

KiwiSaver Performance Survey December Quarter 2010

Stronger returns from sharemarkets benefitted KiwiSaver options with higher weightings to growth assets.

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Morningstar has released its quarterly KiwiSaver Performance Survey, designed to help New Zealand investors assess the performance of their KiwiSaver superannuation options. The accompanying tables show KiwiSaver fund returns for the three and six months and one, two, and three years to 31 December 2010.

This quarter we have continued to add new funds to our database, Grosvenor having expanded its range with three new options. We continue to believe that we have the most comprehensive KiwiSaver database in New Zealand. Morningstar's KiwiSaver database is free for fund managers to join, and we make these reports freely available to investors and financial services professionals alike.

Market Overview

Sharemarkets were generally well-behaved in the fourth quarter of 2010, developed markets in particular recovering on the back of improved indicators of economic activity and outperforming

the faster-growing emerging nations. Looking back over the year to 31 December 2010, it's unsurprising to see that the heavily-indebted European countries were the worst-performing markets, while a number of less well-known countries – Argentina, Thailand, and Peru – had the best-performing sharemarkets in 2010. While sharemarkets rallied, bond markets posted negative returns in the fourth quarter, global sovereign bonds in particular suffering mid-single-digit declines.

All the major asset classes produced positive results for the 2010 calendar year. The NZX50 Index of Kiwi shares was up a modest 2.44 percent, lagging most global counterparts despite a stronger showing in the December quarter. The Australian sharemarket finished up 7.83 percent for 2010, resource stocks having climbed 18.03 percent in aggregate. Global sharemarkets overall were up 4.10 percent, while New Zealand and global bond markets produced returns in the high single digits. The best-performing sector in 2010, though, was global listed property, up almost 34.0 percent.

Fund Manager Results

As a result of the stronger-performing sharemarkets, the different multi-sector KiwiSaver schemes performed as expected. Investors whose KiwiSaver options had a bias to growth assets (shares and property) by and large produced the best results in both the final quarter of 2010 and the full year. Single-sector equities and Multi-Sector Growth and Aggressive options were the best performers over both periods.

Fund managers deserving of mention include Aon Russell and AMP Lifesteps (LS) for consistently being the best performers over all categories in the December quarter. Westpac's Capital Protected options and **AXA Growth** were both strong performers in the Multi-Sector Aggressive category. Looking out over three years is of course a better indicator of a fund manager's performance record. However, given the highly-volatile markets during this period, there aren't any clear patterns. Options in the Multi-Sector Conservative category were among the best performers over the past three years, as results in 2008 held back the performance of the funds in the Growth and Aggressive categories. A number of single-sector funds have done very well, in particular **Fidelity Options, Milford Aggressive, Mercer Super, and SIL International Fixed Interest**. These represent very different choices ranging from lower-risk fixed interest to more volatile equities and derivatives-based vehicles. Investors who allocate here need to do so fully-aware of the risks.

The Best Performers of 2010 – But Can You Handle the Volatility?

The best-performing KiwiSaver funds of 2010 were all very different options. Within the multi-sector categories, a penchant for small, fast-growing companies resulted in **Fisher Funds Growth KiwiSaver** producing the top result among multi-sector funds in 2010, after also achieving this feat in 2009. Likewise, the Aon Russell options were among the best performers in 2010, having also had great results in 2009. Other single-sector options such as **SIL International Property** and **Tower KiwiSaver Equity** also produced noteworthy results.

However, the best-performing funds in 2010 were also frequently the worst performers in 2008. The table below shows the best-performing KiwiSaver options in 2010, and their calendar year returns for the previous two years. While the Aon Russell options had the best results in 2010 and 2009, they also had some of the worst returns in 2008, losing 20.0 or 30.0 percent in one year. Volatility in returns is a fundamental characteristic of investing. Markets ebb and flow. The last three years have taught us that it's important to understand the fund you're invested in, and not get caught out by short-term factors. If you have questions, seek answers from your KiwiSaver provider or financial adviser. The more investors understand their retirement savings vehicle, the more likely they are to make better-informed decisions and be better positioned to achieve their retirement goals.

| Name | Category | 2010 Return (%) | 2009 Return (%) | 2008 Return (%) |
|---|--------------------------|-----------------|-----------------|-----------------|
| SIL KiwiSaver - International Property | Property | 23.33 | 25.15 | -44.08 |
| Fisher Funds Growth KiwiSaver | Multisector Aggressive | 10.68 | 47.79 | -28.20 |
| Aon KiwiSaver Russell Lifepoints Growth | Multisector Growth | 10.44 | 26.71 | -30.08 |
| Aon KiwiSaver Russell Lifepoints Balanced | Multisector Balanced | 10.39 | 25.23 | -25.01 |
| Aon KiwiSaver Russell Lifepoints Mod | Multisector Moderate | 10.17 | 21.63 | -16.16 |
| Aon KiwiSaver Russell Lifepoints Conserv | Multisector Conservative | 9.93 | 17.74 | -7.33 |
| TOWER KiwiSaver Equity | Global Equity | 9.70 | 18.95 | -33.39 |
| Aon KiwiSaver OnePath Balanced | Multisector Balanced | 9.29 | 21.51 | -15.26 |

Assets Under Management

KiwiSaver assets on the Morningstar database have grown from NZ\$954.10 million at 30 June 2008 to NZ\$7.38 billion at 31 December 2010, a phenomenal growth rate for the New Zealand funds management industry.

There's been little change to the rankings by assets of KiwiSaver providers. OnePath and ASB remained the dominant players at 31 December 2010, with 45.0 percent of KiwiSaver assets between them. After AMP (12.2 percent) and Westpac (10.0 percent) was a tight group hovering about six to seven percent.

About This Survey

This survey groups KiwiSaver options according to their mix of income and growth assets, known as their 'asset allocation'. This is one of the most important decisions to make when saving for retirement income. The term 'income assets' refers to cash

and fixed interest securities which generally produce stable and reliable returns, but offer little opportunity for long-term capital growth. Returns from 'growth assets' such as property and shares will be erratic – as recent market volatility has demonstrated – but have over time shown greater capacity for increasing in value. The mixture of income and growth assets is the major determinant of potential return and volatility.

Investors may notice differences between the returns published in this survey and those they see in other sources. There are several possible reasons for this. Firstly, the returns published here are all after fees, but before tax. Secondly, we take the associated tax credit into consideration when calculating and publishing these returns, while some fund managers are basing their published performance figures on month-end unit prices only. ■■■

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KiwiSaver Performance Survey - Returns to 31 December 2010



Please note:

- Past performance is not a guide to future performance. This year's best performers can easily be next year's worst.
- Understanding your risk profile, and the mix of growth and income assets is critical.
- Fees are the one constant that will always eat away at your returns. Take a close look at the cost of your KiwiSaver Scheme.

Default Options

| | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | Growth Assets (%) |
|--------------------------------|--------------|-------------|-------------|------------|--------------|--------------|--------------------|------------------------|-------------------|
| AMP Default Fund | 331.7 | 1.86 | 4.17 | 4.63 | 5.55 | 3.97 | 0.55 | 36.00 | 21.4 |
| ASB Scheme's Cnsv (Default) | 798.7 | 0.54 | 3.93 | 5.69 | 6.04 | 4.72 | 0.28 | 30.00 | 20.3 |
| AXA Income Plus (Default) | 407.8 | 1.00 | 4.40 | 6.22 | 8.46 | 4.44 | 0.53 | 36.72 | 22.0 |
| Mercer Conservative (Default) | 394.8 | 0.62 | 2.69 | 6.34 | 10.10 | 5.34 | 0.53 | 34.20 | 20.1 |
| OnePath Conservative (Default) | 370.7 | 0.49 | 3.90 | 6.06 | 6.18 | 4.84 | 0.45 | 33.00 | 20.0 |
| TOWER Cash Enhanced (Default) | 321.5 | 1.03 | 3.31 | 5.04 | 6.34 | 4.32 | 0.51 | 33.00 | 17.9 |

Peer Group Averages

| | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year* | Growth Assets (%) |
|-----------------|--------------|-------------|-------------|------------|--------------|--------------|--------------------|-------------------------|-------------------|
| Default Options | 2625.2 | 0.92 | 3.73 | 5.66 | 7.11 | 4.60 | 0.47 | 33.60 | |
| Conservative | 2987.0 | 0.81 | 3.84 | 5.63 | 6.95 | 4.65 | 0.65 | 33.60 | |
| Moderate | 937.6 | 1.32 | 5.35 | 6.06 | 8.55 | 3.40 | 0.78 | 36.00 | |
| Balanced | 1264.4 | 2.40 | 7.12 | 6.01 | 9.95 | 1.92 | 0.87 | 36.00 | |
| Growth | 1199.7 | 3.20 | 8.80 | 6.19 | 11.06 | -0.11 | 0.91 | 35.10 | |
| Aggressive | 475.4 | 4.26 | 10.64 | 6.25 | 14.16 | -0.49 | 0.99 | 34.20 | |

Multisector Options

Conservative

| | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | Growth Assets (%) |
|--------------------------------|--------------|-------------|-------------|-------------|--------------|--------------|--------------------|------------------------|-------------------|
| AMP Default Fund | 331.7 | 1.86 (1) | 4.17 (4) | 4.63 (12) | 5.55 (12) | 3.97 (12) | 0.55 | 36.00 | 21.4 |
| ANZ - Conservative Fund | 45.5 | 0.59 (10) | 3.86 (11) | 5.95 (7) | 6.24 (8) | 4.83 (7) | 0.92 | 24.00 | 20.0 |
| Aon Russell Lifepoints Cnsv | 22.1 | 0.68 (5) | 5.07 (1) | 9.93 (1) | 13.77 (1) | 6.25 (1) | 0.56 | 50.00 | Und. |
| ASB Scheme's Cnsv (Default) | 798.7 | 0.54 (14) | 3.93 (6) | 5.69 (9) | 6.04 (10) | 4.72 (8) | 0.28 | 30.00 | 20.3 |
| AXA Income Plus (Default) | 407.8 | 1.00 (4) | 4.40 (3) | 6.22 (4) | 8.46 (3) | 4.44 (10) | 0.53 | 36.72 | 22.0 |
| FC Scheme's Tracker Cnsv | 44.6 | 0.54 (13) | 3.92 (7) | 5.65 (10) | 6.02 (11) | 4.67 (9) | 0.28 | 36.00 | 20.3 |
| Fidelity Capital Guarant Kiwi | 18.7 | 0.58 (12) | 2.92 (13) | 4.39 (13) | 4.66 (13) | -- | 0.84 | 36.00 | Und. |
| Fidelity Conservative Kiwi Fd | 23.1 | 0.65 (6) | 4.71 (2) | 6.31 (3) | 6.76 (4) | 4.90 (4) | 0.94 | 36.00 | Und. |
| Fisher Funds Conservative Fund | 5.0 | 0.64 (7) | 2.88 (14) | 2.89 (15) | -- | -- | 0.95 | 24.00 | 15.9 |
| Mercer Conservative (Default) | 394.8 | 0.62 (8) | 2.69 (15) | 6.34 (2) | 10.10 (2) | 5.34 (2) | 0.53 | 34.20 | 20.1 |
| National Bank - Conserv | 65.4 | 0.58 (11) | 3.86 (10) | 5.94 (8) | 6.30 (7) | 4.88 (5) | 0.92 | 24.00 | 20.0 |
| OnePath Conservative (Default) | 370.7 | 0.49 (15) | 3.90 (9) | 6.06 (5) | 6.18 (9) | 4.84 (6) | 0.45 | 33.00 | 20.0 |
| SIL Conservative | 135.7 | 0.60 (9) | 3.91 (8) | 6.04 (6) | 6.37 (5) | 5.03 (3) | 0.87 | 24.00 | 20.2 |
| Smartshares Conservative | 1.8 | 1.78 (2) | 4.05 (5) | 3.32 (14) | 4.57 (14) | 2.21 (13) | 0.85%/\$40 | 0.00 | 19.6 |
| TOWER Cash Enhanced (Default) | 321.5 | 1.03 (3) | 3.31 (12) | 5.04 (11) | 6.34 (6) | 4.32 (11) | 0.51 | 33.00 | 17.9 |
| <i>Average</i> | | <i>0.81</i> | <i>3.84</i> | <i>5.63</i> | <i>6.95</i> | <i>4.65</i> | <i>0.65</i> | <i>33.60*</i> | |

Moderate

| | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | Growth Assets (%) |
|--------------------------------|--------------|-------------|-------------|-------------|--------------|--------------|--------------------|------------------------|-------------------|
| AMP LS Conservative Fund | 31.7 | 1.21 (12) | 4.39 (14) | 5.51 (13) | 5.61 (17) | 5.31 (1) | 0.88 | 36.00 | 27.2 |
| AMP LS Moderate Fund | 71.7 | 2.17 (3) | 5.91 (6) | 5.75 (12) | 6.71 (14) | 3.07 (14) | 0.98 | 36.00 | 40.0 |
| ANZ - Conservative Bal | 43.9 | 1.51 (7) | 5.72 (9) | 6.55 (9) | 7.91 (12) | 3.67 (9) | 0.92 | 24.00 | 35.2 |
| Aon Russell Lifepoints 2015 | 2.1 | 1.72 (4) | 6.49 (5) | 10.04 (2) | 15.22 (2) | 4.60 (2) | 0.60 | 50.00 | Und. |
| Aon Russell Lifepoints Mod | 4.5 | 2.42 (2) | 7.41 (2) | 10.17 (1) | 15.76 (1) | 3.96 (4) | 0.64 | 50.00 | Und. |
| ASB Scheme's Moderate | 183.5 | 1.36 (10) | 6.52 (3) | 7.16 (3) | 8.43 (7) | 3.12 (13) | 0.37 | 30.00 | 40.3 |
| AXA Conservative | 11.3 | 1.16 (13) | 5.12 (11) | 6.62 (7) | 8.87 (5) | -- | 1.04 | 36.72 | 28.1 |
| FC Scheme's Active Cnsv | 3.8 | 0.77 (16) | 4.58 (12) | 5.21 (15) | 8.07 (10) | 3.44 (11) | 0.83 | 36.00 | Und. |
| FC Scheme's Tracker Moderat | 10.4 | 1.36 (9) | 6.52 (4) | 7.12 (4) | 8.42 (8) | 2.85 (15) | 0.37 | 36.00 | 40.4 |
| Grosvenor Conservative Fund | 14.1 | -0.53 (18) | 2.38 (17) | 4.96 (16) | 6.09 (16) | 3.91 (5) | 0.98 | 39.96 | 22.7 |
| Huljich Conservative Divers Fd | 68.2 | 0.21 (17) | 1.36 (18) | -2.56 (18) | 4.50 (18) | -- | 0.95 | 36.00 | 31.6 |
| Mercer Super Trust Conserv | 1.2 | 1.10 (14) | 3.51 (16) | 6.33 (10) | 10.58 (3) | 3.82 (7) | 0.88 | 34.20 | 33.0 |
| National Bank - Conserv Bal Fd | 56.2 | 1.52 (6) | 5.75 (8) | 6.60 (8) | 7.92 (11) | 3.66 (10) | 0.92 | 24.00 | 35.2 |
| OnePath Conservative Balanced | 2.0 | 1.29 (11) | 5.59 (10) | 6.12 (11) | 7.10 (13) | 3.31 (12) | 0.50 | 33.00 | 35.2 |
| SIL Conservative Balanced | 45.6 | 1.53 (5) | 5.76 (7) | 6.76 (6) | 8.18 (9) | 3.89 (6) | 0.87 | 24.00 | 35.3 |
| Smartshares Balanced | 4.6 | 2.66 (1) | 11.00 (1) | 4.29 (17) | 9.35 (4) | -1.82 (16) | 0.85%/\$40 | 0.00 | 59.7 |
| TOWER Conservative | 21.6 | 0.80 (15) | 3.95 (15) | 7.02 (5) | 8.81 (6) | 3.99 (3) | 0.88 | 33.00 | 24.4 |
| Westpac Conservative Fund | 361.1 | 1.47 (8) | 4.41 (13) | 5.44 (14) | 6.35 (15) | 3.70 (8) | 0.62 | 31.08 | 28.7 |
| <i>Average</i> | | <i>1.32</i> | <i>5.35</i> | <i>6.06</i> | <i>8.55</i> | <i>3.40</i> | <i>0.78</i> | <i>36.00*</i> | |

KiwiSaver Performance Survey - Returns to 31 December 2010



| Balanced | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | Growth Assets (%) |
|--------------------------------|--------------|-------------|-------------|-------------|--------------|--------------|--------------------|------------------------|-------------------|
| AMP LS Balanced Fund | 111.2 | 3.55 (3) | 8.45 (7) | 6.19 (14) | 8.67 (15) | 0.90 (17) | 1.03 | 36.00 | 63.0 |
| AMP LS Moderate Balanced Fund | 104.5 | 3.15 (7) | 7.47 (10) | 6.02 (16) | 7.83 (19) | 1.55 (13) | 1.03 | 36.00 | 52.8 |
| AMP TOWER Balanced Fund | 6.4 | 2.74 (8) | 6.46 (20) | 7.96 (4) | 10.33 (7) | 2.23 (8) | 1.24 | 36.00 | 53.2 |
| ANZ - Balanced Fund | 66.9 | 2.35 (15) | 7.41 (13) | 6.94 (12) | 9.41 (14) | 2.39 (6) | 0.97 | 24.00 | 50.2 |
| Aon OnePath Balanced | 5.8 | 3.29 (6) | 8.75 (6) | 9.29 (3) | 15.24 (3) | 4.01 (2) | 0.71 | 50.00 | Und. |
| Aon Russell Lifepoints 2025 | 3.3 | 3.48 (4) | 8.81 (5) | 10.28 (2) | 16.80 (2) | 1.88 (11) | 0.68 | 50.00 | Und. |
| Aon Russell Lifepoints Bal | 30.6 | 4.24 (1) | 9.98 (1) | 10.39 (1) | 17.58 (1) | 1.21 (15) | 0.71 | 50.00 | Und. |
| ASB Scheme's Balanced | 148.9 | 2.49 (12) | 9.08 (3) | 7.62 (6) | 10.17 (9) | 0.97 (16) | 0.37 | 30.00 | 60.2 |
| AXA Balanced | 71.5 | 3.32 (5) | 9.68 (2) | 7.05 (10) | 12.94 (5) | 0.88 (18) | 1.07 | 36.72 | 64.0 |
| Brook Professional Balanced Fd | 0.9 | 1.86 (21) | 5.31 (22) | 1.53 (22) | 5.77 (23) | 3.78 (3) | 0.99 | 30.00 | 56.2 |
| FC Scheme's Active Balanced | 14.4 | 1.94 (20) | 7.56 (9) | 5.42 (19) | 9.88 (11) | 0.32 (21) | 0.88 | 36.00 | Und. |
| FC Scheme's Tracker Balanced | 12.8 | 2.49 (11) | 9.07 (4) | 7.57 (7) | 10.17 (8) | 0.79 (19) | 0.37 | 36.00 | 60.2 |
| Fidelity Balanced Kiwi Fund | 54.8 | 1.51 (22) | 6.61 (18) | 5.70 (18) | 7.17 (21) | 4.40 (1) | 1.00 | 36.00 | Und. |
| Fidelity Ethical Kiwi | 4.7 | 1.39 (23) | 6.57 (19) | 5.34 (20) | 8.39 (17) | -- | 1.17 | 36.00 | Und. |
| Forsyth Barr Balanced Port | 2.8 | 2.06 (19) | 4.41 (23) | 1.22 (23) | 5.95 (22) | -- | 0.65 | 30.00 | 68.3 |
| Grosvenor Balanced Fund | 45.4 | 0.20 (24) | 4.02 (24) | 3.94 (21) | 7.35 (20) | 2.23 (7) | 1.08 | 39.96 | 49.3 |
| Huljich Balanced Diversified | 35.3 | -0.08 (25) | 0.90 (25) | -6.00 (24) | 4.47 (24) | -- | 1.10 | 36.00 | 46.7 |
| Mercer Balanced | 20.1 | 2.57 (10) | 7.16 (15) | 7.38 (8) | 13.51 (4) | 0.70 (20) | 0.75 | 34.20 | 65.4 |
| Mercer Super Trust Moderate | 7.4 | 2.07 (18) | 6.06 (21) | 6.72 (13) | 11.65 (6) | 2.05 (9) | 0.68 | 34.20 | 55.4 |
| Milford Balanced | 0.9 | 2.62 (9) | 6.84 (17) | -- | -- | -- | 1.05 | 36.00 | 38.0 |
| National Bank - Bal | 99.3 | 2.37 (14) | 7.43 (12) | 6.99 (11) | 9.41 (13) | 2.42 (5) | 0.97 | 24.00 | 50.2 |
| OnePath Balanced | 4.4 | 2.12 (17) | 7.28 (14) | 6.17 (15) | 8.03 (18) | 1.51 (14) | 0.55 | 33.00 | 50.2 |
| SIL Balanced | 116.5 | 2.39 (13) | 7.43 (11) | 7.06 (9) | 9.63 (12) | 2.64 (4) | 0.92 | 24.00 | 50.1 |
| TOWER Balanced | 131.1 | 2.26 (16) | 7.04 (16) | 7.68 (5) | 9.94 (10) | 1.95 (10) | 0.98 | 33.00 | 53.2 |
| Westpac Balanced Fund | 164.4 | 3.72 (2) | 8.22 (8) | 5.84 (17) | 8.60 (16) | 1.56 (12) | 0.72 | 31.08 | 66.5 |
| <i>Average</i> | | <i>2.40</i> | <i>7.12</i> | <i>6.01</i> | <i>9.95</i> | <i>1.92</i> | <i>0.87</i> | <i>36.00*</i> | |

| Growth | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | Growth Assets (%) |
|--------------------------------|--------------|-------------|-------------|-------------|--------------|--------------|--------------------|------------------------|-------------------|
| AMP LS Growth Fund | 99.6 | 5.15 (2) | 10.62 (9) | 6.59 (15) | 10.07 (19) | -2.02 (20) | 1.08 | 36.00 | 78.5 |
| AMP OnePath Balanced Plus Fund | 23.3 | 3.63 (11) | 8.42 (19) | 7.54 (8) | 11.85 (8) | 2.07 (2) | 1.08 | 36.00 | 64.6 |
| AMP Tyndall Balanced Fund | 5.1 | 1.90 (22) | 5.89 (24) | 6.53 (16) | 10.16 (18) | 0.08 (9) | 1.08 | 36.00 | 65.3 |
| ANZ - Balanced Gth Fund | 47.7 | 3.24 (15) | 9.08 (15) | 7.36 (11) | 10.90 (14) | 0.96 (5) | 1.02 | 24.00 | 64.2 |
| ANZ - Growth Fund | 112.3 | 4.12 (7) | 10.79 (5) | 7.52 (9) | 12.33 (6) | -0.62 (13) | 1.07 | 24.00 | 80.1 |
| Aon Russell Lifepoints 2035 | 3.2 | 4.94 (3) | 10.78 (7) | 10.41 (2) | 17.87 (2) | -0.24 (10) | 0.75 | 50.00 | Und. |
| Aon Russell Lifepoints Growth | 6.4 | 5.39 (1) | 11.40 (3) | 10.44 (1) | 18.29 (1) | -0.72 (15) | 0.77 | 50.00 | Und. |
| Aon Tyndall Balanced | 1.5 | 1.59 (23) | 6.24 (22) | 6.48 (17) | 10.26 (17) | 1.65 (3) | 0.78 | 50.00 | Und. |
| ASB Scheme's Growth | 143.8 | 3.70 (10) | 11.62 (2) | 7.73 (4) | 11.58 (10) | -1.26 (17) | 0.37 | 30.00 | 79.6 |
| FC Scheme's Active Growth | 14.6 | 2.80 (19) | 9.64 (11) | 4.95 (23) | 10.80 (15) | -1.43 (18) | 0.93 | 36.00 | Und. |
| FC Scheme's Tracker Growth | 11.0 | 3.71 (9) | 11.62 (1) | 7.70 (5) | 11.59 (9) | -1.54 (19) | 0.37 | 36.00 | 79.7 |
| Fidelity Growth Kiwi Fund | 26.5 | 2.39 (21) | 8.67 (17) | 5.43 (22) | 7.87 (23) | 2.30 (1) | 1.07 | 36.00 | Und. |
| Forsyth Barr Growth Portfolio | 2.7 | 3.20 (16) | 6.11 (23) | 0.15 (24) | 6.77 (24) | -- | 0.65 | 30.00 | 82.1 |
| Grosvenor Balanced Growth | 9.2 | 0.85 (25) | 5.88 (25) | -- | -- | -- | 1.13 | 39.96 | 71.6 |
| Huljich Growth Diversified Fd | 78.4 | -0.13 (26) | 0.68 (26) | -9.53 (25) | 3.56 (25) | -- | 1.25 | 36.00 | 66.2 |
| Mercer Super Trust Active Bal | 30.2 | 2.52 (20) | 7.12 (20) | 7.20 (13) | 13.10 (4) | 0.64 (7) | 0.90 | 34.20 | 66.2 |
| Mercer Super Trust Growth | 2.3 | 3.17 (17) | 8.60 (18) | 7.01 (14) | 13.22 (3) | -0.95 (16) | 0.98 | 34.20 | 93.5 |
| National Bank - Bal Gth Fund | 83.2 | 3.27 (14) | 9.12 (14) | 7.42 (10) | 10.92 (13) | 0.93 (6) | 1.02 | 24.00 | 64.2 |
| National Bank - Gth Fd | 176.9 | 4.13 (6) | 10.78 (6) | 7.57 (7) | 12.22 (7) | -0.69 (14) | 1.07 | 24.00 | 80.1 |
| OnePath Balanced Growth | 5.4 | 2.96 (18) | 8.92 (16) | 5.99 (19) | 8.89 (22) | -0.28 (11) | 0.60 | 33.00 | 64.2 |
| OnePath Growth | 5.4 | 3.87 (8) | 10.69 (8) | 5.79 (20) | 9.63 (20) | -2.06 (21) | 0.65 | 33.00 | 80.1 |
| SIL Balanced Growth | 111.2 | 3.27 (13) | 9.15 (13) | 7.35 (12) | 11.12 (12) | 1.19 (4) | 0.97 | 24.00 | 64.9 |
| SIL Growth Fund | 82.1 | 4.16 (5) | 10.85 (4) | 7.66 (6) | 12.62 (5) | -0.40 (12) | 1.02 | 24.00 | 80.0 |
| Staples Rodway Balanced | 7.3 | 3.53 (12) | 10.05 (10) | 7.76 (3) | 10.34 (16) | -- | 1.08 | 39.96 | 65.2 |
| Staples Rodway Growth | 4.6 | 1.33 (24) | 6.44 (21) | 6.17 (18) | 11.14 (11) | -- | 1.23 | 39.96 | 59.7 |
| Westpac Growth Fund | 105.7 | 4.51 (4) | 9.59 (12) | 5.64 (21) | 9.47 (21) | 0.17 (8) | 0.77 | 31.08 | 78.6 |
| <i>Average</i> | | <i>3.20</i> | <i>8.80</i> | <i>6.19</i> | <i>11.06</i> | <i>-0.11</i> | <i>0.91</i> | <i>35.10*</i> | |

KiwiSaver Performance Survey - Returns to 31 December 2010



| Aggressive | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | Growth Assets (%) |
|--------------------------------|-----------------|----------------|----------------|---------------|-----------------|-----------------|-----------------------|---------------------------|----------------------|
| AMP LS Aggressive Fund | 88.1 | 6.16 (2) | 12.24 (4) | 6.79 (8) | 11.09 (8) | -3.62 (10) | 1.13 | 36.00 | 91.3 |
| Aon Russell Lifepoints 2045 | 3.3 | 6.29 (1) | 12.64 (3) | 10.57 (2) | 19.08 (2) | -2.51 (6) | 0.81 | 50.00 | Und. |
| AXA Growth | 56.1 | 5.15 (5) | 12.98 (2) | 6.80 (7) | 14.71 (4) | -1.81 (5) | 1.03 | 36.72 | 89.0 |
| Brook Professional Growth Fund | 3.7 | 2.94 (10) | 8.27 (11) | 1.37 (13) | 8.62 (10) | 4.76 (2) | 0.99 | 30.00 | 87.8 |
| Fidelity Aggressive Kiwi Fund | 9.8 | 2.93 (11) | 9.61 (9) | 6.96 (6) | 14.14 (5) | 2.48 (3) | 1.14 | 36.00 | Und. |
| Fisher Funds Growth Fund | 196.1 | 4.57 (6) | 14.55 (1) | 10.68 (1) | 27.89 (1) | 5.51 (1) | 1.05 | 24.00 | 79.3 |
| Grosvenor Geared Growth Fund | 1.2 | 1.47 (13) | 6.90 (13) | 3.25 (11) | -- | -- | 1.18 | 39.96 | 95.8 |
| Grosvenor High Growth Fund | 39.0 | 1.60 (12) | 6.97 (12) | 2.79 (12) | 8.27 (11) | -2.93 (9) | 1.18 | 39.96 | 98.1 |
| Mercer High Growth | 14.6 | 4.15 (7) | 10.95 (7) | 7.83 (4) | 14.78 (3) | -2.71 (7) | 0.85 | 34.20 | 93.3 |
| Mercer Super Trust High Growth | 3.9 | 4.07 (8) | 10.82 (8) | 7.45 (5) | 14.09 (6) | -2.86 (8) | 1.03 | 34.20 | 77.9 |
| TOWER Growth | 41.0 | 3.83 (9) | 9.57 (10) | 8.18 (3) | 12.79 (7) | -1.23 (4) | 1.08 | 33.00 | 70.3 |
| Westpac Capital Protect Plan 1 | 10.0 | 6.09 (4) | 11.43 (5) | 4.32 (9) | 10.29 (9) | -- | 0.72 | 31.08 | 99.6 |
| Westpac Capital Protect Plan 2 | 8.6 | 6.09 (3) | 11.42 (6) | 4.29 (10) | -- | -- | 0.72 | 31.08 | 99.6 |
| <i>Average</i> | | <i>4.26</i> | <i>10.64</i> | <i>6.25</i> | <i>14.16</i> | <i>-0.49</i> | <i>0.99</i> | <i>34.20*</i> | |

KiwiSaver Performance Survey - Returns to 31 December 2010



Single Sector Options

| Cash | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | Growth Assets (%) |
|--------------------------------|--------------|-------------|-------------|------------|--------------|--------------|--------------------|------------------------|-------------------|
| AMP Cash Fund | 23.9 | 0.90 (5) | 1.79 (5) | 3.37 (6) | 3.51 (4) | 5.14 (5) | 0.73 | 36.00 | 0.0 |
| ANZ Cash Fund | 20.1 | 0.64 (14) | 1.25 (14) | 2.24 (15) | 2.47 (15) | -- | 0.42 | 24.00 | 0.0 |
| Aon OnePath Cash | 2.0 | 0.83 (6) | 1.56 (9) | 2.85 (10) | 2.80 (10) | 4.43 (11) | 0.42 | 50.00 | Und. |
| Aon Tyndall Cash | 0.8 | 0.95 (4) | 1.75 (6) | 3.55 (5) | 3.60 (3) | 5.18 (4) | 0.43 | 50.00 | Und. |
| ASB Scheme's NZ Bank Deposit | 130.4 | 0.71 (12) | 1.41 (11) | 2.61 (11) | 2.78 (11) | 4.64 (8) | 0.23 | 30.00 | 0.0 |
| AXA Cash | 13.7 | 0.74 (10) | 1.50 (10) | 2.91 (8) | 3.32 (6) | 4.44 (10) | 0.83 | 36.72 | 0.0 |
| FC Scheme's NZ Cash | 6.8 | 0.71 (11) | 1.40 (12) | 2.58 (12) | 2.76 (12) | 4.61 (9) | 0.23 | 36.00 | 0.0 |
| Grosvenor Enhanced Income Fund | 9.5 | 0.82 (7) | 1.86 (3) | 3.70 (3) | 3.49 (5) | 5.54 (3) | 0.73 | 39.96 | 0.0 |
| Mercer Cash | 7.5 | 1.09 (1) | 2.16 (1) | 4.58 (1) | 4.24 (1) | 5.63 (1) | 0.35 | 34.20 | 0.0 |
| Mercer Super Trust Cash | 1.2 | 1.01 (2) | 2.04 (2) | 4.58 (2) | 4.18 (2) | 5.58 (2) | 0.50 | 34.20 | 0.0 |
| National Bank - Cash Fd | 32.8 | 0.64 (15) | 1.25 (15) | 2.26 (14) | 2.49 (14) | -- | 0.42 | 24.00 | 0.0 |
| OnePath Cash Fund | 0.8 | 0.67 (13) | 1.33 (13) | 2.48 (13) | 2.75 (13) | 4.74 (7) | 0.40 | 33.00 | 0.0 |
| SIL Cash Fund | 10.3 | 0.54 (16) | 1.07 (16) | 1.93 (16) | 2.18 (16) | 4.18 (12) | 0.77 | 24.00 | 0.0 |
| Staples Rodway Conservative | 9.0 | 0.97 (3) | 1.80 (4) | 3.69 (4) | 2.91 (9) | -- | 0.83 | 39.96 | 0.0 |
| TOWER Preservation | 10.1 | 0.76 (9) | 1.58 (7) | 3.03 (7) | 3.30 (7) | 4.95 (6) | 0.51 | 33.00 | 0.0 |
| Westpac Cash Fund | 89.2 | 0.79 (8) | 1.56 (8) | 2.88 (9) | 3.15 (8) | 4.04 (13) | 0.37 | 31.08 | 0.0 |

| Fixed Income | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | International Assets (%) |
|--------------------------------|--------------|-------------|-------------|------------|--------------|--------------|--------------------|------------------------|--------------------------|
| Mercer Super Trust Fixed Intr | 0.6 | -1.34 (2) | -0.96 (3) | 6.78 (2) | 11.80 (1) | 8.53 (1) | 0.83 | 34.20 | 75.7 |
| SIL International Fixed Int | 1.1 | -1.72 (3) | 1.16 (2) | 5.69 (3) | 4.09 (3) | 7.80 (2) | 0.77 | 24.00 | 98.2 |
| SIL New Zealand Fixed Interest | 3.1 | -0.47 (1) | 2.03 (1) | 8.02 (1) | 5.58 (2) | 5.88 (3) | 0.77 | 24.00 | 0.0 |

| Property | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | International Assets (%) |
|--------------------------------|--------------|-------------|-------------|------------|--------------|--------------|--------------------|------------------------|--------------------------|
| Mercer Super Trust Real Assets | 0.4 | 3.67 (2) | 7.25 (3) | 6.44 (2) | 16.98 (2) | -5.25 (3) | 1.08 | 34.20 | 0.0 |
| SIL Australasian Property | 4.1 | 3.33 (3) | 11.74 (2) | 3.12 (3) | 8.91 (3) | -4.36 (1) | 1.02 | 24.00 | 4.2 |
| SIL International Property | 3.2 | 7.67 (1) | 21.40 (1) | 23.33 (1) | 24.24 (1) | -4.79 (2) | 1.02 | 24.00 | 96.3 |

| Australasian Equity | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | Australian Assets (%) |
|--------------------------------|--------------|-------------|-------------|------------|--------------|--------------|--------------------|------------------------|-----------------------|
| Aon Milford | 19.2 | 2.66 (6) | 7.28 (7) | 6.14 (2) | -- | -- | 0.78 | 50.00 | Und. |
| Grosvenor Socially Responsible | 4.1 | 1.83 (8) | 9.41 (6) | -- | -- | -- | 1.08 | 39.96 | 20.0 |
| Grosvenor Trs-Tasm Sm Coms Shr | 2.5 | 4.59 (3) | 24.72 (1) | -- | -- | -- | 1.08 | 39.96 | 70.2 |
| Mercer Super Trust Shares | 0.7 | 4.98 (1) | 14.07 (3) | 7.31 (1) | 14.07 (1) | -4.89 (4) | 1.08 | 34.20 | 7.4 |
| Mercer Super Trust TransTasman | 0.6 | 4.49 (4) | 10.13 (4) | 2.50 (5) | 11.88 (4) | -3.87 (2) | 1.08 | 34.20 | 25.0 |
| Milford Aggressive | 17.2 | 2.66 (6) | 7.28 (7) | 6.13 (3) | 13.78 (2) | 9.74 (1) | 1.05 | 36.00 | 4.0 |
| SIL Australasian Share | 7.5 | 4.68 (2) | 9.99 (5) | 1.61 (6) | 10.48 (5) | -4.58 (3) | 1.02 | 24.00 | 16.2 |
| Smartshares Growth | 11.5 | 3.25 (5) | 16.67 (2) | 3.86 (4) | 12.59 (3) | -6.39 (5) | 0.85%/\$40 | 0.00 | 40.3 |

| International Equity | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | International Assets (%) |
|--------------------------------|--------------|-------------|-------------|------------|--------------|--------------|--------------------|------------------------|--------------------------|
| FC Scheme's Active High Growth | 1.4 | 4.03 (4) | 11.45 (3) | 4.52 (5) | 9.00 (4) | -- | 1.03 | 36.00 | Und. |
| FC Scheme's Global Sustain | 2.3 | 4.39 (3) | 10.36 (4) | 8.47 (3) | 13.09 (3) | -- | 1.53 | 36.00 | 99.5 |
| Grosvenor International Share | 2.2 | 0.92 (7) | 6.44 (7) | -- | -- | -- | 1.23 | 39.96 | 96.8 |
| Mercer Super Trust Global | 0.9 | 5.17 (2) | 15.60 (1) | 9.18 (2) | 14.45 (1) | -5.77 (3) | 1.08 | 34.20 | 100.0 |
| SIL International Share | 11.6 | 2.26 (5) | 8.50 (5) | 5.19 (4) | 7.68 (5) | -2.92 (1) | 1.02 | 24.00 | 96.4 |
| SIL Sustainable Growth Fund | 0.8 | 1.01 (6) | 6.74 (6) | 1.94 (6) | 4.84 (6) | -- | 1.22 | 24.00 | 98.7 |
| TOWER Equity | 15.7 | 7.07 (1) | 14.22 (2) | 9.70 (1) | 14.23 (2) | -4.56 (2) | 1.13 | 33.00 | 99.5 |

| Miscellaneous | Assets (\$m) | 3-month (%) | 6-month (%) | 1-year (%) | 2-year (%pa) | 3-year (%pa) | Est. Total Fee (%) | Additional Fee \$/year | Growth Assets (%) |
|----------------------------|--------------|-------------|-------------|------------|--------------|--------------|--------------------|------------------------|-------------------|
| Fidelity Options Kiwi Fund | 36.7 | 2.58 (1) | 5.39 (1) | 9.21 (1) | 23.15 (1) | 11.59 (1) | 1.07 | 36.00 | Und. |

Assets Under Management - By Provider

| | December 2010 | | | | December 2009 | | | | December 2008 | | | | December 2007 | | |
|----------------|---------------|------|------|-------------|---------------|------|------|-------------|---------------|------|------|-------------|---------------|------|------|
| | \$m | % | Rank | Rank Change | \$m | % | Rank | Rank Change | \$m | % | Rank | Rank Change | \$m | Rank | % |
| AMP | 897.3 | 12.2 | (3) | | 595.6 | 13.2 | (3) | | 264.4 | 14.1 | (3) | ▲ | 23.7 | 10.6 | (4) |
| Aon | 104.9 | 1.4 | (12) | ▼ | 70.1 | 1.6 | (11) | | -- | -- | | | -- | -- | |
| ASB | 1527.4 | 20.7 | (2) | | 932.7 | 20.7 | (2) | | 409.4 | 21.8 | (2) | | 50.9 | 22.8 | (2) |
| AXA | 560.4 | 7.6 | (5) | | 372.4 | 8.3 | (5) | | 168.7 | 9.0 | (5) | | 23.1 | 10.3 | (5) |
| Brook | 4.6 | 0.1 | (17) | ▼ | 3.4 | 0.1 | (15) | ▼ | 1.3 | 0.1 | (13) | | -- | -- | |
| Fidelity | 174.3 | 2.4 | (10) | | 85.3 | 1.9 | (10) | ▼ | 29.5 | 1.6 | (9) | ▼ | 3.2 | 1.4 | (8) |
| Fisher | 201.0 | 2.7 | (8) | | 116.1 | 2.6 | (8) | | 45.1 | 2.4 | (8) | ▼ | 11.7 | 5.2 | (7) |
| Forsyth Barr | 5.5 | 0.1 | (16) | | -- | -- | | | -- | -- | | | -- | -- | |
| Grosvenor | 127.1 | 1.7 | (11) | ▲ | 58.9 | 1.3 | (12) | ▼ | 22.4 | 1.2 | (10) | ▼ | 3.1 | 1.4 | (9) |
| Huljich | 181.8 | 2.5 | (9) | | 100.2 | 2.2 | (9) | | -- | -- | | | -- | -- | |
| Mercer | 486.3 | 6.6 | (7) | | 332.9 | 7.4 | (7) | | 143.3 | 7.6 | (7) | ▲ | 1.0 | 0.5 | (11) |
| Milford | 18.1 | 0.2 | (14) | | -- | -- | | | -- | -- | | | -- | -- | |
| OnePath | 1771.9 | 24.0 | (1) | | 1045.9 | 23.2 | (1) | | 423.1 | 22.5 | (1) | | 61.3 | 27.4 | (1) |
| Smartshares | 17.8 | 0.2 | (15) | ▼ | 12.7 | 0.3 | (14) | ▼ | 5.6 | 0.3 | (12) | ▼ | 1.2 | 0.5 | (10) |
| Staples Rodway | 20.9 | 0.3 | (13) | | 13.6 | 0.3 | (13) | ▼ | 6.1 | 0.3 | (11) | | -- | -- | |
| Tower | 541.1 | 7.3 | (6) | | 358.8 | 8.0 | (6) | | 165.0 | 8.8 | (6) | ▼ | 26.1 | 11.7 | (3) |
| Westpac | 739.0 | 10.0 | (4) | | 406.1 | 9.0 | (4) | | 196.4 | 10.4 | (4) | ▲ | 18.3 | 8.2 | (6) |
| <i>Total</i> | <i>7379.4</i> | | | | <i>4504.6</i> | | | | <i>1880.2</i> | | | | <i>223.7</i> | | |

Returns are before tax and after fees. Estimated Total Fee is the sum of the ongoing Management Fees, the Trustee Fees, and Administration fees. The performance for AMP, AXA, Forsyth Barr and Tower reflects fees that are charged as a percentage of your account balance and paid by cancelling units. Please contact Morningstar if you require clarification. Additional fees are dollar-based Administration or Membership Fees payable in addition to the Total Fee, and are not reflected in the fund's performance. We have adjusted the performances of the Huljich Wealth Management funds reported in this survey. We have elected to change the start date of the funds to 31 October 2008 as a result of the additional payments made by Peter Huljich in December 2007 and October 2008. We have taken this action to improve the validity of cross-sectional analysis undertaken using our database. More specifically, investment returns should solely reflect investment activities. * - Indicates a median rather than a mean. (a) Total Fee is a minimum of \$40 or 0.85 percent dependent upon account balance. Und. = Undisclosed.

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