

SuperLife KiwiSaver scheme

SuperLife^{Income}

Fund update for the quarter ended 31 December 2018

This fund update was first made publicly available on 13 February 2019.

What is the purpose of this update?

This document tells you how SuperLife^{Income} has performed and what fees were charged. The document will help you to compare the fund with other funds. Smartshares 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

Invests in income assets. Designed for investors that want an investment in New Zealand and international fixed interest. Negative returns may occur once in every 7-10 years on average.

Total value of the fund: \$103,889,054
 Number of investors in the fund: 15,810
 The date the fund started: 15 September 2013

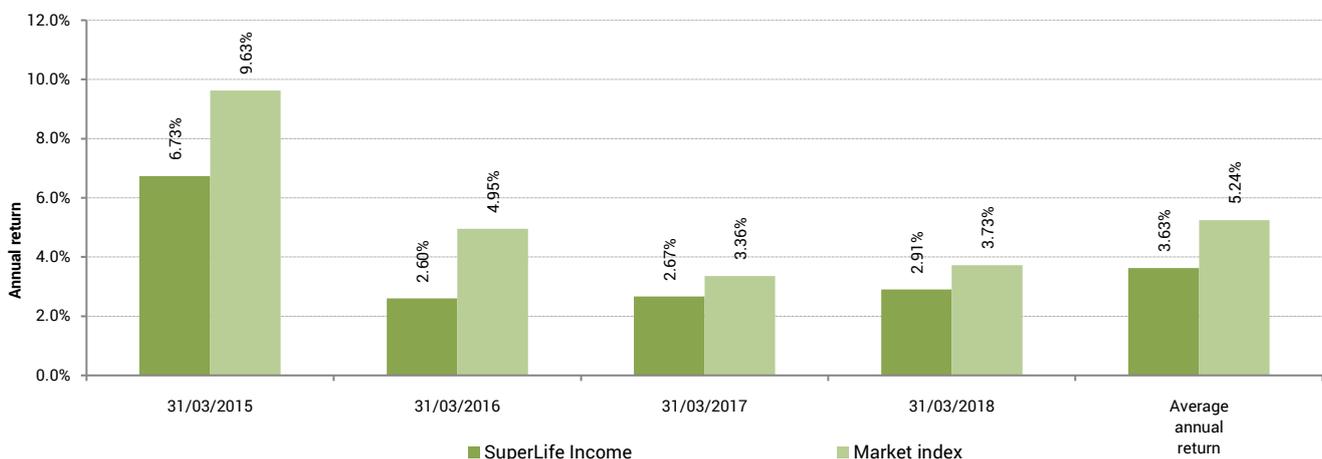
What are the risks of investing?

Risk indicator for SuperLife^{Income}



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.

Annual return graph



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 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 5 years to 31 December 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 for the SuperLife KiwiSaver scheme for more information about the risks associated with investing in this fund.

How has the fund performed?

	Average over past 5 years	Past year
Annual return (after deductions for charges and tax)	3.56%	1.26%
Annual return (after deductions for charges but before tax)	4.73%	1.79%
Market index annual return (reflects no deduction for charges and tax)	5.19%	2.05%

The market index annual return is based on the weighted average annual return of the market indices used to measure the performance of the assets that the fund invests in. Additional information about the market index is available in the 'Other Material Information' document on the offer register at

www.disclose-register.companiesoffice.govt.nz.



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 December 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 SuperLife^{Income} are charged fund charges. In the year to 31 March 2018 these were:

	% per annum of fund's net asset value
Total fund charges	0.55%
Which are made up of:	
Total management and administration charges	0.55%
Including:	
Manager's basic fee	0.35%
Other management and administration charges	0.20%
Other charges	Dollar amount per investor
Administration fee	\$30 per annum

Investors may also be charged individual action fees for specific actions or decisions (for example, if an investor has a financial adviser and has agreed to pay a fee to the adviser for providing financial advice). See the Product Disclosure Statement for the SuperLife KiwiSaver scheme for more information about those fees.

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

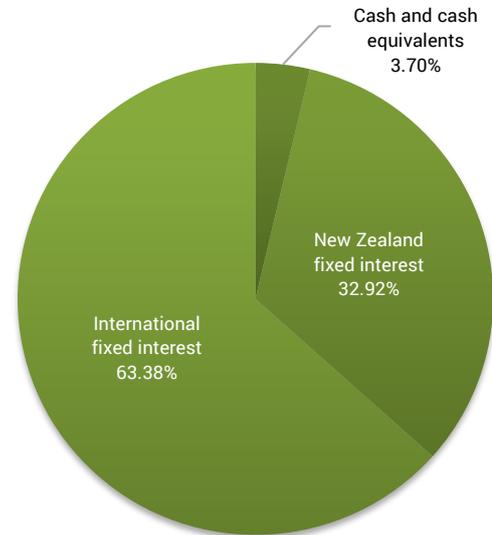
Example of how this applies to an investor

Jess had \$10,000 in the fund and did not make any further contributions. At the end of the year, Jess received a return after fund charges were deducted of \$126 (that is 1.26% of her initial \$10,000). Jess paid other charges of \$30. This gives Jess a total return after tax of \$96 for the year.

What does the fund invest in?

Actual investment mix

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 Category	Target asset mix
Cash and cash equivalents	1.00%
New Zealand fixed interest	34.00%
International fixed interest	65.00%
Australasian equities	-
International equities	-
Listed property	-
Unlisted property	-
Commodities	-
Other	-



Top 10 investments

Name	% of fund's net asset value	Type	Country	Credit rating (if applicable)
Vanguard International Credit Securities Index Fund Hedged	31.18%	International fixed interest	Australia	
New Zealand Government 15/05/21 6.0% GB	2.59%	New Zealand fixed interest	New Zealand	AA+
Government of France 16/01/19 0.00% GB	1.59%	International fixed interest	France	AA
Fonterra Cooperative Group Ltd 25/02/22 5.90% CB	1.34%	New Zealand fixed interest	New Zealand	A-
Insurance Australia Group Ltd 15/06/43 5.15% CB	1.32%	New Zealand fixed interest	Australia	BBB
Government of Japan 12/02/19 0.00% GB	1.20%	International fixed interest	Japan	A+
Bank of New Zealand 15/06/23 4.102% CB	1.15%	New Zealand fixed interest	New Zealand	AA-
Government of Japan 28/01/19 0.00% GB	1.06%	International fixed interest	Japan	A+
ASB Bank Ltd 26/05/21 4.245% CB	1.00%	New Zealand fixed interest	New Zealand	AA-
New Zealand Local Government Funding Agency 15/04/23 5.50% GB	0.97%	New Zealand fixed interest	New Zealand	AA+

The top 10 investments make up 43.40% of the fund's net asset value.

Currency hedging

The fund's foreign currency exposure is not hedged, but the fund may invest in other funds which hedge their foreign currency exposure.

Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund:

Name	Current position	Time in current position	Previous or other positions	Time in previous / other position
Guy Roulston Elliffe	Director	3 years and 1 month	Corporate Governance Manager - ACC	3 years and 8 months
Mark John Peterson	Director	1 year and 2 months	Chief Executive Officer - NZX	1 year and 11 months
Hugh Duncan Stevens	Chief Executive Officer - Smartshares	10 months	Chief Operating Officer - Implemented Investment Solutions Ltd	2 years and 6 months
Alister John Williams	Director	3 years and 1 month	Investment Manager - Trust Management	3 years and 11 months
Lindsay Megan Wright	Director	6 months	Director - NZX	10 months

Further information

You can also obtain this information, the Product Disclosure Statement for the SuperLife KiwiSaver scheme, and some additional information, from the offer register at www.disclose-register.companiesoffice.govt.nz.