



INVESTMENT UPDATE

JUNE 2012 QUARTER

Dear Member,

Welcome to the latest *Investment Update* for the Nissan Superannuation Plan, keeping you up to date with what's been happening in the financial markets and how the Plan's investments and your super have performed during the June quarter.

If you have any questions about your super, please contact me on (03) 9797 4290.

Marcus Wappet
Chairman, NSP Superannuation Pty Ltd

Quarter results

The Plan's **June 2012 quarter investment return** (net of fees and taxes) for the:

- Growth option was -1.8%
- Balanced 50/50 option was -0.4%
- Cash option was 0.9%

Investment returns for the key asset classes for the quarter for:

- Australian shares was -5.0%
- International shares (hedged) was -3.9%
- International shares (unhedged) was -4.1%
- Global property (hedged) was 3.2%
- Australian fixed interest was 4.6%
- Australian cash was 1.0%

Plan investment performance

Much of the June quarter was dominated by uncertainty, which pushed "risk assets" such as shares lower. The key driver of markets for the period was instability in the European region caused primarily by election results and a potential banking crisis.

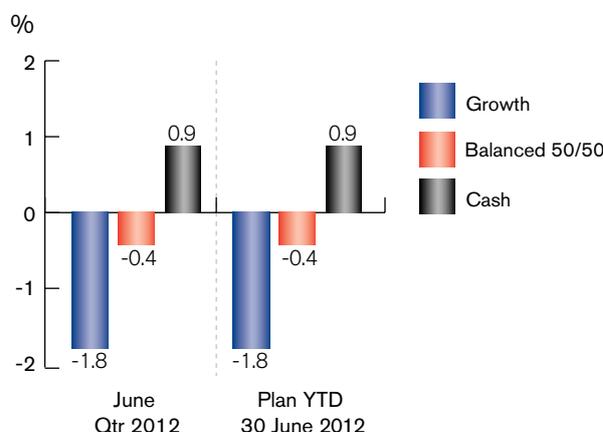
Australian shares broadly followed the trend of global markets, returning 8.6% in the March quarter, and then retracting to 5.0% in the June quarter. The Reserve Bank of Australia aggressively cut interest rates by 0.50% to 3.75% in April, as non-mining sectors of the economy continued to struggle. There was a further rate cut of 0.25% in June bringing the official cash rate to 3.5%, its lowest since November 2009.

The yields on five and ten year US, Japan, UK and Australian Government bonds have decreased notably over recent months, reflecting the defensive mood of investors seeking safe havens away from risk assets. Long-term rates remain well below long term averages. In an environment of risk aversion, it is not surprising that long duration government bonds were the standout performers over the June quarter (e.g. Australian fixed interest, + 4.6%).

The Plan's investment performance over the quarter has been adversely affected by the falls in share markets. The Plan's Growth option, which has the greatest exposure to share markets, fell by 1.8% over the June quarter.

The Trustee remains focused on positioning the Plan's investment options so that they meet their long-term objectives. In the shorter term, the Trustee expects share market volatility to impact returns.

The graph below shows the Plan's investment returns (net of investment fees and tax) for the three investment options for the quarter ended 30 June 2012.



Please note that past investment performance is not necessarily an indication of future performance.

Investment choice

From 1 April 2012, members of the Plan have investment choice. Defined Benefit members have investment choice on certain accounts only. Switching options is available on a monthly basis. The form to switch options is available from Julie Godwin or by contacting the Plan administrator on 1800 127 953. Switching fees may apply.

Speak to a licensed financial adviser if you need help with your investment decisions.

Crediting rates – annual and interim

The rate credited to members' accounts reflects the actual rate for your chosen investment option that the Plan has earned in any given year after allowing for tax and investment fees.

Trustee election result

David Lloyd has successfully been re-elected to the Trustee Board, serving a further three-year term. The Trustee congratulates David.

Time to start planning

Now that the new financial year has started, it's a good time to start planning your superannuation contributions for 2012/13.

Don't forget that there is a limit on how much you and the Company can contribute to the Plan as "concessional contributions" before extra tax applies. If your contributions exceed the cap, tax at 46.5% applies to the excess contributions, instead of the usual 15% tax that applies to concessional contributions.

The concessional contributions cap for the 2012/13 year is \$25,000 p.a, regardless of age.

Concessional contributions include:

- Contributions made by Nissan during the financial year or "notional" contributions for Defined Benefit members (see below),
- If you are an Accumulation member, any insurance premiums and expenses Nissan may pay for you, and
- Before-tax contributions or salary sacrifice you have made over the financial year to the Plan or to any other super fund.

It is important to regularly monitor your contributions to ensure you do not exceed the cap.

If you would like more information on concessional contributions, you can contact the Plan administrator on **1800 127 953** or **nissansuperadmin@linksuper.com**.

If you are a Defined Benefit member, the Plan's actuary calculates a "notional" employer contribution in respect of Nissan's contribution to fund your defined benefit. The "notional" contribution forms part of your annual concessional contribution that applies to your cap.

If you are a Defined Benefit member and you want to make or increase your top-up contributions, check first with the Trustee for details of your "notional" employer contribution applicable to the 2012/13 financial year.

The information in this publication is general information only and does not take into account your particular objectives, financial circumstances or needs. It is not personal or tax advice. Any examples included are for illustration only and are not intended to be recommendations or preferred courses of action. You should consider obtaining professional advice about your personal circumstances before making any financial or investment decision based on the information contained in this document.

Issued in August 2012 by NSP Superannuation Pty Ltd (ABN 53 063 972 202) as Trustee for the Nissan Superannuation Plan (ABN 24 774 305 410).