

Fund Update

Fisher Funds Managed Funds International Growth Fund

For the quarter ended: 30 September 2018
This fund update was first made publicly available on: 29 October 2018

What is the purpose of this update?

This document tells you how the International Growth Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Fisher Funds Management 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 fund aims to achieve capital growth over the long term by investing in quality international companies who can consistently produce increasing earnings.

| | |
|---------------------------------|--------------|
| Total value of the fund | \$53,850,495 |
| Number of investors in the fund | 1,919 |
| The date the fund started | 7 Nov 2007 |

What are the risks of investing?

Risk indicator for the International Growth 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 ipq.fisherfunds.co.nz/ffmf.

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 the past 5 years. 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.

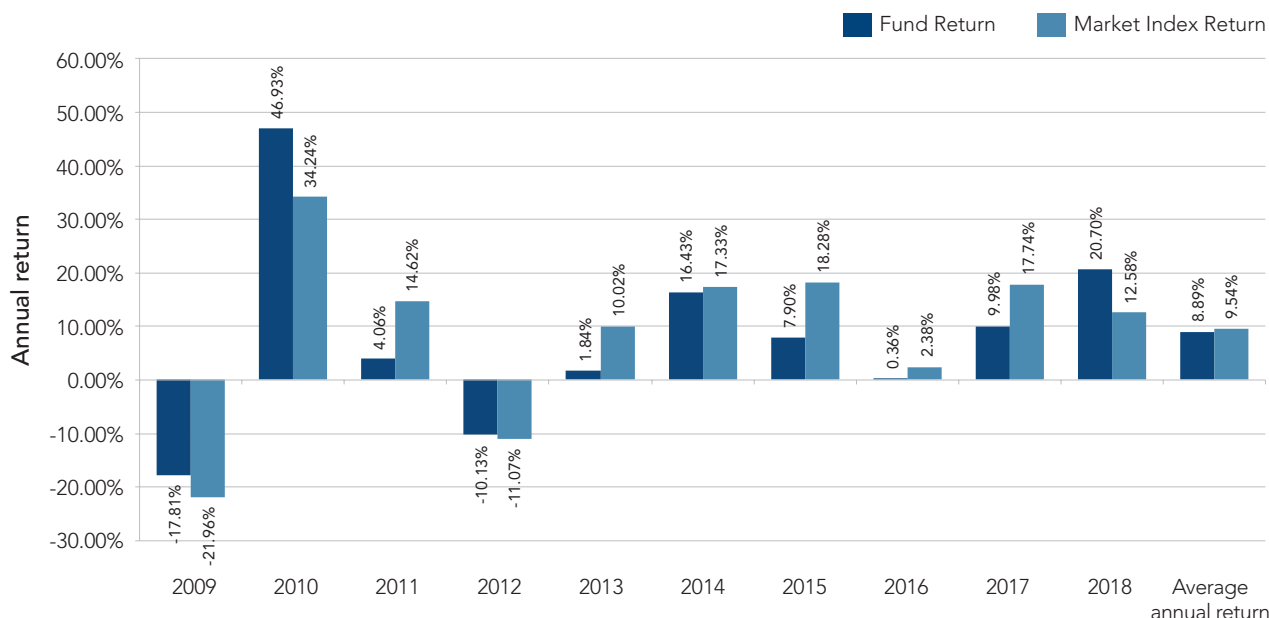
See the [product disclosure statement \(PDS\)](#) for more information about the risks associated with investing in this fund.

How has the fund performed?

| | Average over past 5 years | Past year |
|--|---------------------------|-----------|
| Annual return (after deductions for charges and tax) | 11.52% | 20.67% |
| Annual return (after deductions for charges but before tax) | 12.20% | 20.45% |
| Market index annual return (reflects no deduction for charges and tax) | 13.19% | 15.09% |

From November 2015 the market index is 50% S&P Global Large MidCap Index and 50% S&P Global Small MidCap Index 50% hedged into NZD. Additional information about the market index is available on the offer register at companiesoffice.govt.nz/disclose under Fisher Funds Managed Funds or OFR10667.

Annual return graph



This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, up to 30 September 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. The market index return reflects no deduction for charges and tax.

What fees are investors charged?

Investors in the International Growth Fund are charged fund charges that include GST. In the year to 31 March 2018 these were:

| | % of net asset value |
|--|----------------------|
| Total fund charges | 3.03% |
| Which are made up of: | |
| Total management and administration charges | 3.03% |
| Including : | |
| Manager's basic fee | 1.27% |
| Other management and administration charges | 0.21% |
| Total performance-based fees ¹ | 1.55% |

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

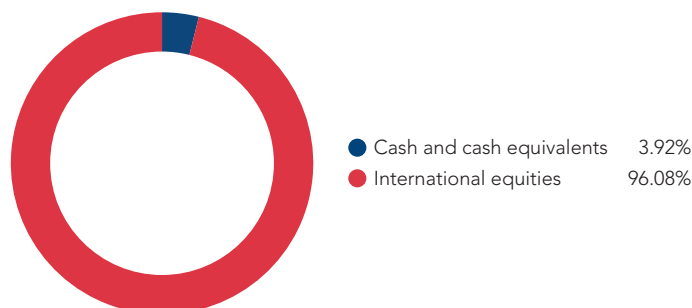
Example of how this applies to an investor

Katie 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, Katie received a return after fund charges were deducted of \$2,067 (that is 20.67% of her initial \$10,000). Katie did not pay other charges. This gives Katie a total return after tax of \$2,067 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.



Currency hedging

The benchmark currency hedge ratio for International equities is 50% hedged into NZD. As at 30 September 2018 the fund was 39.7% hedged into NZD.

Top 10 Investments

| Name | % of fund net assets | Type | Country | Credit rating (if applicable) |
|--|----------------------|------------------------|---------|-------------------------------|
| ALPHABET INC. CLASS A | 7.44% | International equities | US | NA |
| PAYPAL HOLDINGS INC | 5.70% | International equities | US | NA |
| TJX COMPANIES INC | 4.93% | International equities | US | NA |
| ALIBABA GROUP HOLDING LTD. SPONSORED ADR | 4.64% | International equities | US | NA |
| MASTERCARD INCORPORATED CLASS A | 4.46% | International equities | US | NA |
| FRESENIUS MEDICAL CARE AG & CO. KGAA | 4.46% | International equities | DE | NA |
| ESSILORLUXOTTICA SA | 4.46% | International equities | FR | NA |
| COGNIZANT TECHNOLOGY SOLUTIONS CORPORATION CLASS A | 4.04% | International equities | US | NA |
| ADIDAS AG | 4.01% | International equities | DE | NA |
| CERNER CORPORATION | 3.89% | International equities | US | NA |

The top 10 investments make up 48.03% of the fund.

Key personnel

| Name | Current position | Time in current position | Previous or other position | Time in previous or other position |
|------------------|--|--------------------------|--|------------------------------------|
| Frank Jasper | Chief Investment Officer | 1 Years, 2 Months | Director, Fisher Funds Management Limited | 12 Years, 4 Months |
| Ashley Gardyne | Senior Portfolio Manager, International Equities | 2 Years, 5 Months | Senior Investment Analyst, International Equities, Fisher Funds Management Limited | 2 Years, 11 Months |
| Mark Brighthouse | Chief Investment Strategist | 1 Years, 2 Months | Chief Investment Officer, Fisher Funds Management Limited | 5 Years, 9 Months |

Further information

You can also obtain this information, the PDS for the Fisher Funds Managed Funds, and some additional information from the offer register at companiesoffice.govt.nz/disclose under Fisher Funds Managed Funds or OFR10667.

Notes

¹ The performance-based fee accrual is calculated on a daily basis. See the product disclosure statement for more information about the basis on which performance fees are charged.