

Growth Fund

QUARTERLY STATEMENT 31 MARCH 2017

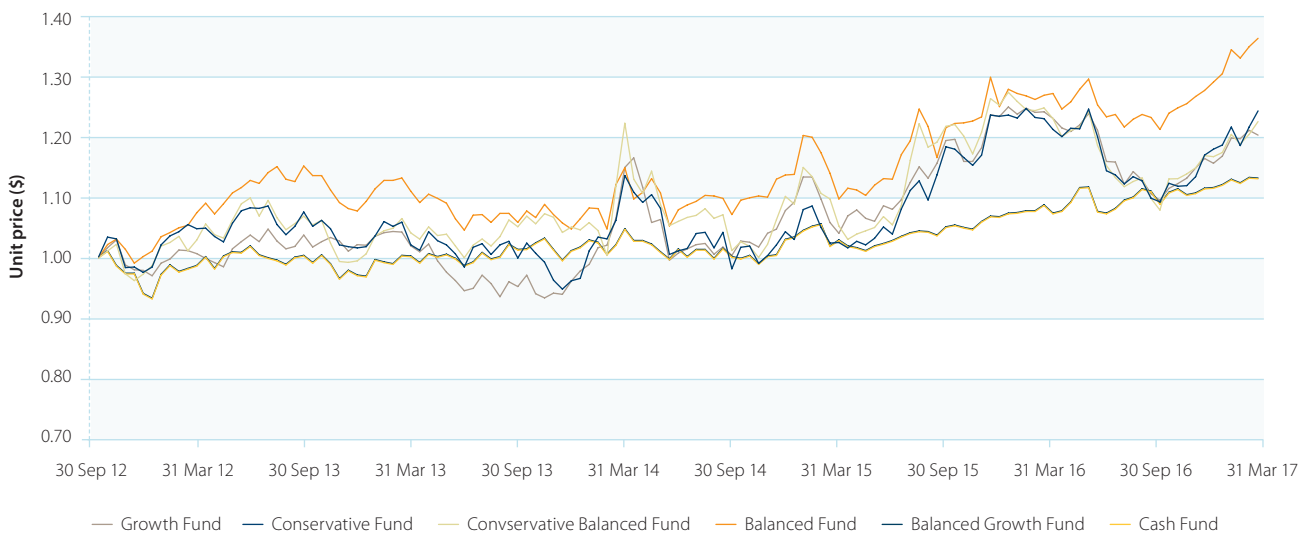
Here's how your fund's been performing

↓ 2.1%
FOR THE
QUARTER

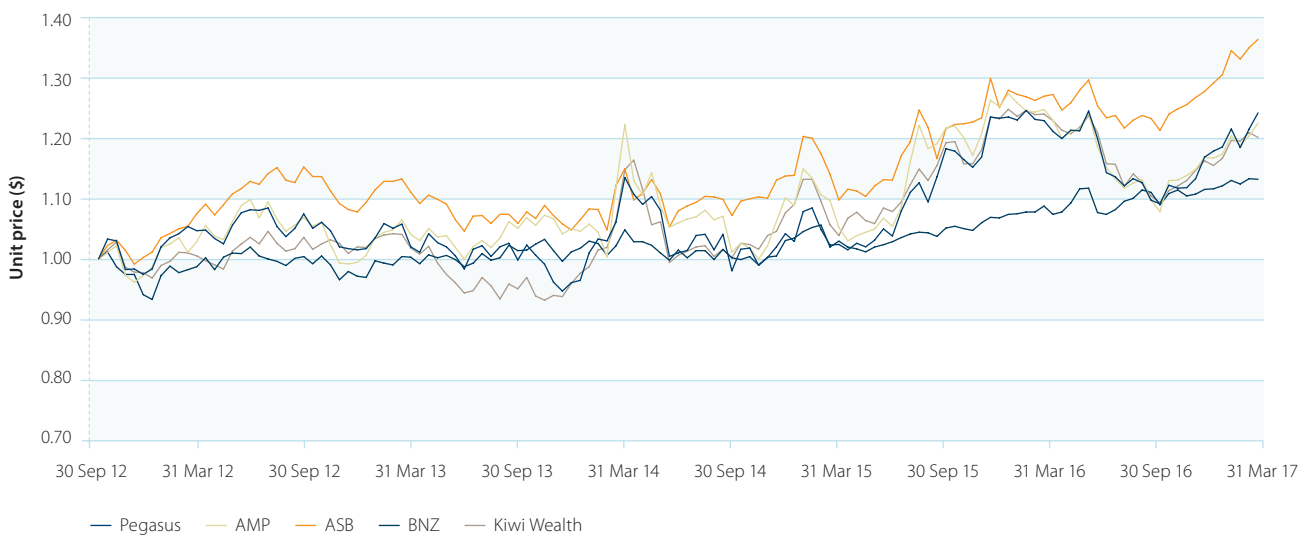
↑ 4.5%
FOR THE
YEAR

↑ 21.3%
SINCE
LAUNCH

Compared to other Pegasus funds



Compared to other growth funds

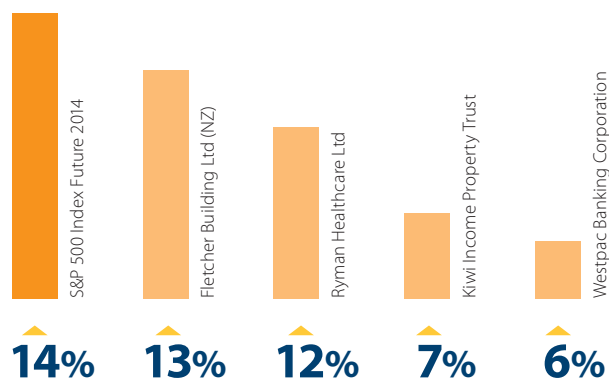


Here's what we're thinking for the next quarter

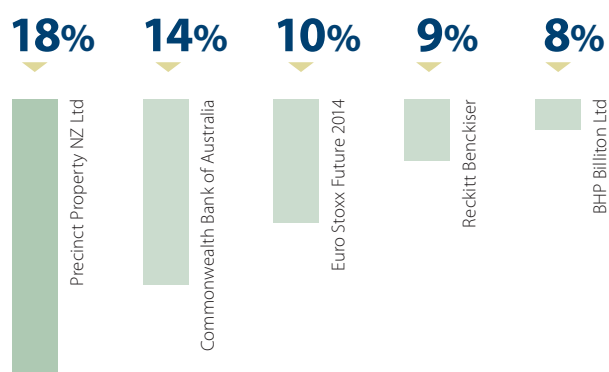
In the current market, where share prices are generally high and finding value is testing, we see more attractive investment opportunities in local companies facing difficult short-term business issues. With a general election just around the corner, New Zealand media will no doubt attempt to drum up hysteria about market jitters. However history tells us that markets do not overreact during this period, so we're confident that shares will continue to outperform cash assets and bonds.

Offshore, Donald Trump's continued rhetoric over North Korea makes us weary of further investment in tourism stocks, including Air New Zealand (NZ\$3.37). By contrast the prospects of aerospace and defence contractor, Lockheed Martin (US\$310.40), look increasingly bright. Elsewhere, astronomic demand in China for swamp Kauri may lead us to divest our holdings in Refining NZ.

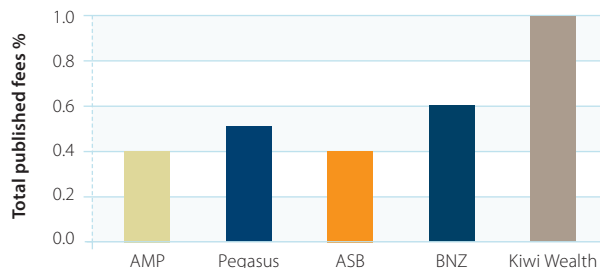
These were the best performing investments



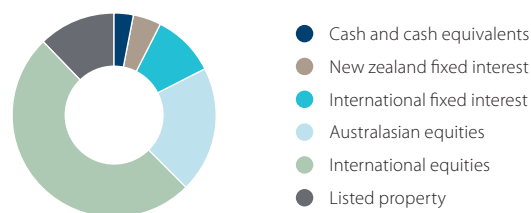
These were the worst performing investments



This is how our fees stack up



This is where we've invested your money



This is the legal part

The Growth Fund invests mainly in share and listed property assets, with a similar exposure to cash and fixed interest rate assets. It may also invest in other assets. The objectives of the Growth Fund are to:

- Consistently deliver positive real investment returns in the forms of income and capital growth by investing in a range of asset classes.
- Achieve investment performance that reflects the level of risk applicable to the Growth Fund's underlying asset classes.



Total value of the fund
\$964,384,799



Number of members
218,887



Date fund started
1 October 2007

Manager's Certificater: The Manager declares that to the best of its knowledge after making reasonable inquiry, all information required by the regulations has been disclosed in accordance with the Regulations and the information presented is accurate. The disclosure statement does not contain any matter that is likely to deceive or mislead with regard to any particular that would be material to an offer of an interest in the Pegasus KiwiSaver Scheme.

Scheme Provider: Pegasus New Zealand Investments Limited