



New Zealand Retirement Trust

AMP Property Fund



Fund Update

for the quarter ended 31 March 2017

This fund update was first made publicly available on 3 May 2017

What is the purpose of this update?

This document tells you how the AMP Property Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. AMP Wealth Management New Zealand Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of this fund

This is a single sector fund that aims to achieve long term capital growth through exposure to listed property and other property securities in New Zealand and around the world.

Total value of the fund	\$10,913,927
Number of investors in the fund	342
The date the fund started	25 November 2013

What are the risks of investing?

Risk indicator for the AMP Property Fund¹:



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at today.amp.co.nz/risk-profile-calculator.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the past 5 years. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

Specific risk

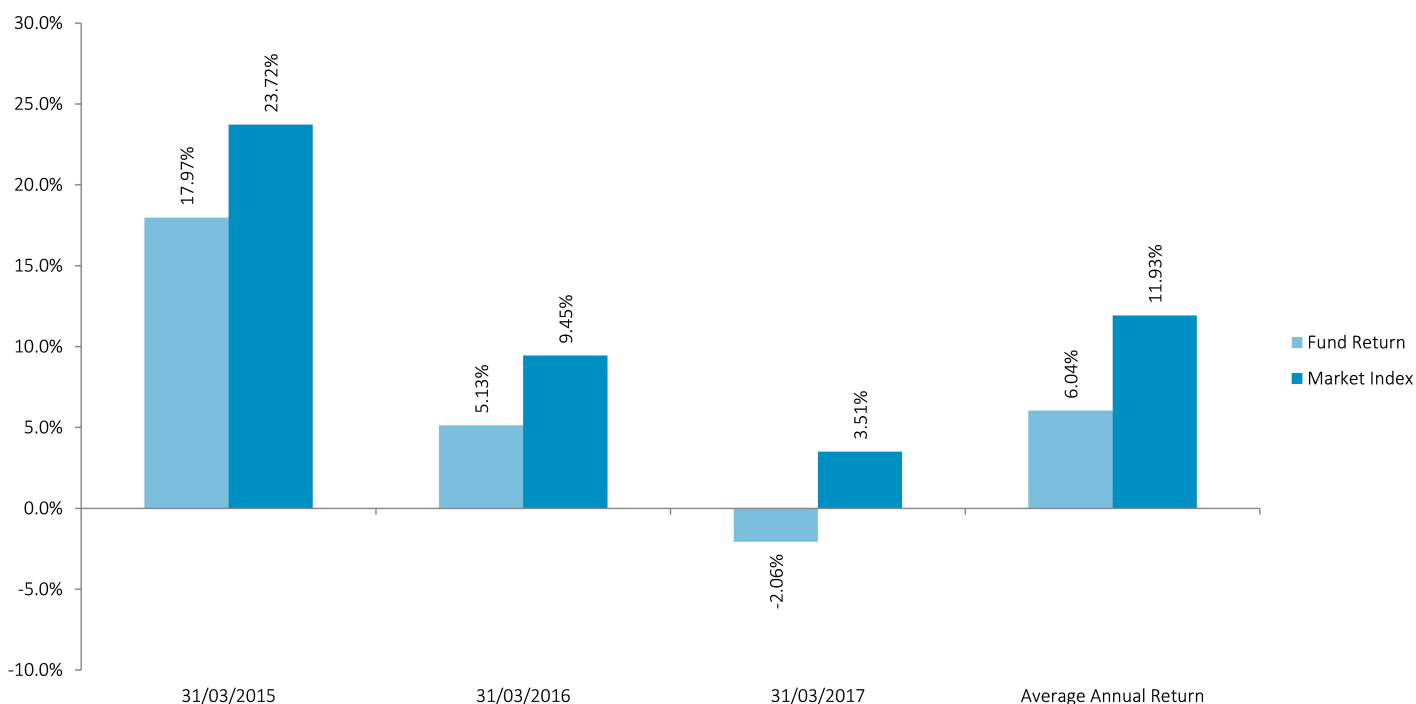
In addition to the general investment risks reflected in the fund's risk indicator, you should be aware this fund is concentrated in a particular asset class and not diversified across multiple asset classes. At any given point, market conditions that cause one asset class to perform well may cause another asset class to perform poorly. This could result in negative or lower than expected returns compared to a fund which is diversified across multiple asset classes.

How has the fund performed?

	Past year ²
Annual return (after deductions for charges and tax)	-2.06%
Annual return (after deductions for charges but before tax)	-1.12%
Market index annual return (reflects no deduction for charges and tax)	3.51%

The market index annual return is based on 40% S&P/ NZX All Real Estate (Industry Group) Gross with Imputation, 10% S&P/ASX 200 A-REIT (Sector) (TR) and 50% FTSE EPRA/NAREIT Developed Index Net TRI from 31 March 2017. Prior to 31 March 2017, the market index annual return was based on 32% NZX Property Index, 8% S&P/ASX 200 A-REIT Index and 60% FTSE EPRA/NAREIT Developed Rental Index. The new index is very similar but offers a broader exposure to non-rental property. Additional information about the market index is available on the offer register at companiesoffice.govt.nz/disclose. Index disclaimers can be found on the AMP website at amp.co.nz/indexdisclaimers.

Annual return graph



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 31 March 2017².

Important: This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

What fees are investors charged?

Investors in the AMP Property Fund are charged fund charges³. In the year to 30 June 2016 these were:

	% of net asset value
Total fund charges (estimated)	1.20%*
Which are made up of -	
Total management and administration charges (estimated)	1.20%
Including -	
Manager's basic fee (estimated) ⁴	0.92%
Other management and administration charges (estimated) ^{5, 6}	0.28%
Total performance-based fees	0.00%
Other charges	Dollar amount per investor or description of how charge is calculated
Member fee ⁷	\$107.52

*Based on a decrease in the investment management fee and other expenses, the Manager estimates that the total fund charges for the next scheme year will reduce to 1.09% of the net asset value.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the 'fees and other charges' document on the entry relating to the offer of interests in the New Zealand Retirement Trust maintained on the offer register (companiesoffice.govt.nz/disclose) for more information about those fees.

Small differences in fees and charges can have a big impact on your investment over the long term.

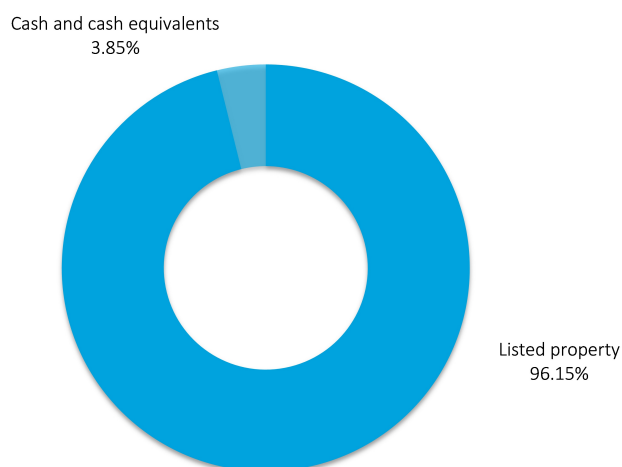
Example of how this applies to an investor

Craig had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Craig incurred a loss after fund charges were deducted of \$206.00 (that is -2.06% of his initial \$10,000). Craig also paid \$107.52 in other charges. This gives Craig a total loss after tax of \$313.52 for the year.

What does the fund invest in?

Actual investment mix⁸

This shows the types of assets that the fund invests in.



Target investment mix

This shows the mix of assets that the fund generally intends to invest in.

Asset Type	Allocation
Cash and cash equivalents	0.00%
New Zealand fixed interest	0.00%
International fixed interest	0.00%
Australasian equities	0.00%
International equities	0.00%
Listed property	100.00%
Unlisted property	0.00%
Commodities	0.00%
Other	0.00%

Top 10 investments⁸

Name	Percentage of fund net assets	Asset Type	Country	Credit rating (if applicable)
1 Kiwi Property Group Ltd	9.91%	Listed property	New Zealand	N/A
2 Precinct Properties New Zealand Ltd	6.30%	Listed property	New Zealand	N/A
3 Goodman Property Trust	5.28%	Listed property	New Zealand	N/A
4 Scentre Group	4.14%	Listed property	Australia	N/A
5 Argosy Property Ltd	3.83%	Listed property	New Zealand	N/A
6 Simon Property Group Inc	3.66%	Listed property	United States	N/A
7 Vital Healthcare Property Trust	3.10%	Listed property	New Zealand	N/A
8 Stride Property Group	2.97%	Listed property	New Zealand	N/A
9 Westfield Corp	2.52%	Listed property	Australia	N/A
10 Property for Industry Ltd	2.43%	Listed property	New Zealand	N/A

The top 10 investments make up 44.14% of the fund.

Currency hedging

The Fund will (or will invest in underlying funds that will) hedge foreign currency exposure back to New Zealand dollars.

Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund⁹.

Name	Current position	Time in current position	Other current position	Time in other current position
Elaine Jennifer Campbell	Investment Committee Member	1 year and 8 months	General Counsel, AMP Financial Services	1 year and 11 months
Simon John Hoole	Investment Committee Member	0 years and 2 months	Chief Financial Officer, AMP Financial Services	3 years and 3 months
Therese Mary Singleton	Investment Committee Member	2 years and 2 months	General Manager, Advice & Sales, AMP Financial Services	0 years and 3 months
Blair Robert Vernon	Investment Committee Member	5 years and 9 months	Managing Director, AMP Financial Services	0 years and 3 months

Further information

You can also obtain this information, the PDSs for the New Zealand Retirement Trust, and some additional information from the offer register at companiesoffice.govt.nz/disclose. The information in this fund update forms part of each PDS for the New Zealand Retirement Trust.

Notes

- 1 As the fund started on the date noted above, actual returns for the last five years are not available. To calculate the risk indicator up to the date of this fund update a combination of market index returns and actual returns have been used. Market index returns have been used up until 31 July 2016 and actual returns up to the date of this fund update to make five years of history of returns. We consider this is the most reasonable method available. As a result of this method being used, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund.
- 2 The returns include an estimated administration fee (formerly trustee and administration fee), which has been determined by using the average fee charged for the entire NZRT. Individual returns will depend on the administration fee applicable to the individual member. For more information relating to the administration fee applicable to you, refer to the applicable PDS or the Member Booklet for your employer plan.
- 3 The management and administration charges are made up of the Manager's basic fee (comprising the investment management fee and administration fee) and the other management and administration charges (service fee and costs and expenses). The amounts stated in this fund update are the actual amounts charged to the fund (or estimated to be charged to the fund – see estimate notes below). However, the fees payable by any member will depend on the section of the Scheme they are a member of (including whether they are a member of the Scheme through an employer plan), and whether any reduction of the fee amounts has been agreed. You should read the 'fees and other charges' document on the entry relating to the offer of interests in the New Zealand Retirement Trust maintained on the offer register (companiesoffice.govt.nz/disclose), with your Member Booklet (if you are a member of an employer plan), to work out your fees.
- 4 The total fund charges include administration fees that while calculated by reference to investment balances are not allocated to specific funds. As the actual amount of the fee charged to the fund cannot be reported, an estimate has been used. The estimate is 0.33% and represents the percentage of the fee deducted from the Scheme for the year over the average funds under management for the Scheme for the year.
- 5 The total fund charges include service fees that while calculated by reference to investment balances are not allocated to specific funds. As the actual amount of the fee charged to the fund cannot be reported, an estimate has been used. The estimate is 0.04% and represents the percentage of the fee deducted from the Scheme for the year over the average funds under management for the Scheme for the year.
- 6 The other management and administration charges include estimates of underlying fund charges provided by underlying fund managers. The balance dates of the underlying fund(s) do not align with the balance date of the fund. To estimate the charges, AMP includes the underlying fund charges as at the relevant underlying fund(s) balance date, adjusted (where required) to reflect any material changes advised to AMP by the relevant underlying manager as having occurred during the intervening period.
- 7 If you are a member of the NZRT through an employer plan, you may receive the benefit of reduced member fees – check your Member Booklet for details of any discounts. Members of the NZRT Personal Superannuation Section are not currently charged member fees. Therefore the impact of these fees on you could be less than that set out in the example.
- 8 The top ten investments and actual investment mix have been calculated excluding cash and cash equivalents held for operational purposes.
- 9 Simon John Hoole has not been named as a key person in the previous fund update for the fund as he was appointed on 2 February 2017.

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Want to know more?

For more information about the Scheme, please visit amp.co.nz/NZRT, contact us on 0800 800 267 or talk to your Adviser today. Your Adviser's disclosure statement is available from your Adviser on request and free of charge.