

Fund Update for the quarter ended 30 June 2018

ANZ Investments Single-Asset-Class Scheme (marketed as the OneAnswer Single-Asset-Class Funds)

International Property Fund

This fund update was first made publicly available on: 26 July 2018

What is the purpose of this update?

This document tells you how the International Property Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. ANZ New Zealand Investments 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

The International Property Fund invests mainly in international listed property assets. Investments may include:

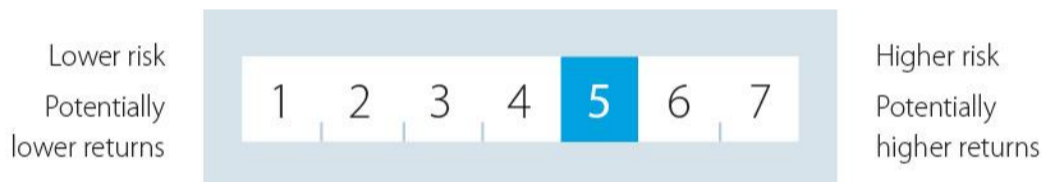
- companies, funds or trusts that invest in property and are listed or intend to list, and
- cash and cash equivalents.

The fund aims to achieve a positive yearly return (after the fund charge and before tax) that over the long-term outperforms the relevant market index.

Total value of the fund (\$)	235,512,114
The date the fund started	19 September 2013

What are the risks of investing?

Risk indicator for the International 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 www.sorted.org.nz/tools/investor-kickstarter.

Note that even the lowest category does not mean a risk-free investment, and there may be 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 five years ended 30 June 2018. 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.

See the product disclosure statement (PDS) for more information about the risks associated with investing in this fund.

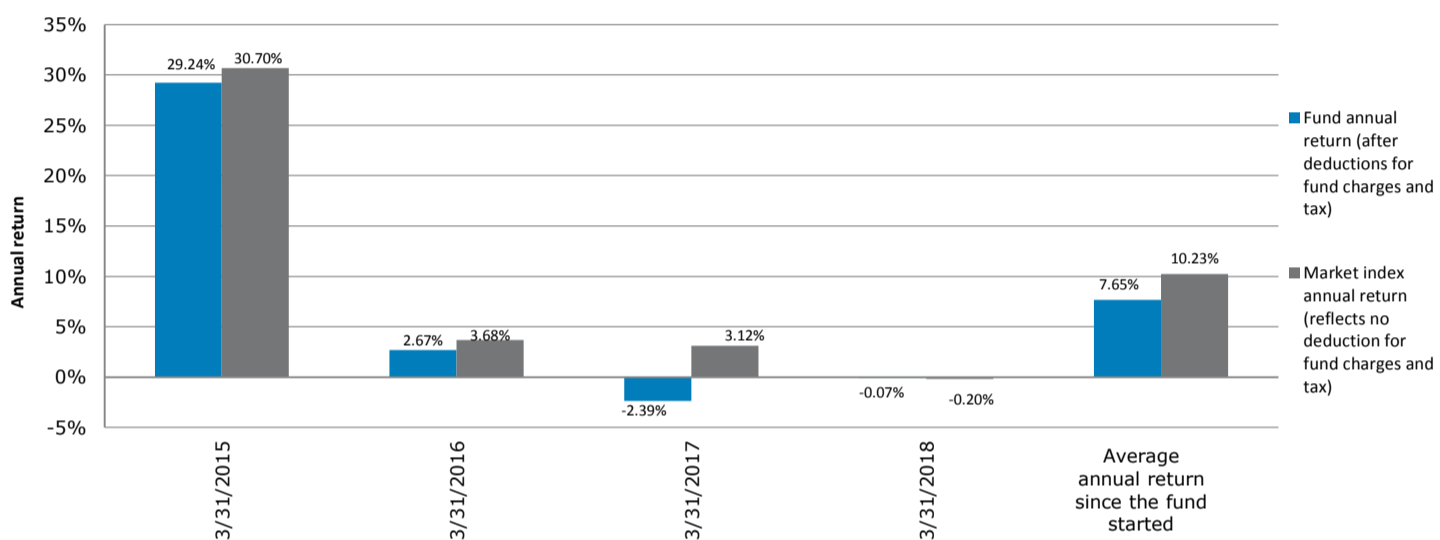
How has the fund performed?

	Past year
Annual return (after deductions for charges and tax)	5.87%
Annual return (after deductions for charges but before tax)	4.92%
Market index annual return (reflects no deduction for charges and tax)	5.93%

The market index annual return shows the return of the FTSE EPRA/NAREIT Developed Rental Net Total Return Index (100% hedged to the New Zealand dollar).

Additional information about the market index is available in the statement of investment policy and objectives on the offer register at business.govt.nz/disclose.

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 30 June 2018.

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 International Property Fund are charged fund charges. In the year to 31 March 2018 these were:

	% of net asset value
Total fund charges	1.29%
<i>Which are made up of:</i>	
Total management and administration charges	1.29%
<i>Including:</i>	
Manager's basic fee	1.15%
Other management and administration charges	0.14%
Total performance based fees	0.00%
	Dollar amount per investor
Other charges	
Other charges	\$0

Investors are not currently charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for more information about Scheme fees.

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

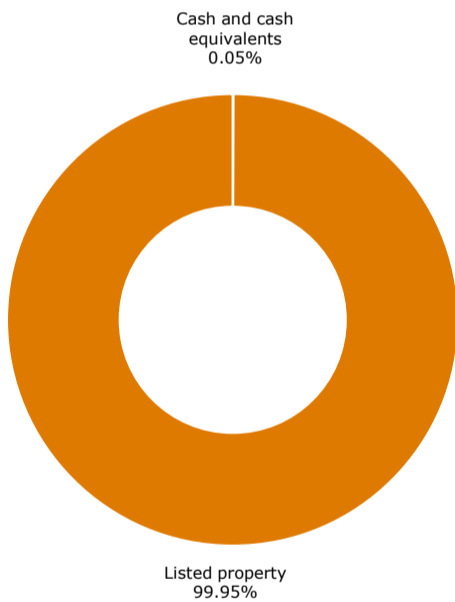
Example of how this applies to an investor

Sarah 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, Sarah received a return after fund charges were deducted of \$587 (that is 5.87% of her initial \$10,000). Sarah did not pay any other charges. This gives Sarah a total return after tax of \$587 for the year.

What does the fund invest in?

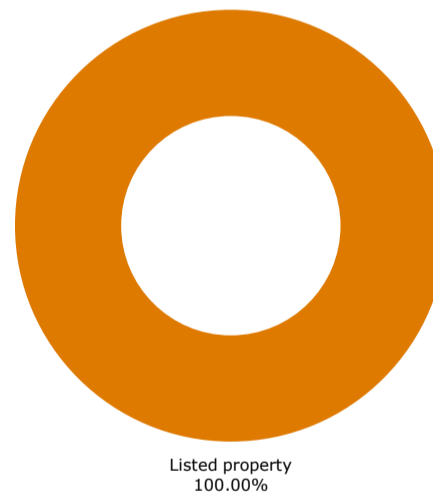
Actual investment mix²

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.



Top 10 investments

	Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1	Simon Property Group Inc	6.76%	Listed property	United States	
2	Equity Residential Inc	4.75%	Listed property	United States	
3	Prologis Inc	4.42%	Listed property	United States	
4	Dexus Property Group	4.19%	Listed property	Australia	
5	Gecina SA	3.59%	Listed property	France	
6	Deutsche Wohnen SE	3.58%	Listed property	Germany	
7	HCP Inc	3.52%	Listed property	United States	
8	Segro Plc	3.23%	Listed property	United Kingdom	
9	Boston Properties Inc	3.20%	Listed property	United States	
10	Empire State Realty	3.13%	Listed property	United States	

The top 10 investments make up 40.37% of the net asset value of the fund.

Currency hedging

	Benchmark hedging rate	Current hedging level
International listed property	Benchmark 100% hedged	100%

Key personnel

This shows the directors and employees who have the most influence on investment decisions in relation to the fund.

Name	Current position	Time in current position	Previous or other current position	Time in previous or other current position
Paul Huxford ³	Acting Chief Investment Officer, New Zealand	3 months		
Stuart Millar	Head of Diversified Portfolio Management	2 years and 11 months	Senior Capital Markets Manager, ANZ New Zealand Investments Limited	3 years and 4 months
Alan Clarke	Senior Mandate Research Manager	2 years and 11 months	Investment Analyst, ANZ Bank New Zealand Limited	8 years and 8 months
Maike van Tol	Asset Allocation Strategist	2 years and 10 months	Strategic Asset Allocation Specialist, NN Investment Partners	4 year and 9 months

Further information

You can also obtain this information, the PDS for the OneAnswer Single-Asset-Class Funds, and some additional information from the offer register at www.business.govt.nz/disclose.

Notes

1. In calculating the risk indicator, a mix of the fund's actual returns and the market index returns have been used. Market index returns have been used for the period 30 June 2013 to 30 September 2013, as the fund began operation on 19 September 2013. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund.

2. The target and actual investment mix of this fund are based on:

- the cash and cash equivalents held by the fund, and
- the asset class of the underlying fund in which the fund invests.

They are not based on the cash and cash equivalents or any other assets held by the underlying fund.

3. Paul Huxford was appointed Chief Investment Officer effective from 11 July 2018.