

ABC Investment Trust Balanced Fund

What is the purpose of this statement?

This document tells you how the ABC Investment Trust Balanced Fund has performed and what fees it charged, and will help you to compare it with other funds. We prepared this statement in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of the fund

Invests in a wide range of assets with the aim of making a steady rate of return for investors over the medium to long term. This fund has a medium to high level of volatility.

| | |
|-------------------------|----------------|
| Total value of the fund | \$333,694,673 |
| Date the fund started | 1 October 2007 |



Risk/reward indicator for the Balanced Fund

The risk/reward indicator is rated from 1 (low) to 7 (high). A higher risk generally means higher potential returns over time, but more ups and downs along the way.

The risk/reward indicator is designed to help investors understand the uncertainties both for loss and growth that may affect their investment. The rating reflects how much the value of the fund's assets goes up and down.

There are other risks from investing in the fund that are not captured by the risk/reward indicator. See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in each fund.

What fees are investors charged?

Investors in the Balanced Fund are charged **fund fees**. In the year to 31 March 2013 these were:

| | % of your balance |
|-------------------------------------|-------------------|
| Total fund fees and expenses | 0.65% |
| <i>Which are made up of:</i> | |
| Management and administration fees | 0.60% |
| Performance-based fees | nil |
| Other expenses | .05% |

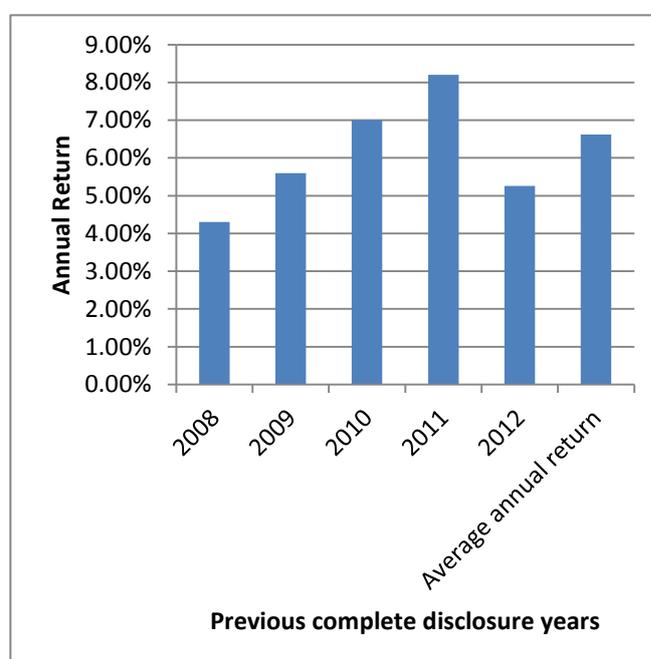
Investors were also charged **scheme fees**¹ of \$60 per investor over the year to 31 March 2013.

Investors may also be charged one-off fees for specific actions or decisions (e.g. for withdrawing from or switching funds). See www.abcinvestmentslimited.co.nz/fees for more information about these fees.

How has the fund performed?

| | Average over past five years | Past year |
|--|------------------------------|--------------|
| Annual return (after deductions for fund fees and tax ²) | 6.07% | 5.26% |

The graph below shows the return after fund fees and tax for each tax year since the fund started and the average annual return since the fund started. **Important:** this does not tell you how the fund will perform in the future.

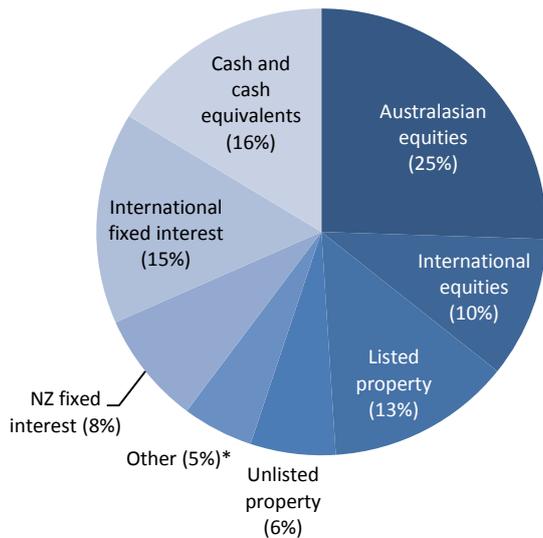


Example of how this applies to a member

Jane 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, Jane received a **return after fund fees** were deducted of \$526 (that's 5.26% of her initial \$10,000). Jane also paid \$60 in **other ongoing fees**. This gives Jane a total return after tax of \$466 for the year

What does the fund invest in?

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



Target investment mix

| Asset type | Target allocation |
|------------------------------|-------------------|
| Australasian equities | 25-50% |
| International equities | 5-30% |
| Listed property | 5-20% |
| Unlisted property | 0-10% |
| New Zealand fixed Interest | 0-20% |
| International Fixed Interest | 0-15% |
| Cash and cash equivalents | 0-20% |
| Other* | 0-30% |

* Other comprises current hedges

Top 10 investments

| Name | Percentage of fund net assets | Type | Country | Credit rating (if applicable) |
|--------------------------------|-------------------------------|----------------------------|-------------|-------------------------------|
| 1. XYZ Energy Limited | 6% | Australasian equities | Australia | |
| 2. Oil OZ Limited | 4% | Australasian equities | Australia | |
| 3. JKL Limited | 4% | Australasian equities | Australia | |
| 4. DJ Limited | 3% | Australasian equities | Australia | |
| 5. MNO Retail Property Trust | 3% | Listed property | Australia | |
| 6. NZ Healthcare Limited | 3% | Australasian equities | New Zealand | |
| 7. LMN Holdings Limited | 3% | Australasian equities | New Zealand | |
| 8. Airport Bonds | 4.5% | New Zealand fixed interest | New Zealand | BBB+ |
| 9. XYZ Property Ltd | 4% | Listed property | New Zealand | |
| 10. NZ Building Industries Ltd | 3% | New Zealand fixed interest | New Zealand | unrated |

The top 10 investments make up 30.5% of the fund.

Key personnel

| Name | Current Position | Time in current position | Previous position | Time in previous position |
|----------------------|--|--------------------------|------------------------------|---------------------------|
| Jane Smith | Chairperson | 3 years | Partner, DEF Law | 3 years |
| Jack Brown | CEO | 2 years | CEO, XYZ Fund | 2 years |
| Joanne Howard | Director (Investment Committee) | 3 years | Head of Investment, LMN Bank | 1 year |
| Michael Black | Director (Audit Risk and Compliance Committee) | 1 year | Partner, DEF Law | 3 years |
| Jane King | Director (Claims Committee) | 6 months | Head of Risk, GHI Bank | 4 years |

Further information

You can also obtain this information and the PDS for ABC Investment Trust from the Offer Register at www.offerregister.govt.nz.

¹ Scheme fees are the fixed-dollar charges for membership in the Fund.

² Returns in this statement are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax rate may be lower.