

legalsuper delivered a top quartile return of 3.8%<sup>(1)</sup> for the MySuper balanced investment option, where 68% of members are invested.



## Key highlights

### 27+ years

legalsuper has managed the superannuation of the legal community since we began on 6 March 1989.

### \$309 million inflows

Inflows include superannuation contributions paid by employers and members, as well as transfers into legalsuper from other super funds.

### 43,550 members across Australia

legalsuper's members include Judges, Barristers, Solicitors, Conveyancers and the staff and management of businesses across the Australian legal community

### 8.6%<sup>(1)</sup> p.a. investment return

for the MySuper balanced investment option, where 68% of members are invested, since legalsuper's inception in 1989.

### \$2.9 billion under management

27 specialist investment managers. Members can choose to invest in any combination of 13 investment options, including a selection of securities of their choice via the direct investment option.

### 8,534 employers

8,534 businesses nationally pay super contributions into legalsuper on behalf of their employees.



legalsuper out-performed SuperRatings' median by 1.0%<sup>(2)</sup>



legalsuper manages \$2.9 billion on behalf of 43,550 members in the legal community



legalsuper's growth in membership and total assets was top quartile<sup>(3)</sup>

(1) This return is net of investment manager fees and tax, gross of administration fees. legalsuper began offering MySuper balanced from 1 July 2013. Prior to this date the MySuper balanced investment option was known as the Growth option.

(2) legalsuper's return for its MySuper balanced investment option was in the top 25% of 188 comparable 'Balanced' investment options in the SuperRatings universe. SuperRatings is an independent research provider in the superannuation industry.

(3) This is the most recently available data sourced from the Annual Fund-Level Superannuation Statistics as at 30 June 2015 issued by the Australian Prudential Regulation Authority on 10 February 2016.

## What type of investor are you?

legalsuper understands that our members have different investment goals. That is why we offer a range of 13 investment options with different levels of risk and return. You may not know what type of investment style is best for you so we also provide an Investment Risk Calculator that can help you better understand how you may choose to invest your legalsuper account.

The Investment Risk Calculator is designed to help you understand the concept of risk and return. You answer 8 questions about your investment risk tolerance, your view on volatility and your likely investment time horizon. The questions will be used to assess your investment risk profile and what may be the most appropriate legalsuper investment option for you.

## Balancing returns and risk

The range of investment options on offer have different return objectives, risk profiles and asset allocations. Some options are invested in one asset class such as cash (a defensive asset) and other options are invested in a mix of asset classes such as Australian shares and property (growth assets) as well as defensive assets.

Members can choose to invest in a single option or a combination.

Employer sponsored members who do not make a choice will be invested in MySuper balanced, the default option.



To help better understand the benefits of legalsuper for your circumstances, we offer a range of calculators.

[legalsuper calculators](#)

Visit legalsuper's risk calculator

[Investment risk calculator](#)



## 13 investment options

members can invest their balance in any combination



- Default option:** MySuper balanced
- Single asset class option:** Cash, Enhanced cash, Australian shares, Overseas shares
- Pre-mixed asset class option:** Conservative, Conservative balanced, Balanced index, Balanced, MySuper balanced, Growth, High growth & Balanced socially responsible
- Self-select option:** direct investment option

Note: the above diagram is indicative only of the relative risk and return of investment options. Full information on the risk and return objectives of all investment options is in the PDS.

## Message from the Chief Investment Officer, Ed Smith

2015/16 was quite challenging for investors. The persistent themes throughout the year were:

- the troubled transition of China's economy from export oriented to consumption led,
- the equally challenging transition of the Australian economy from its commodity orientation to a broader economic base,
- very low commodity prices,
- a strong deflationary trend that caused European and Japanese authorities to go to the extremes of negative interest rates in an effort to drive investment and growth.

Prospects appeared a bit brighter in the United States, with improving employment and moderate growth.

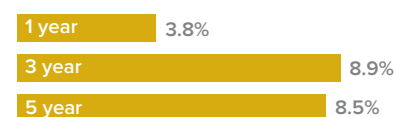
However, interest rates stayed close to zero as the rising US dollar and turbulent export markets forced the Federal Reserve to tread cautiously.

On top of all this, we had to grapple with ongoing political instability in the Middle East, Brexit, the looming prospect of confrontation in the South China Sea, more terrorist attacks and the worst refugee crisis since the second World War.

Given this gloomy backdrop, investment returns were considerably lower than in recent years. But there were a few bright spots. Bonds performed very well as interest rates continued to fall, and high yields assets such as property and infrastructure shone through.

I am pleased to report that returns for legalsuper members held up well throughout the year, thanks to its diverse investment strategy and strong performance from investment managers. The MySuper balanced option returned 3.8% over the year, which placed it in the top quartile of superannuation funds ranked by SuperRatings. Other legalsuper options also ranked very well against their respective peers.

MySuper balanced investment returns<sup>(1)</sup>



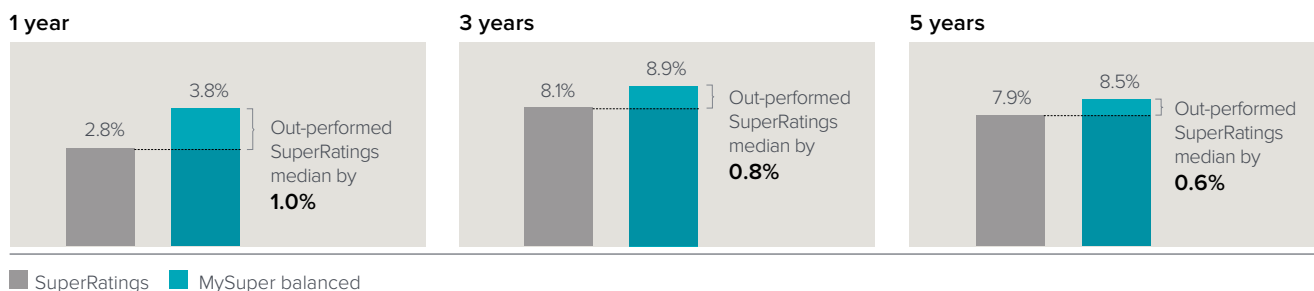
## Investment performance: superannuation members

The following table sets out the investment performance for each of legalsuper's investment options for superannuation members:

Investment option	1 year (% <sup>(2)</sup> )	3 years (% <sup>(2)</sup> p.a.)	5 years (% <sup>(2)</sup> p.a.)
MySuper balanced <sup>(1)</sup>	3.8	8.9	8.5
Cash	1.9	2.5	3.2
Enhanced cash	2.0	2.6	3.4
Conservative	3.2	5.9	6.2
Conservative balanced	3.6	7.6	7.5
Balanced	3.6	8.8	8.4
Balanced index	4.1	8.9	0.0
Growth	3.3	9.5	9.0
High growth	2.6	10.0	9.4
Australian shares	6.6	9.6	8.4
Overseas shares	-2.4	10.0	10.2
Balanced socially responsible	0.0	N/A	N/A

## Comparison to industry median

legalsuper's MySuper balanced investment option has out-performed the SuperRatings<sup>(3)</sup> median over 1 year, 3 years and 5 years to 30 June 2016 as shown below:



(1) Per annum to 30 June 2016 over 1, 3 & 5 years. legalsuper began offering MySuper balanced from 1 July 2013. Prior to this date the MySuper balanced investment option was known as the Growth option.  
 (2) Returns shown are net of investment fees and tax, gross of administration fees. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.  
 (3) SuperRatings Pty Ltd (ABN 95 100 192 283, AFSL 311880) is an independent superannuation assessment and superannuation ratings research organisation.

### Find out more

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