pa before tax. For a single person living alone the annual rate is \$18,954 before tax.

New Zealand Superannuation Fund

The New Zealand Superannuation Fund (sometimes referred to as 'the Cullen Fund') was established in 2001 as a way for the government to help pay for a small portion of the future cost of New Zealand Superannuation. The fund was established to smooth the additional cost to the government of paying New Zealand Superannuation to the increasing number of people over age 65. Withdrawals from the fund could not be made before 2020, and it was expected that these withdrawals would not meet more than 14% of the annual cost of New Zealand Superannuation.

There is no direct link between the government's decision to contribute to the future cost of New Zealand Superannuation via the New Zealand Superannuation Fund and its commitment to pay New Zealand Superannuation in the future. Suspending contributions to the New Zealand Superannuation Fund now may simply mean that the government will have to find some of the future cost of New Zealand Superannuation from elsewhere.

KiwiSaver contributions

KiwiSaver provides encouragement to save for a retirement income in addition to that provided by New Zealand Superannuation. From the saver's perspective, the major change to KiwiSaver introduced by the National-led government was a reduction in the tax-free employer contribution from 4% of salary or wages to 2%. Generally, as KiwiSaver savings can only be withdrawn at the age of eligibility for New Zealand Superannuation (presently 65), a lower rate of regular contributions will mean a lesser sum is received at the age of eligibility.

What does this mean for me?

As universal New Zealand Superannuation is paid at a rate unrelated to individual earnings or circumstances, and no one can be sure what the rate will be in the long term, it can be complicated to calculate what you need to save in order to provide a retirement income, at a time and for an amount that suits you. AMP Advisers can help you develop a flexible savings plan to benefit from the incentives available under KiwiSaver, as well as the flexibility offered by other savings arrangements.



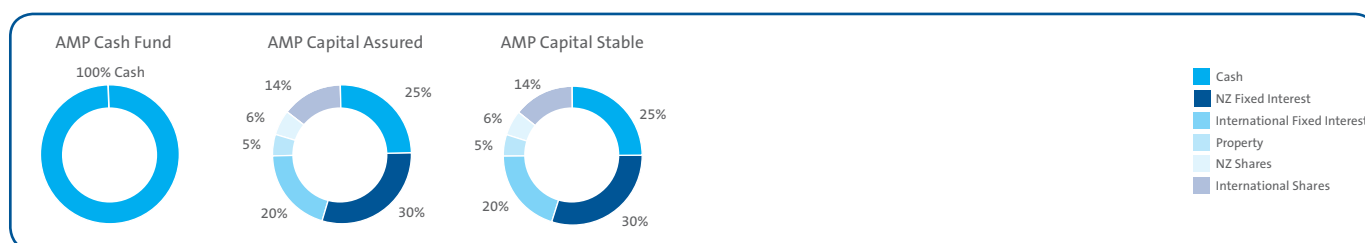
New Zealand Retirement Trust

Investment returns

Multi-Sector Conservative Funds

Fund Type	Inception Date	Fund Size \$m	Gross Returns* (%)				Net Returns** (%)						
			3 mths	6 mths	1 year	Oct 07 to Dec 07	Jan 07 to Sep 07	2006	2005	2004	2003	2002	
AMP Cash Fund	Oct 07	55.46	1.0%	2.2%	6.7%	1.7%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
AMP Capital Assured	Oct 95	106.97	0.7%	1.6%	3.9%	1.2%	2.8%	3.6%	3.3%	2.5%	3.4%	4.2%	
AMP Capital Stable	Dec 95	80.27	0.8%	0.8%	4.2%	-0.1%	3.6%	5.9%	5.9%	5.0%	5.9%	-3.7%	

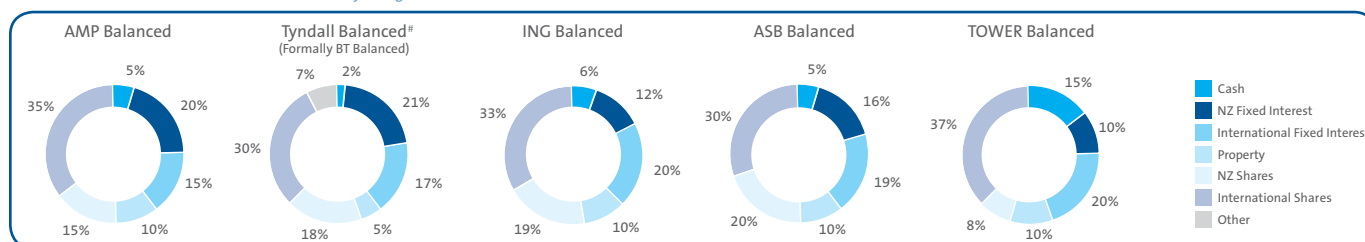
Benchmark asset allocations are set out below and may change from time to time.



Multi-Sector Balanced Fund Returns

Fund Type	Inception Date	Fund Size \$m	Gross Returns* (%)				Net Returns** (%)					
			3 mths	6 mths	1 year	Oct 07 to Dec 07	Jan 07 to Sep 07	2006	2005	2004	2003	2002
AMP Balanced	Oct 95	288.24	3.5%	2.0%	-8.7%	-1.7%	5.1%	10.1%	8.9%	6.5%	8.4%	-12.6%
Tyndall Balanced*	Oct 97	77.26	4.7%	2.6%	-10.7%	-2.6%	1.9%	9.0%	9.2%	6.3%	6.6%	-7.9%
ING Balanced	Apr 00	126.41	4.6%	1.9%	-10.1%	-1.9%	3.0%	9.2%	10.5%	10.2%	8.7%	-7.2%
ASB Balanced	Sep 00	23.65	5.0%	1.4%	-11.2%	-0.6%	3.5%	9.3%	8.8%	6.7%	8.4%	-11.3%
TOWER Balanced	Jan 04	92.47	2.8%	1.9%	-8.8%	2.4%	3.9%	10.3%	8.1%	n/a	n/a	n/a

Benchmark asset allocations are set out below and may change from time to time.



*On 19 June 2008, BT Funds Management (NZ) Ltd ceased to be the fund manager of the assets that are now comprised in the Tyndall Balanced Fund (which was then known as the BT Balanced Fund)

Important notes

The recent increased market volatility that is impacting global and domestic share markets has affected, and is likely to continue to affect, the investment performance of the investment funds.

The underlying assets of the investment funds comprised in NZRT will rise and fall in value and returns may from time to time be negative. For up to date information including monthly investment returns, please contact your AMP Adviser or phone 0800 808 267. If you would like to review your investment objectives and risk profile, please contact your AMP Adviser or use the risk profile tool on www.amp.co.nz.

Returns and unit prices

The investment fund returns and unit prices published in this report are as at 30 June 2009. It is important to note that these past returns are not necessarily indicative of future performance and performance is not guaranteed by any party.

The returns quoted are based on both actual and hypothetical performance. Hypothetical performance is used for periods prior to inception date and is based on the actual performance of comparable funds, adjusted for the NZRT fee structure. Investment managers may have similar funds available that perform differently due to cashflow, investment timing and fee issues. Individual members of NZRT will receive different returns from these indicated due to individual fee structures, prescribed investor rate and timing of investment activity.

The returns are based on the percentage change in the unit price of the NZRT funds for the period specified. No allowance has been made for Contribution or Monthly Member fees.

*All **gross returns** are based on Portfolio Investment Entity (PIE) tax rules and are after Investment Management fees but before Trustee & Administration fees and taxes. The returns are based on gross unit prices applicable to the Portfolio Investment Entity (PIE) tax regime.

** All **net returns** are based on pre-PIE tax ruling and are after Investment Management and Trustee & Administration fees and taxes (assumed 33%).

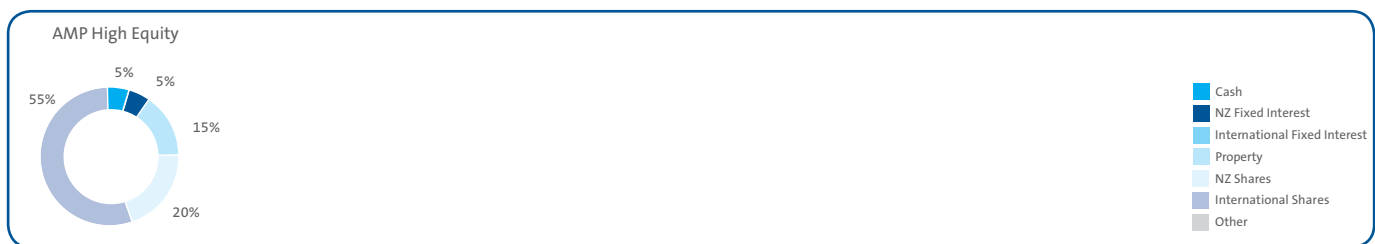


30 June 2009

Multi-Sector Aggressive Funds

Fund Type	Inception Date	Fund Size \$m	Gross Returns* (%)				Net Returns**(%)					
			3 mths	6 mths	1 year	Oct 07 to Dec 07	Jan 07 to Sep 07	2006	2005	2004	2003	2002
AMP High Equity	Oct 95	160.89	5.7%	2.7%	-21.1%	-2.6%	6.1%	14.5%	12.8%	10.2%	13.9%	-19.4%

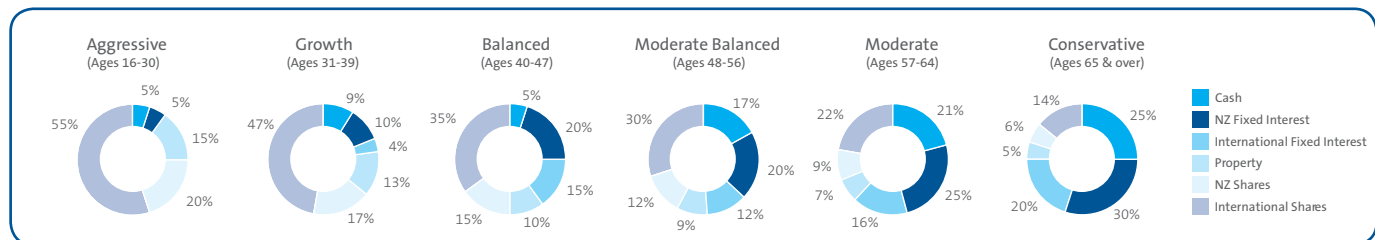
Benchmark asset allocations are set out below may change from time to time.



Lifesteps Investment Programme

Fund Type	Inception Date	Fund Size \$m	Gross Returns* (%)				Net Returns**(%)					
			3 mths	6 mths	1 year	Oct 07 to Dec 07	Jan 07 to Sep 07	2006	2005	2004	2003	2002
Aggressive	May 04	6.72	5.7%	2.7%	-21.0%	-2.5%	6.1%	15.0%	12.7%	9.4%	13.6%	-19.3%
Growth	Apr 04	24.33	4.7%	2.3%	-16.2%	-1.9%	5.6%	13.1%	11.4%	8.7%	12.0%	-16.4%
Balanced	May 04	41.73	3.5%	2.0%	-8.7%	-1.4%	5.1%	11.3%	9.9%	7.2%	10.4%	-13.5%
Moderate Balanced	Apr 04	55.88	2.7%	1.6%	-6.0%	-0.9%	4.6%	9.5%	8.7%	7.2%	8.9%	-10.4%
Moderate	May 04	38.22	1.8%	1.2%	-1.3%	-0.4%	4.0%	7.8%	7.3%	5.3%	7.3%	-7.3%
Conservative	Jul 04	6.29	0.8%	0.7%	4.2%	0.0%	3.4%	6.1%	5.9%	4.6%	5.7%	-4.2%

Benchmark asset allocations are set out below and may change from time to time.



Trustee & Administration fee rebates may apply and are not included in the returns quoted.

Every effort has been made to ensure the accuracy of this information, however none of AMP Services (NZ) Limited, AMP Superannuation (NZ) Limited, and related companies accept any liability for, or consequence of, any error or omission.

Benchmark asset allocations

Benchmark asset allocations published in this report are as at 30 June 2009 and show the benchmark proportion an investment fund targets to invest in each asset sector. The benchmark asset allocation is not the actual asset allocation and is indicative only of the actual assets of each investment fund. Asset sectors are the range of investment options that make up the financial markets (e.g. Cash, Fixed Interest and Shares).

To see how the market is affecting your fund you can match the benchmark asset allocations to the commentaries for those sectors. The larger the benchmark asset allocation to a sector, the more that sector will have impacted on the performance of your fund.

Past Investment Insights

The NZRT Investment Insight is produced quarterly. As a Member of NZRT you are sent annually, along with your Member Statement, the latest Investment Insight available at the time of your Plan's annual review date.

However, if you want to read the Investment Insight every quarter you can find it in the 'Investment Performance' section of the NZRT website - www.nzrt.co.nz.

For more information

For more information on NZRT you can refer to the NZRT Investment Statement, which is available by contacting your AMP Adviser, on our website (www.nzrt.co.nz), or by calling our Customer Contact Centre on 0800 808 267.

Sector commentaries to 30 June 2009

In a reversal to the first quarter of the year, and breaking the predominantly downward trend of the last 18 months, it was encouraging to see evidence of an improvement in financial market sentiment this quarter. While economic data on the whole remained weak, market participants took comfort from signs of a turnaround in forward-looking economic indicators. In the US for example, manufacturing activity and consumer confidence indices both showed signs of improvement and the housing market even showed some signs of bottoming. Elsewhere around the world, economic data remained weak, although a range of indicators showed the Chinese economy to be well and truly on a recovery path.

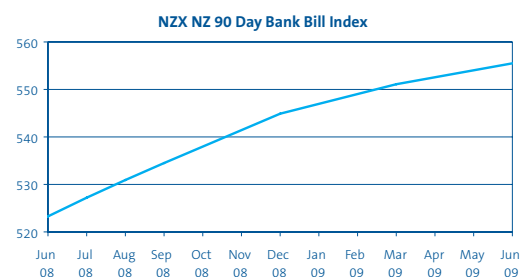
Many of the major global economies remained firmly in the grips of recession, although Australia has so far been able to avoid it. Monetary policy has remained at stimulatory levels. The US Federal Reserve kept US interest rates close to zero throughout the quarter, while European, Australian and New Zealand policy makers continued to trim rates in a bid to restore confidence. In New Zealand, the domestic economy remains firmly in the grips of a recession, now having returned five consecutive quarters of back-to-back negative

growth. Unemployment continued to tick higher, the rate of export growth continued to decline and business confidence remained in the doldrums.

Generally, markets reacted positively to the more upbeat economic news. In particular, they took comfort from the results of US banks' "stress tests", designed to identify which of them needed to shore up their balance sheets and provide investors with better transparency of these companies. Commodity prices also drifted higher, led by crude oil, which moved back above US\$70 per barrel for the first time since November 2008. The ANZ Commodity Price Index has now increased over the last three consecutive months, although the index remains well below its highs of last year. However, inflationary pressures in New Zealand remain relatively subdued, at 0.3% in the first quarter of the year, so this should be of little concern to investors. The other notable event this quarter was the outbreak of the potentially deadly "swine flu". However, the financial markets took this news within its strides, especially as it later became apparent that the outbreak was not as big a threat as initially feared.

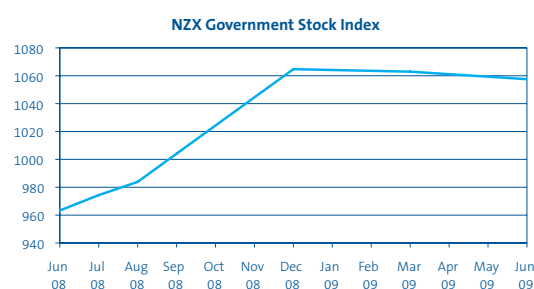
Cash

Given the continuation of weak economic data releases in New Zealand, the Reserve Bank of New Zealand (RBNZ) sliced a further quarter per cent off the Official Cash Rate (OCR). This brings the official interest rate down to 2.5% - the lowest it has been since the OCR was introduced in 1999. As with previous monetary policy statements, the RBNZ reiterated the need for financial institutions to pass on lower borrowing costs to customers. It also indicated that it expected to keep the OCR at or below the current level until late in 2010, further evidence that it is committed to kick-starting a recovery. The RBNZ hope that easier monetary policy, combined with increased government spending and a weaker currency will lead to this. Despite the cut in interest rates, the New Zealand dollar gained ground against overseas currencies, although this was largely due to US dollar weakness. The NZX NZ 90 Day Bank Bill return for the year to 30 June 2009 was 6.16% (before fees and tax).



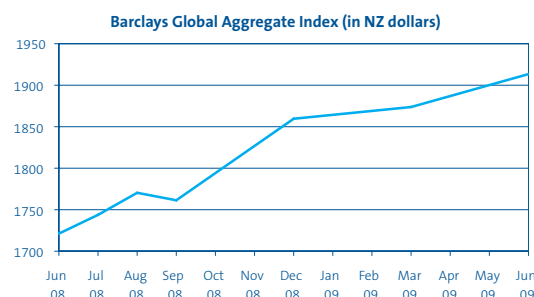
New Zealand Fixed Interest

New Zealand bonds took their lead from their international counterparts. Fears of an increased supply of bonds - to fund the government's burgeoning spending plans - weighed negatively on investor sentiment. Concerns that a prominent credit ratings agency was about to downgrade the quality of New Zealand debt also had a detrimental effect. However the market later took comfort from the Budget, which helped reassure the ratings agencies and subsequently it upgraded its outlook for the asset class. Meanwhile, corporate bonds were very much back in demand. The rally in global share markets led to increased risk appetite and historically low domestic interest rates meant that New Zealand investors sought the higher yields offered by corporate debt. The performance of the NZX Government Stock Index for the year to 30 June 2009 was 9.78% (before fees and tax).



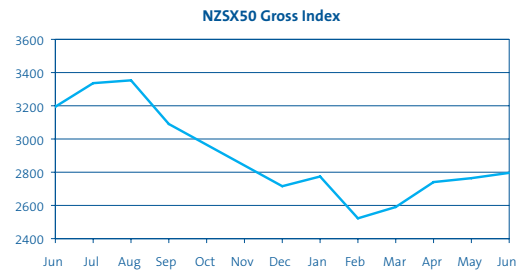
International Fixed Interest

Like New Zealand bonds, there were mixed performances from global bond assets during the quarter. Government bonds were hit by a number of factors, including improved risk appetite and a better tone to global economic activity data (bond assets tend to perform better during times of economic hardship). In addition, a downgrade to the credit rating of UK government debt prompted concerns that US bonds would be next on the block, although this did not materialise. Meanwhile, the corporate bond market showed clear signs of being open for business. In part, this reflected this sector's marked underperformance during the last year and a half, and when combined with improving risk appetite, it meant that some investors were out shopping for good quality corporate debt at bargain prices. The performance of the Barclays Global Aggregate Index (hedged to NZ dollars) for the year to 30 June 2009 was 11.17% (before fees and tax).



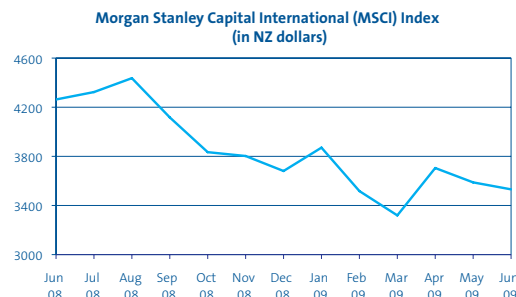
New Zealand Shares

New Zealand shares had a good quarter, predominantly on the back of the strong rally in global equity markets, as world economic data releases began to show some signs of improvement from deeply depressed levels. Against this backdrop, New Zealand shares rose strongly, although the rally lost steam during the final month of the quarter. A development was the raft of new equity raisings, as many companies faced pressure from investors to raise equity to shore-up their balance sheets in this credit constrained environment. This held back the returns from the local share market a little, at least relative to the overseas market. One of the better performing stocks during the quarter was Lion Nathan, which was subject to a takeover bid from its major shareholder. Overall there were mixed performances from the various sectors making up the New Zealand market. As markets rallied, those companies geared to the economic recovery tended to outperform, while defensive stocks lagged behind. As markets gave back their gains in June, this trend appeared to reverse somewhat. The performance of the NZX50 Index for the year to 30 June 2009 was -12.48% (before fees and tax).



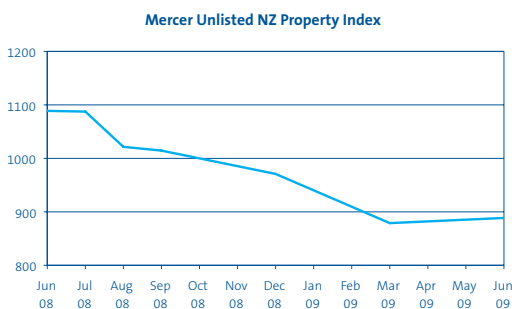
International Shares

Risk appetite increased dramatically during the quarter as investors responded positively to the improved flow of global economic data and the ongoing policy response to the economic and financial market crisis. First quarter earnings results were viewed positively, with some better than expected results, especially from financial companies. Investors also took a positive view to the US banks "stress tests". The outcome was that only 10 out of the 19 banks tested were required to raise additional capital, a better than expected result, and subsequently investors appeared willing to provide the additional funding. Markets rose strongly for much of the quarter, although they paused for breath in June, on worries that the rally had run ahead of the economic fundamentals. In general, the smaller markets, particularly those in Asia, performed well, while the major markets lagged behind. The performance of the MSCI Index for the year to 30 June 2009 was -31.24% (before fees and tax) in local currency terms. In New Zealand dollar terms the return was -19.22%, illustrating the negative effect the appreciating dollar had on the returns of un-hedged offshore investments.



New Zealand Property

New Zealand listed property remained under pressure, despite a better tone to the broader market. Over the quarter, the NZX Listed Property sector returned -18.57%, well below the -12.48% return of the NZX 50 Index. Higher vacancy rates and declining rental growth have combined to have a negative effective on property valuations. These declines in value are putting pressure on listed property companies leveraging ratios and some have been forced to sell property or to raise equity in order to counter this impact. Direct property vehicles have similarly shown signs of weakness. One sector that has been particularly hard hit is the retail sector, as the New Zealand consumer has shown clear signs of cutting back their spending. The performance of the Mercer Unlisted Property Index for the year to 30 June 2009 was -18.4% (before fees and tax).



How does this apply to my fund?

Benchmark asset allocations show the proportion an investment fund targets to invest in each asset sector. Asset sectors are the range of investment options that make up the financial markets (e.g. Cash, Fixed Interest and Shares). Depending on what is happening in the market, certain sectors can have strong performance while others are weak.

Note: Returns quoted in the 'Sector Commentaries' are before tax and fees. Your returns will vary as they are after tax and fees.

Multi-Sector Funds

These funds are made up of investments in a range of asset sectors. To see how the market is affecting your fund you can match the benchmark asset allocations to the commentaries for those sectors. The larger the benchmark asset allocation to a sector, the more that sector will have impacted on the performance of your fund.

Single-Sector Funds

For single-sector funds you will only need to read one sector commentary to get a good idea of what's happening to your fund.