

SuperLife KiwiSaver scheme

Overseas Bonds Fund

Fund update for the quarter ended 31 March 2018

This fund update was first made publicly available on 23 April 2018.

What is the purpose of this update?

This document tells you how the Overseas Bonds Fund 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.

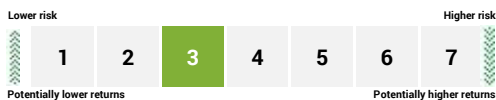
Description of this fund

The Overseas Bonds Fund is designed to provide a return (after tax, fees and other expenses) that reflects the after-tax return on international bond markets of developed economies.

Total value of the fund:	\$6,519,390
Number of investors in the fund:	1,777
The date the fund started:	24 October 2007

What are the risks of investing?

Risk indicator for the Overseas Bonds Fund



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 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 March 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.

Other specific risks

There are other risks that may increase the risk to returns for investors, which are not reflected in the risk indicator. These risks include investment management risk. In particular, while the SuperLife KiwiSaver scheme's philosophy is that a passive approach to investing will deliver better long-term results, we make some active management decisions. There is a risk that this may result in the fund achieving a return that is lower than its investment objective.

See the 'Other Material Information' document on the offer register at www.disclose-register.companiesoffice.govt.nz for further information about the risks of investing in the SuperLife KiwiSaver scheme.

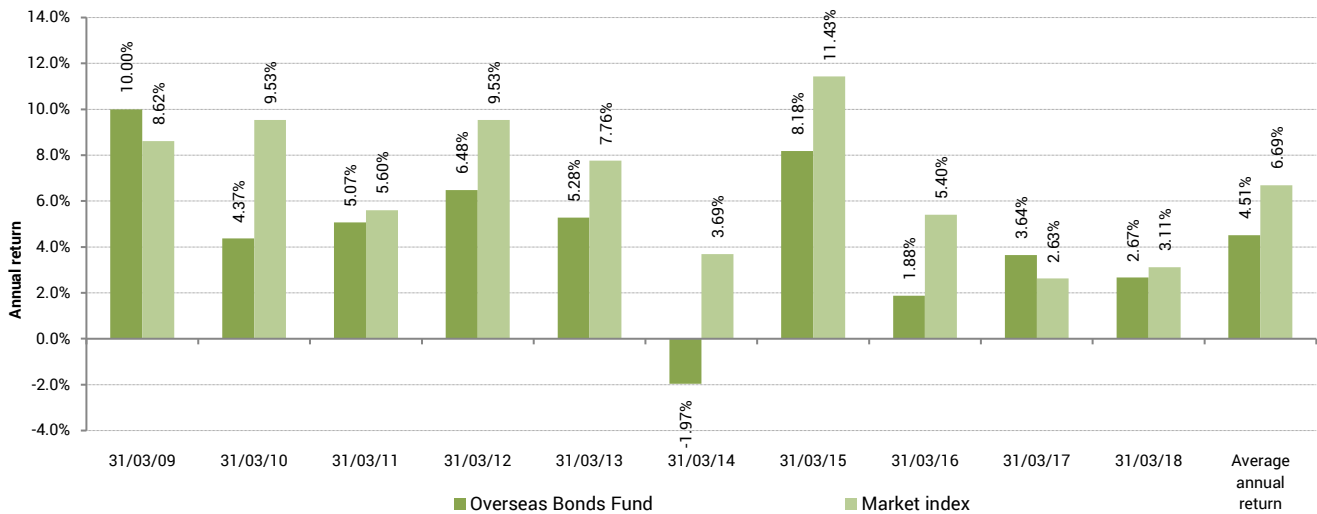
How has the fund performed?

	Average over past 5 years	Past year
Annual return (after deductions for charges and tax)	2.83%	2.67%
Annual return (after deductions for charges but before tax)	4.96%	3.21%
Market index annual return (reflects no deduction for charges and tax)	5.21%	3.11%

The market index annual return is based on the annual return of the Barclays Global Aggregate Index (100% hedged to the New Zealand dollar). 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.



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

	% per annum of fund's net asset value
Total fund charges	0.58%
Which are made up of:	
Total management and administration charges	0.58%
Including:	
Manager's basic fee	0.35%
Other management and administration charges	0.23%
Total performance-based fees	0.00%
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.

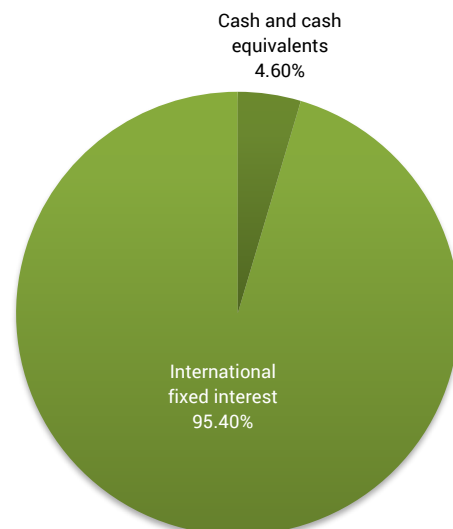
Example of how this applies to an investor

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 \$267 (that is 2.67% of her initial \$10,000). Jess paid other charges of \$30. This gives Jess a total return after tax of \$237 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	-
New Zealand fixed interest	-
International fixed interest	100.00%
Australasian equities	-
International equities	-
Listed property	-
Unlisted property	-
Commodities	-
Other	-

Top ten investments

Name	% of fund's net asset value	Type	Country	Credit rating (if applicable)
Government of Italy 30/04/18 0.00% GB	4.62%	International fixed interest	Italy	BBB
Federal National Mortgage Assoc 15/06/39	4.09%	International fixed interest	United States	AA+
Japan Government 23/04/18 0.00% GB	3.60%	International fixed interest	Japan	A+
Japan Governemnt 21/05/18 0.00% GB	2.86%	International fixed interest	Japan	A+
Japan Government 04/06/18 0.00% GB	2.78%	International fixed interest	Japan	A+
United States Treasury 15/01/25 0.25% ILB	1.80%	International fixed interest	United States	AA+
ASB Current Account	1.78%	Cash and cash equivalents	New Zealand	AA-
The United Kingdom of Great Britain and Northern Ireland 22/01/45	1.24%	International fixed interest	United Kingdom	AA
The United Kingdom of Great Britain and Northern Ireland 22/01/21	1.14%	International fixed interest	United Kingdom	AA
Japan Government 09/04/18 0.00% GB	1.05%	International fixed interest	Japan	A+

The top 10 investments make up 24.96% 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
Paul James Baldwin	Director	1 year and 3 months	Head of NZX Wealth Technologies - NZX	1 year and 8 months
Hugh Duncan Stevens (new)	Chief Executive Officer - Smartshares	1 month	Chief Operating Officer - Implemented Investment Solutions Ltd	2 years and 6 months
Guy Roulston Elliffe	Director	2 years and 4 months	Corporate Governance Manager - ACC	2 years and 11 months
Mark John Peterson	Director	5 months	Chief Executive Officer - NZX	1 year and 2 months
Alister John Williams	Director	2 years and 4 months	Investment Manager - Trust Management	3 years and 2 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.