

Annual Report

# NIKKO AM NZ INVESTMENT SCHEME

31 March 2017

Prepared on 26 July 2017

Issued by Nikko Asset Management  
New Zealand Limited

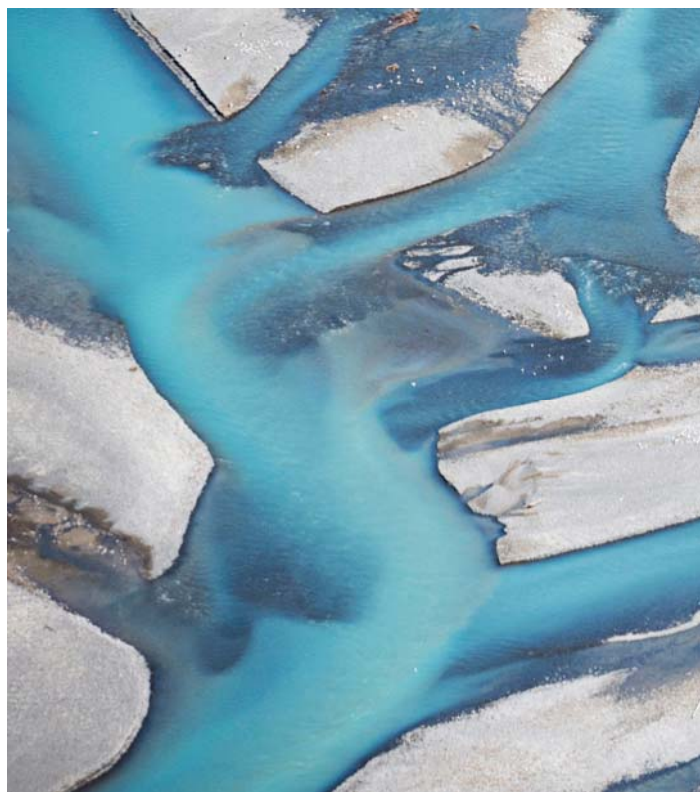
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This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose). Nikko Asset Management New Zealand Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.

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**Image:** Abstract aerial view of river bed, Canterbury Plains, Christchurch, NZ.

## Details of scheme

### Scheme name

Nikko AM NZ Investment Scheme

### Scheme type

Managed Investment Scheme

### Manager:

Nikko Asset Management New Zealand Limited

### Supervisor:

Public Trust

### Latest PDS:

Fund Name	Latest PDS (as at 31 March 2017)
Nikko AM NZ Cash Fund	18 June 2016 – Open for applications
Nikko AM Concentrated Equity Fund	18 June 2016 – Open for applications
Nikko AM Core Equity Fund	18 June 2016 – Open for applications
Nikko AM Global Bond Fund	18 June 2016 – Open for applications
Nikko AM Global Equity Hedged Fund	18 June 2016 – Open for applications
Nikko AM Global Equity Unhedged Fund	18 June 2016 – Open for applications
Nikko AM Income Fund	18 June 2016 – Open for applications
Nikko AM Multi-Strategy Fund	18 June 2016 – Open for applications
Nikko AM NZ Bond Fund	18 June 2016 – Open for applications
Nikko AM NZ Corporate Bond Fund	18 June 2016 – Open for applications
Nikko AM Australasian Small Companies Fund	18 June 2016 – Closed for applications

### Latest fund updates:

Fund Name	Latest fund Update
Nikko AM NZ Cash Fund	Quarter ended 31 March 2017
Nikko AM Concentrated Equity Fund	Quarter ended 31 March 2017
Nikko AM Core Equity Fund	Quarter ended 31 March 2017
Nikko AM Global Bond Fund	Quarter ended 31 March 2017
Nikko AM Global Equity Hedged Fund	Quarter ended 31 March 2017
Nikko AM Global Equity Unhedged Fund	Quarter ended 31 March 2017
Nikko AM Income Fund	Quarter ended 31 March 2017
Nikko AM Multi-Strategy Fund	Quarter ended 31 March 2017
Nikko AM NZ Bond Fund	Quarter ended 31 March 2017
Nikko AM NZ Corporate Bond Fund	Quarter ended 31 March 2017
Nikko AM Australasian Small Companies Fund	Quarter ended 31 December 2016

Each fund's 31 March 2017 financial statements and auditor's report have been lodged with the Registrar.

## Information on contributions and scheme participants

The number of managed investment products on issue was 11 at 1 April 2016 and 10 at 31 March 2017. The units for each of the managed investment products are::

Fund Name	Units on Issue as of 31 March 2016	Units on Issue as of 31 March 2017
Nikko AM NZ Cash Fund	131,243,583	118,963,851
Nikko AM Concentrated Equity Fund	9,829,365	16,658,024
Nikko AM Core Equity Fund	12,739,168	3,901,672
Nikko AM Global Bond Fund	46,558,875	18,535,926
Nikko AM Global Equity Hedged Fund	137,825,931	58,871,209
Nikko AM Global Equity Unhedged Fund	76,361,670	74,222,440
Nikko AM Income Fund	7,165,560	8,684,622
Nikko AM Multi-Strategy Fund	90,346,823	106,998,553
Nikko AM NZ Bond Fund	37,611,686	61,624,993
Nikko AM NZ Corporate Bond Fund	156,099,140	296,020,582
Nikko AM Australasian Small Companies Fund	644,035	-

## Changes relating to the scheme

From 1 July 2016, the requirements of Financial Markets Conduct Act 2013 applied to the scheme. The Trust deed was amended to the Nikko AM NZ Trust Deed effective 1 July 2016.

As required by the Act, we prepared a Product Disclosure Statement (PDS) and Statements of Investment Policy and Objectives (SIPO).

On 1 March 2017 the SIPO was updated, replacing the version dated 1 July 2016. This update was made to reflect the wind up of the Nikko AM Australasian Small Companies Fund, final units where redeemed as of March 17<sup>th</sup> so units on issue as of 31 March 2017 were nil.

We confirm that there were no related party transactions entered into during the accounting period that were not on arm's-length terms.

## Other information for particular types of managed funds

Fund Name	Unit Price as of 31 March 2016	Unit Price as of 31 March 2017
Nikko AM NZ Cash Fund	1.0151	1.0202
Nikko AM Concentrated Equity Fund	1.7935	1.9197
Nikko AM Core Equity Fund	1.7558	1.8569
Nikko AM Global Bond Fund	1.1236	1.1415
Nikko AM Global Equity Hedged Fund	1.4253	1.6300
Nikko AM Global Equity Unhedged Fund	1.5252	1.6660
Nikko AM Income Fund	1.2491	1.2154
Nikko AM Multi-Strategy Fund	1.0505	1.1095
Nikko AM NZ Bond Fund	1.0318	1.0110
Nikko AM NZ Corporate Bond Fund	1.1488	1.1420
Nikko AM Australasian Small Companies Fund	1.8357	N/A



## Changes to persons involved in the scheme

The only reportable changes (for example to the Manager, our directors or key personnel) during the accounting period were:

The Nikko Asset Management New Zealand Board appointed Junichi Sayato as Director and he joined the Board on 27 February 2017

Relating to Public Trust (the supervisor), in the year ending 31 March 2017 the following changes occurred in relation to the board:

Sue McCormack retired 30 April 2016  
Dinu Harry retired 31 October 2016  
Diana Puketapu retired 31 October 2016  
Bevan Killick was appointed 1 November 2016  
Dianne McAteer was appointed 1 November 2016  
Graham Naylor was appointed 1 November 2016

Following a periodic review, KPMG was appointed as auditor for the scheme replacing PwC, effective 7 December 2016.

## How to find further information

Further information relating to the scheme and the managed investment products (including the trust deed, financial statements, SIPOs, the PDS and quarterly fund updates) is available on:

- the Disclose register [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose)
- [www.nikkoam.co.nz](http://www.nikkoam.co.nz)

### Other information we will provide

Information	How to obtain
Latest unit price	The latest unit price is available on our website <a href="http://www.nikkoam.co.nz">www.nikkoam.co.nz</a> .
Fund information relevant to you	You can inspect documents we hold that are relevant to you and other documents that are legally required to be provided to you, at our office during normal business hours or request an extract of those documents, by writing to us.
Personal information	We do not collect, access or store personal information of retail investors who invest through a PIP or custodial service. You may contact your PIP to access any personal information about you that it holds.
Fund updates	Once available, the fund updates for the Fund will be publicly available from our website – <a href="https://www.nikkoam.co.nz/funds/individual">https://www.nikkoam.co.nz/funds/individual</a> – and can be requested from us.

You will not be charged any fee to access this information.

You can find more information about us and the Funds on our website [www.nikkoam.co.nz](http://www.nikkoam.co.nz).

## Contact details and complaints

**Nikko Asset Management New Zealand Limited**  
Level 9, Vero Centre, 48 Shortland Street, Auckland 1010, New Zealand  
PO Box 3892, Shortland Street, Auckland 1140  
09 307 6363  
[NZenquiries@nikkoam.com](mailto:NZenquiries@nikkoam.com)  
[www.nikkoam.co.nz](http://www.nikkoam.co.nz)

Please direct any enquiries or complaints to George Carter at the address above.

**Public Trust**  
Manager Client Services  
Level 9, 34 Shortland Street, Auckland 1010  
PO Box 1598, Shortland Street, Auckland 1140  
0800 371 471  
[cts.enquiry@publictrust.co.nz](mailto:cts.enquiry@publictrust.co.nz)  
[www.publictrust.co.nz/corporate-trustee-services](http://www.publictrust.co.nz/corporate-trustee-services)

**BNP Paribas Securities Services** (as securities registrar)  
Level 18, State Insurance Tower  
1 Willis Street, Wellington, NZ 6011  
[nz.registry@au.bnpparibas.com](mailto:nz.registry@au.bnpparibas.com)

### How to complain

Any complaints about the Fund or the Scheme may be referred to the Manager, the Supervisor or Financial Services Complaints Limited.

The Manager and the Supervisor are both members of the Financial Services Complaints Limited independent dispute resolution scheme which is a scheme approved by the Ministry of Consumer Affairs.

If you have made a complaint to us and it has not been resolved within 40 days or if you are dissatisfied with the proposed resolution, you can refer it to:

**Financial Services Complaints Limited**  
Level 4, 101 Lambton Quay, Wellington 6011  
PO Box 5967, Wellington 6145  
Freephone 0800 347 257 or 04 472-FSCL  
[www.fscl.org.nz](http://www.fscl.org.nz)

Financial Services Complaints Limited will not charge a fee to any complainant to investigate or resolve a complaint. Further information about referring a complaint to Financial Services Complaints Limited can be found at [www.fscl.org.nz](http://www.fscl.org.nz).