



• Defined Portfolios

Conservative Fund - Update as at 31 March 2012

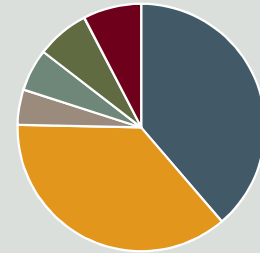
Fund Description

The fund generally holds a diversified portfolio made up predominantly of income assets such as cash, bank term deposits and a range of fixed interest securities. The fund may also hold an allocation to growth assets. Generally, these investments will be made via the Fixed Interest Fund and Equity Fund, but the fund may also hold some investments directly. This fund is best suited for investors with a medium term investment horizon (four years plus) who can tolerate a reasonable degree of volatility in returns.

Fund Manager's Comments

The fund returned 1.0% over March, with good gains from the fund's New Zealand equities. Fixed interest recorded a gain of 0.6% as interest rates traded in a narrow range over the month. The fund invested a further \$1.0m into the Fixed Interest Fund and as a result the weighting to fixed interest has increased from 36% to 39% and the cash weighting has declined to 37%. Within the Fixed Interest Fund \$0.7m was invested into a new issue of ANZ seven year senior bonds at 6.25% and \$1.0m was invested into a new issue of Rabobank seven year senior bonds at 6.1%. ANZ shares were added to the fund's Australian equity portfolio over the month. ANZ is taking a different approach to the other Australian banks and is looking at expanding into Asia.

Breakdown By Asset Class



NZ Fixed Interest - 38.7%	Cash - 36.7%
Property - 4.6%	NZ Equities - 5.5%
Australian Equities - 6.9%	Global Equities - 7.6%

Fund Performance as at 31 March 2012

	3 Months	1 Year	2 Years ^	3 Years ^	4 Years ^	Since Inception ^	Volatility ^
Fund *	1.4%	2.9%	4.4%	5.2%	4.9%	4.4%	2.2%
Benchmark **	1.9%	3.1%	5.1%	7.8%	6.1%	4.7%	3.9%
90d Bank Bill	0.7%	2.7%	2.9%	2.9%	4.1%		

* Fund performance is before tax and after expenses and fees (excluding any START[®] fee).
 ** Benchmark performance is not adjusted for fees.
 ^ annualised

Unit Price Chart vs Benchmark



Essential Fund Facts

Launch date:	25-Oct-07
Management Fee:	0.75%
Unit Price as at 31 March 2012:	\$1.2112
Fund Size as at 31 March 2012:	\$22,615,717
Composition of Total Return for year ended 31 March 2012:	Income: 4.5%
	Capital Growth: -1.7%
	Total Return: 2.9%
Investment Ranges: ¹	Growth Assets: 0% to 35%
	Income Assets: 65% to 100%
Benchmark: ²	Growth Assets: 25% (currently 24.6%)
	Income Assets: 75% (currently 75.4%)

¹ Please refer to the Investment Statement.

² The benchmark return is calculated using the following allocations to the nominated indices: 50% NZX Corporate Investment Grade Index, 25% NZX 90-Day Bank Bill Index, 10% NZX 50 Gross Index, 7.5% S&P/ASX 200 Accumulation Index (NZD) and 7.5% MSCI World Gross Index (NZD).

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Conservative Fund - List of investments as at 31 March 2012

	Units held	Weight	
CIPIML Defined Portfolios Fixed Interest Fund	9,296,731	38.7%	
CIPIML Defined Portfolios Equity Fund	4,780,090	24.6%	
Cash		36.7%	<i>Note: Subtotals may not add to 100% due to accrued interest and rounding</i>

Holdings in CIPIML Defined Portfolios Fixed Interest Fund					
	Rating	Weight		Rating	Weight
ANZ National Bank Bond (Mat. 18/09/12)	AA-	2.2%	Tauranga City Council (Mat. 15/04/16)	A+	0.6%
WestpacTrust Term Deposit (Mat. 30/04/12)	AA-	2.1%	ANZ National Bank Bond (Mat.31/03/15)	AA-	0.6%
WestpacTrust Term Deposit (Mat. 12/09/12)	AA-	2.1%	ANZ National Bank Bond (Mat.13/07/15)	AA-	0.6%
Watercare Services Senior Bond (Mat. 15/05/14)	AA	1.7%	BNZ Senior Bond (Mat. 13/08/15)	AA-	0.5%
Westpac Senior Bond (Mat. 28/11/13)	AA-	1.5%	Rabobank Nederland NZ Bond (Mat. 16/05/18)	AA	0.5%
ASB Unsubordinated Notes (Mat. 20/10/15)	AA-	1.1%	BNZ Senior Bond (Mat. 15/06/12)	AA-	0.5%
ASB Unsubordinated Notes (Mat. 08/06/17)	AA-	1.1%	ANZ National Bank Bond (Mat.20/09/18)	AA-	0.5%
Watercare Services Notes (Mat. 26/10/18)	AA	1.1%	Vector Limited Capital Bond (Mat. 15/06/12)	BBB-	0.5%
Insurance Australia Group Sub Bonds	A-	1.1%	Toyota Finance NZ Ltd Notes (Mat. 17/06/17)	AA-	0.5%
WestpacTrust Term Deposit (Mat. 06/08/12)	AA-	1.1%	Auckland Intl Airport Senior Bond (Mat. 17/10/17)	A-	0.5%
WestpacTrust Term Deposit (Mat. 10/04/12)	AA-	1.1%	Deutsche Bank AG (Mat. 16/06/14)	A3	0.5%
Fonterra Group Senior Bond (Mat. 21/04/14)	A+	1.1%	BNZ Senior Bond (Mat. 20/12/18)	AA-	0.4%
Rabobank Nederland NZ Notes (Mat. 19/03/19)	AA	1.1%	Rabobank MTN Senior Bond (Mat. 3/05/12)	AA	0.4%
Rabobank Nederland NZ Bond (Mat. 24/08/15)	AAA	1.0%	Rabobank Nederland Perpetual Capital Securities	A	0.3%
BNZ Fixed Rate Reg Transf Dep (Mat. 15/09/16)	AA-	1.0%	Fonterra Co-op Gp Perpetual Notes	A	0.3%
Contact Energy Bond (Mat.15/05/14)	BBB	0.9%	Auckland Intl Airport Senior Bond (Mat. 27/11/14)	A-	0.3%
BNZ Senior Bond (Mat. 27/05/13)	AA-	0.9%	ASB Senior Bond (Mat. 17/09/14)	AA-	0.2%
Auckland Council (Mat. 15/09/15)	AA	0.8%	TCNZ Finance Senior Bond (Mat. 22/03/13)	A-	0.2%
ANZ National Bank Bond (Mat. 13/3/19)	AA-	0.7%	ASB Senior Bond (Mat. 16/07/13)	AA-	0.1%
Fonterra Group Senior Bond (Mat. 10/03/15)	A+	0.7%	Mighty River Power Senior Bond (Mat. 15/05/13)	BBB+	0.1%
Waitakere City Council (Mat. 02/10/14)	AA	0.7%			
Auckland Council (Mat. 15/09/13)	AA	0.6%	<i>Accrued Interest</i>		0.5%
Tauranga City Council (Mat. 02/12/13)	A+	0.6%	Total Fixed Interest		37.1%
ANZ National Bank Bond (Mat. 9/06/14)	AA-	0.6%	Inflation Linked Bonds		
Contact Energy Bond (Mat.13/04/17)	BBB	0.6%	Transpower (Mat.15/05/20)	AA	1.2%
Auckland Council (Mat. 29/09/17)	AA	0.6%	NZ Government Index Bond (Mat. 15/02/16)	AA+	0.4%
Dunedin City Treasury (Mat. 25/11/14)	AA-	0.6%	Total Inflation Linked Bonds		1.6%

Holdings in CIPIML Defined Portfolios Equity Fund					
	Weight		Weight		Weight
New Zealand Equities					
Goodman Property Trust	1.2%	Port of Tauranga	0.3%	Ebos Group	0.1%
Kiwi Income Property Trust	0.9%	Sky City Entertainment Group	0.2%	Hallenstein Glasson	0.1%
Property for Industry	0.9%	Sky Network Television	0.2%	AMP NZ Office Limited	0.1%
Vital Healthcare Property Trust	0.9%	Trade Me	0.2%	Hellaby Holdings	0.1%
Ryman Healthcare	0.5%	Freightways	0.2%	Abano Healthcare Group	0.1%
Auckland International Airport	0.5%	The Warehouse Group	0.2%	New Zealand Windfarms	0.1%
Fletcher Building	0.5%	Wakefield Health	0.1%	NZX	0.1%
Contact Energy	0.4%	Vector	0.1%	Skellerup Holdings	0.0%
Trustpower	0.4%	Opus International Consultants	0.1%		
Fisher & Paykel Healthcare	0.4%	Telecom Corp	0.1%		
Mainfreight	0.3%	Chorus	0.1%	Total New Zealand Equities	9.5%
Australian Equities					
BHP Billiton	0.6%	Ramsay Health Care	0.2%	Westfield Group	0.1%
CSL	0.5%	Seek	0.2%	Origin Energy	0.1%
Commonwealth Bank of Australia	0.4%	Coca-Cola Amatil	0.2%	Transfield Services	0.1%
Westpac Banking Corp	0.4%	Newcrest Mining	0.2%	Sydney Airport	0.1%
Rio Tinto	0.4%	Stockland Trust Group	0.2%	National Australia Bank	0.1%
AGL Energy	0.4%	Telstra Corp	0.2%	Amcor	0.1%
QBE Insurance Group	0.3%	Australia & NZ Banking Group	0.2%	Wesfarmers Partially Protected	0.1%
Woolworths	0.3%	Cochlear	0.2%	BHP Billiton plc (LSE listed)	0.0%
APA Group	0.3%	Woodside Petroleum	0.2%		
Orica	0.3%	Computershare	0.2%		
Wesfarmers	0.3%	IOOF Holdings	0.2%	Total Australian Equities	7.3%
Global Equities					
RIT Capital Partners	0.7%	SPDR S&P International Dividend ETF	0.4%	Scottish Oriental Smaller Companies Trust	0.2%
SPDR DJ Industrial Average ETF	0.7%	Fidelity European Values Inv. Trust	0.3%	Aberdeen Asian Smaller Companies	0.1%
SPDR S&P Dividend Fund	0.7%	Henderson Far East Income	0.3%	Cavotec SA	0.1%
iShares MSCI EAFE Index Fund	0.6%	Vanguard MSCI Emerging Markets ETF	0.3%	Vanguard REIT ETF	0.1%
Bankers Investment Trust	0.6%	Caledonia Investments Trust (LSE)	0.3%	iShares DJ Select Dividend Index Fund	0.1%
British Empire Securities & General Trust	0.5%	JPMorgan Japanese Inv. Trust (LSE)	0.3%	TR Property Investment Trust	0.1%
SPDR S&P MidCap 400 ETF	0.5%	City of London Investment Trust	0.3%		
Templeton Emerging Markets	0.4%	Murray International Trust	0.2%	Total Global Equities	7.8%