



For the year ended 30 June 2009

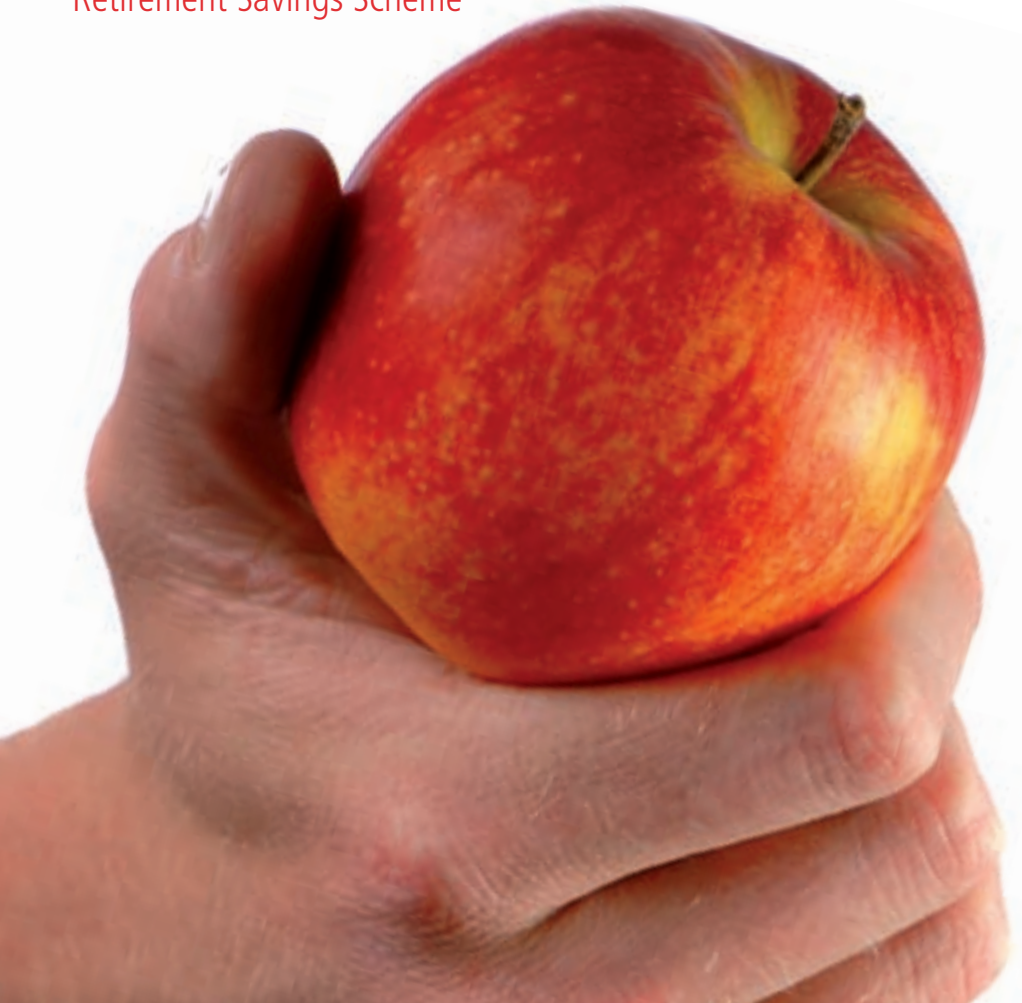
EMPLOYEE RETIREMENT PLAN

Annual Report

MERCER

 MARSH MERCER KROLL
GUY CARPENTER OLIVER WYMAN

Prepared for the Members of the Teachers
Retirement Savings Scheme



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Message from the Trustee

We are pleased to present the 2008/09 Annual Report for the Employee Retirement Plan (the ERP). The Teachers' Retirement Savings Scheme forms part of the ERP, and as at 30 June 2009 is the only scheme participating in the ERP.

In this report, you'll find information about the growth and performance of the Teachers' Scheme over the past year, as well as some general information.

Membership at an all time high

The Scheme was closed to new members from 1 October 2008. In the period between 1 July and when the Scheme closed, a membership drive boosted enrolment by a further 825 members. Over the 12 months to 30 June 2009, 226 members left the Scheme and total membership now sits at 12,912. This means that the Scheme has nearly 600 more members than at this time last year, reinforcing its status as one of New Zealand's largest employer-sponsored superannuation schemes.

The ERP received over \$45 million in contributions from Teachers' Scheme members and their employer over the year, approximately \$5 million more than in the previous year.

Over 90% of Teachers' Scheme members continue to contribute more than the Scheme's minimum 1% of salary, with 81% contributing at least 3%. This is extremely encouraging, especially in such a volatile financial environment and reflects members' awareness of the importance of saving for their retirement and the value placed on the employer's contribution.

Investment markets start to show signs of improvement

For much of the year volatile investment markets continued to affect returns adversely. However, positive results from all asset classes in the final four months of the Scheme year went some way in offsetting earlier losses. See page 5 for further information about investment markets and their impact on Scheme returns.

To summarise

The significant increase in membership before the Scheme closed to new members demonstrates teachers' commitment to saving for retirement. This enthusiasm has continued even during a period of volatility in returns in every asset class. History has shown, time and time again, the value of staying the course and sticking to your goals. We are confident that continuing commitment to saving for your future via the Scheme will be rewarded in the long-term.



on behalf of the Trustee, Public Trust

The Year's Results at a Glance

\$45.39m in contributions was received by the Teachers' Scheme and invested in the Employee Retirement Plan (ERP) during the 12 months to 30 June 2009.

The value of Teachers' Scheme members' funds invested in the ERP as at 30 June 2009 exceeded \$194 million, an increase of 13.0% (\$22.3 million) since 30 June 2008.

During the year, 825 new members joined the Teachers' Scheme, bringing total membership to 12,912 as at 30 June 2009. As mentioned in the 2008 annual report, the Teachers' Scheme was closed to new members from 1 October 2008.

In a year characterised by exceptionally volatile investment markets, the ERP has experienced returns in line with those of other similar schemes. For the year to 30 June 2009, the returns (after tax and fees and based on the monthly declared interest rates for each Investment Fund) were:

Cash Fund	3.92% p.a.
Stable Fund	-4.44% p.a.
Balanced Fund	-11.27% p.a.
Growth Fund	-17.78% p.a.

Scheme returns since inception (after tax and fees)

Period to 30 June	Investment Fund			
	Cash	Stable	Balanced	Growth
2003*	2.07%	5.41%	6.65%	8.03%
2004	3.13%	5.28%	7.99%	10.92%
2005	4.14%	6.95%	8.08%	9.14%
2006	5.16%	6.31%	10.56%	14.67%
2007	4.89%	5.68%	8.17%	10.75%
2008	6.01%	1.78%	-4.00%	-9.56%
2009	3.92%	-4.44%	-11.27%	-17.78%

*8 months only

The Teachers' Scheme website www.teachersretire.org.nz provides up-to-date information on the Teachers' Scheme's investment performance and growth throughout the year.

2009 Investment Returns

How your funds are invested

Teachers' Scheme members' funds are invested in the ERP's four Investment Funds. These funds, in turn, are invested with the Mercer Super Investment Trust (MSIT). Specialist investment managers selected for their expertise, and for recognised performance in their specific investment sectors, have been appointed to manage the MSIT's assets. The ERP's Investment Funds are invested according to their strategies, as outlined on pages 7 and 8, in the MSIT's investment sector funds.

Returns for the year

The indicative investment returns for each of the Investment Funds were:

Indicative Net Returns (after deductions for tax and Plan fees and expenses) % p.a.

Cash Fund	3.92
Stable Fund	-4.44
Balanced Fund	-11.27
Growth Fund	-17.78

The net returns are derived by compounding the monthly declared interest rates for each Investment Fund from 1 July 2008 to 30 June 2009. Please note that your actual returns may not be the same as those shown, as the timing of cash flows (for example, contributions) during the year will affect the actual returns achieved on your account balances.

The actual net investment earnings credited to your accounts are based on monthly declared returns, your allocations across the four Funds, and the balances in your accounts each month. The table below shows the monthly declared returns and, for illustrative purposes only, the cumulative returns for the year to 30 June 2009:

Fund	Period	Cash		Stable		Balanced		Growth	
		Monthly	Cumulative	Monthly	Cumulative	Monthly	Cumulative	Monthly	Cumulative
2008	July	0.53%	0.53%	0.33%	0.33%	0.25%	0.25%	0.22%	0.22%
	August	0.49%	1.02%	0.76%	1.09%	0.73%	0.98%	0.58%	0.81%
	September	0.44%	1.46%	-4.10%	-3.06%	-6.86%	-5.95%	-8.60%	-7.86%
	October	0.52%	1.98%	-5.67%	-8.55%	-9.42%	-14.81%	-12.90%	-19.74%
	November	0.41%	2.41%	-0.72%	-9.21%	-1.59%	-16.16%	-2.39%	-21.66%
	December	0.40%	2.81%	-1.97%	-7.42%	2.32%	-14.21%	2.14%	-19.98%
2009	January	0.34%	3.16%	0.19%	-7.25%	-0.31%	-14.48%	-0.99%	-20.77%
	February	0.19%	3.36%	-2.34%	-9.42%	-4.31%	-18.17%	-6.18%	-25.67%
	March	0.08%	3.45%	0.46%	-9.00%	0.88%	-17.45%	1.29%	-24.71%
	April	0.10%	3.55%	2.92%	-6.35%	4.94%	-13.37%	6.90%	-19.52%
	May	0.22%	3.77%	1.64%	-4.81%	1.95%	-11.68%	1.67%	-18.17%
	June	0.14%	3.92%	0.39%	-4.44%	0.47%	-11.27%	0.48%	-17.78%

These net returns take into account the investment returns achieved by the MSIT's specialist investment managers, plus any interest on contributions held in the ERP's bank account (before being invested), less tax and ERP expenses. Tax is deducted at 30%, while ERP expenses include all operating expenses, such as audit and bank fees and the MSIT's investment management fees.

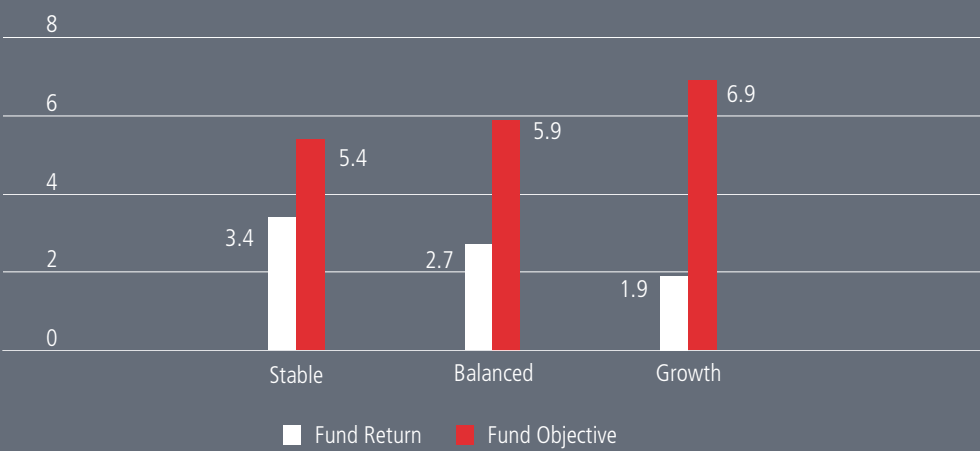
Investment returns are determined by how the different investment sectors perform and how the MSIT’s managers react and invest within those markets. See page 5 for the sector returns. Each of the ERP’s Investment Funds—Cash, Stable, Balanced and Growth—is invested in differing combinations of these sectors. See pages 7 and 8 for more details.

Returns compared with objectives

The long-term returns (net of tax and fees) from the three non-cash Investment Funds have been below their objectives, which are based on performance relative to inflation over a five-year period.

The objectives are shown on pages 7 and 8. For reasons behind Investment Fund returns, please turn to page 5.

Fund Net Returns Compared to Objectives % p.a. for Six Years to 30 June 2009



(The ERP’s Investment Fund returns and objectives are net of tax and investment expenses.)

The Cash Fund’s objective is based on a three-year time period. On average, over three years, the Cash Fund has matched the 90-day Bank Bill Index, as compared to its objective of outperforming it by 0.20% p.a.

Members’ current investment choice

The following chart shows the mix of members’ current investment choice (as at 30 June 2009).

Managed Fund Values as at 30 June 2009

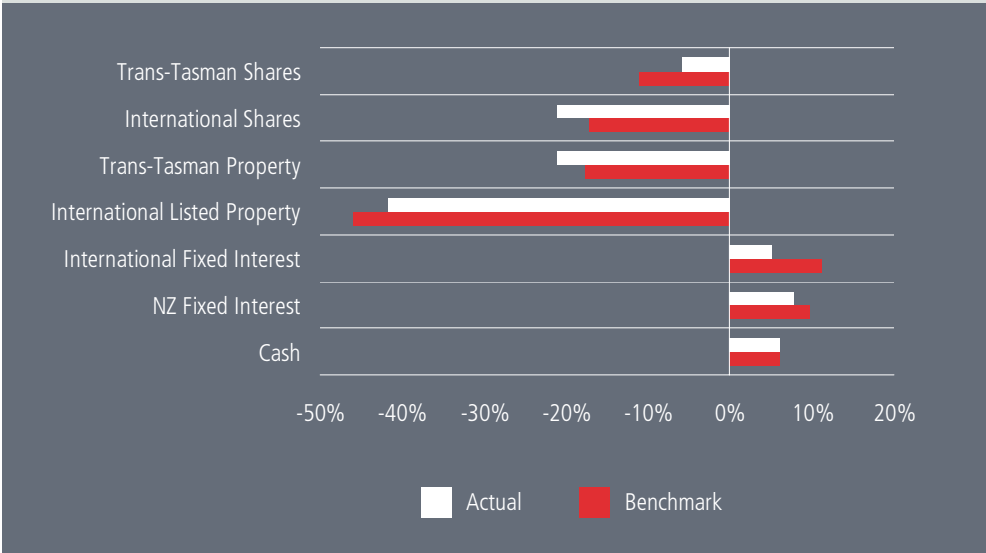


- Cash Fund \$27.88m (14%)
- Stable Fund \$36.63m (19%)
- Balanced Fund \$91.24m (47%)
- Growth Fund \$38.07m (20%)

Investment Performance

Gross returns to 30 June 2009

The gross returns (that is, before fees and tax) and the benchmark (or target) returns of the sector funds managed by specialist investment managers for the MSIT for the year to 30 June 2009 were:



The underperformance in international fixed interest was because a significant portion of this portfolio is held in corporate bonds (securities issued by banks and companies). In late 2008/early 2009 investors preferred government bonds because of concerns about the solvency of some corporate bond issues.

The below benchmark return from NZ fixed interest is because the return from this asset class is measured against government bonds, while the NZ fixed interest portfolio includes corporate bonds which underperformed compared to government debt.

Trans-Tasman property underperformed for the year to June 2009. The Fund invests in property through the AMP Capital Property Portfolio, a portfolio of directly held properties. Property values fell over the year due to the global financial crisis and economic downturn. In particular, the valuation of direct (or unlisted) properties lagged the valuation of listed property assets, against which the Fund is assessed. That is, whereas the prices of listed property securities fell sharply in 2008 and started to rebound in 2009, the price of direct property has fallen more slowly (as it catches up with listed property). As a result, while the Trans-Tasman property fund out-performed strongly in the year to June 2008, it has under-performed in the year to June 2009.

International share funds underperformed over this period as global equity managers across the board found the volatile market conditions extremely difficult. As a result of the fear and negative sentiment that gripped markets throughout the global financial crisis, even good quality companies were sold off as investors abandoned shares in favour of cash. To the extent more normal conditions have returned to share markets, active managers have started to make up for investment losses.

Investment market performance to 30 June 2009

The year to 30 June 2009 was one of extremes.

Shares

Returns from the Scheme's investments in shares were very weak for the first three quarters of the Scheme year as major share markets fell sharply in response to negative economic news. Mid-March finally brought some improvement when better than expected profit results and a surprise upturn in US

housing activity saw returns rise. While the global effects of the recession were still apparent for the remainder of the year, increased confidence in share markets and investors' willingness to take on more risk saw the improved returns from the Scheme's international share investments continue from March to June 2009. This improvement has continued beyond the end of the year.

Property

Returns from Trans-Tasman and international property also suffered for much of the Scheme year, caught between rising borrowing costs and global financial market volatility.

Fixed Interest

International fixed interest investments provided mixed returns. A significant percentage of the ERP's international fixed interest portfolio is invested in corporate bonds (loan securities issued by institutions such as banks and companies). In the first part of the year investors preferred government bonds (loan securities issued by governments) because of concerns about the solvency of some corporate bond issuers. This sentiment was reversed in the second half of the year as corporate bonds came back into favour because of concerns that governments will need to increase the quantity of bonds issued to finance the massive costs of economic stimulatory measures (reducing the value of existing bonds). Despite this, the Scheme's returns from its investments in both New Zealand and international fixed interest have been positive.

Cash

Cash also provided positive returns, starting the Scheme year well but weakening later as short-term interest rates hit record lows.

Investment strategy

The ERP offers members four Investment Funds with varying degrees of risk, from low risk (the Cash and Stable Funds) to high risk (the Growth Fund). "Risk" in this context means the expected fluctuations in returns (also referred to as volatility) and the likelihood of posting a negative return. Risk is managed by investing the funds in a variety of investment sectors (each with its own risk level) to spread or diversify the overall risk to you. The graph on the previous page shows returns for these sectors. The overall risks and returns from each Investment Fund reflect the risks and returns of the various investment sectors in proportion to the percentage the Investment Fund is invested in each sector.

The benchmark allocations as at 30 June 2009 are set out on pages 7 and 8.

The benchmark allocation is intended to be a long-term average mix, but the actual mix will vary from time to time as the funds are actively managed. Active management means that the investment managers have the discretion to adjust the allocation of the assets under their management to try and improve returns.

Statement of investment policy and objectives

Copies of the statement of investment policy and objectives for the ERP can be obtained free of charge from the ERP's Secretary, Derek Vincent of Mercer, at the address shown in the Directory on page 16.

The following charts summarise the main features of each of the ERP's Investment Funds.

Your Guide to the ERP's Investment Funds

Cash Fund - Benchmark asset allocation (as at 30 June 2009)



■ NZ Cash 100%

Investment objective

To outperform the NZX 90-Day Bank Bill Gross Index by 0.20% p.a. over any rolling three year period.

Suitable for investors looking for

Short-term investments offering protection from negative returns (particularly applicable if you are nearing retirement age).

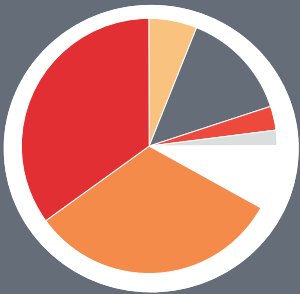
Risk of capital loss (negative return)

Unlikely, with returns similar to those from cash deposits.

Mix of investments

NZ cash and short-term (up to one year) NZ dollar securities issued or back by the NZ Government, NZ banks or corporates. Generally, securities that have a minimum short-term credit rating of A-1 or better.

Stable Fund - Benchmark asset allocation (as at 30 June 2009)



■ Trans-Tasman Shares 6% ■ NZ Fixed Interest 8%
■ International Shares 14% ■ International Fixed Interest 32%
■ NZ Property 3% ■ Cash 35%
■ International Property 2%

Investment objective

For the long-term net return (after tax and investment-related expenses) to outperform inflation (as measured by the increase in the Consumers Price Index (CPI)) by an average of 2.5% p.a.

Suitable for investors looking for

Consistent shorter-term returns but with less variability than the Balanced and Growth Funds.

Risk of capital loss (negative return)

Low (one year in every 14 years).

Mix of investments

25% growth assets, 75% income assets.

Balanced Fund - Benchmark asset allocation (as at 30 June 2009)



Trans-Tasman Shares 12%	NZ Fixed Interest 8%
International Shares 28%	International Fixed Interest 32%
NZ Property 4%	Cash 10%
International Property 6%	

Investment objective

For the long-term net return (after tax and investment-related expenses) to outperform inflation (as measured by the increase in the Consumers Price Index (CPI)) by an average of 3.0% p.a.

Suitable for investors looking for

Medium-term investments with potentially higher returns than those from the Stable Fund, and who are willing to accept some variability in returns.

Risk of capital loss (negative return)

Moderate (one year in every six years).

Mix of investments

50% growth assets, 50% income assets.

Growth Fund - Benchmark asset allocation (as at 30 June 2009)



Trans-Tasman Shares 18%	NZ Fixed Interest 4%
International Shares 42%	International Fixed Interest 16%
NZ Property 4%	Cash 5%
International Property 11%	

Investment objective

For the long-term net return (after tax and investment-related expenses) to outperform inflation (as measured by the increase in the Consumers Price Index (CPI)) by an average of 4.0% p.a.

Suitable for investors looking for

Long-term investments with potentially higher returns than those from the Stable or Balanced Funds, and who are willing to accept more variable returns in the short term.

Risk of capital loss (negative return)

High (one year in every five years).

Mix of investments

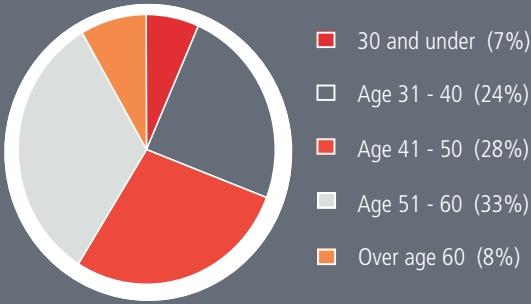
75% growth assets, 25% income assets.

The Year in Review

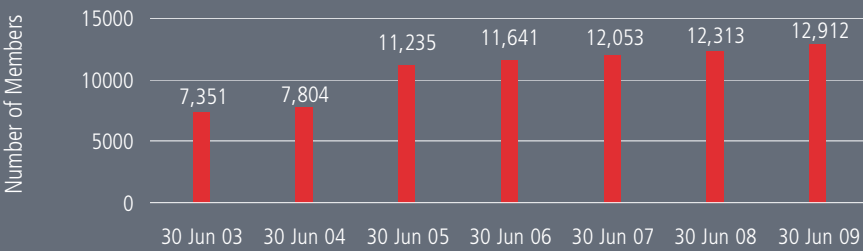
Membership

The ERP's membership (made up entirely of Teachers' Scheme members) increased from 12,313 at 30 June 2008 to 12,912 at year end 30 June 2009. There were 825 new members and 226 members withdrew.

Membership Profile

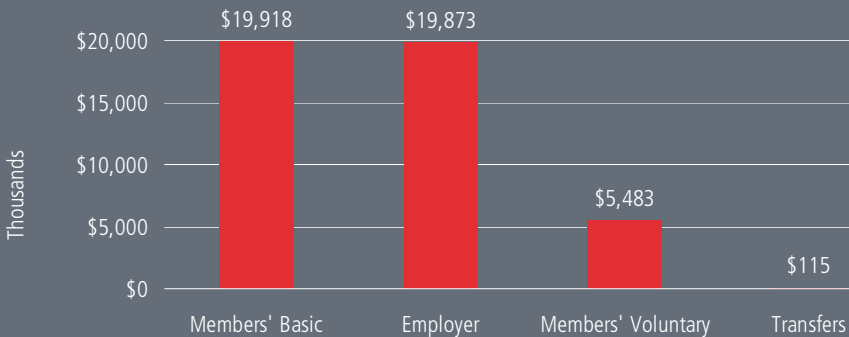


Growth in Membership



Contributions

In the year to 30 June 2009, contributions and transfers into the ERP in respect of the Teachers' Scheme totalled \$45,389,392. The graph below shows the sources.



Members' funds invested

In the year to 30 June 2009, \$45.39 million of Teachers' Scheme contributions was invested in the Mercer Super Investment Trust (MSIT) (before ERP expenses were deducted and members' withdrawal benefits paid). This compares to \$40.38 million received in the previous year to 30 June 2008.

The total Financial Assets in the ERP invested with the MSIT increased by 13.8%, from \$170,247,351 as at 30 June 2008 to \$193,828,021 as at 30 June 2009.

Benefit payments and membership changes

In total, 226 members left the Teachers' Scheme during the year. Of these:

–	165 members retired (permanently leaving teaching aged 50 or more)	\$2,689,303
–	5 members died	\$49,934
–	4 members were paid out on disability, ill-health or redundancy	\$76,157
–	31 members transferred to another superannuation scheme	\$265,362
–	17 members were paid out due to permanent emigration	\$112,954
–	4 members received financial hardship or relationship property division payments	\$19,734

Total benefit payments to members who left the Teachers' Scheme **\$3,213,444**

In addition, the following partial withdrawal payments were made:

–	14 members received partial retirement benefits (after attaining age 55)	\$178,859
–	160 members received in-service withdrawals (under age 50)	\$452,283
–	460 members received in-service withdrawals (over age 50)	\$2,326,332
–	39 members received financial hardship partial payments	\$235,693

Total partial withdrawal payments made **\$3,193,167**

Total benefit payments **\$6,406,611**

The Trustee

The Trustee (Public Trust) meets with the administration manager and the investment manager of the MSIT Investment Funds at least quarterly, to monitor the ERP's administration, review its investment performance and to discuss other issues relevant to its operation. The Trustee also meets with the Ministry of Education during the year to discuss benefit design, legislative changes and other relevant issues.

At 30 June 2009, the Trustee's Board Members were:

Candis Craven, Auckland
Donal Curtin, Auckland (Chairman)
Rodger Finlay, Christchurch
Robin Hill, Upper Hutt
Trevor Janes, Auckland
Fiona Pimm, Christchurch
Sarah Roberts, Auckland
Murray Weatherston, Auckland

During the year David Edwards and Hon Matt Robson resigned from the Board of Public Trust, and Trevor Janes and Rodger Finlay were appointed.

Public Trust has appointed Dean Apps, Robert Gatward and Martyn Ogilvie to act as representatives of the Trustee in fulfilling its role and carrying out the necessary day-to-day activities.

Trustee's certification

All contributions required to be made to the ERP in accordance with the terms of the Trust Deed have been made.

In accordance with the requirements of the Superannuation Schemes Act 1989, the Trustee of the Employee Retirement Plan (ERP) certifies that:

- All benefits required to be paid from the ERP in accordance with the terms of the Trust Deed have been paid.
- The market value of the assets of the ERP at the close of the financial year - 30 June 2009 - equalled or exceeded the total value of benefits that would have been payable had all members ceased to be members at that date, and had provision been made for the continued payment of all benefits being paid to members and other beneficiaries as at the close of the financial year.



For and on behalf of Public Trust as Trustee of the Employee Retirement Plan

30 September 2009

For the purposes of this certificate, 'the Trust Deed' means the trust deed of the ERP as amended from time to time, as well as the relevant employer agreements (other than those parts comprising the Investment Instructions), as amended from time to time.

The Trust Deed

The Teachers' Scheme is part of the ERP, a cash accumulation superannuation scheme governed by a trust deed dated 30 August 2002 (as amended) and registered under the Superannuation Schemes Act 1989.

The ERP's Trust Deed sets out the ERP's rules. However, these may be overridden by the terms of the employer agreement applicable to the Teachers' Scheme. The Trustee is responsible for ensuring the provisions of the Trust Deed - subject to the terms of any relevant employer agreement - are carried out.

During the year, there were no amendments to the ERP Trust Deed, and there were no amendments to the employer agreement.

Trust Deed: You can view the Trust Deed and the Teachers' Scheme employer agreement at the Wellington office of Mercer (N.Z.) Limited (Level 8, 113-119 The Terrace, Wellington). Copies are also available at a cost of less than \$10.

Investment Statement: You can also obtain copies of the Teachers' Scheme Investment Statement, which summarise the main provisions of the Trust Deed and the employer agreement, from the Teachers' Scheme website www.teachersretire.org.nz or by calling 0508 4 TEACHERSRETIRE or 0508 4 83224.

Trustee's disputes handling procedure

The ERP's Trustee has a disputes handling procedure that is available to any member who has a complaint about the ERP's operation. Contact the Secretary to the Trustee at the address on page 16 for further information.

Notes to abridged financial statements

A summary of the Plan's audited financial statements for the year ended 30 June 2009 which were authorised for issue on 30 September 2009 is shown on page 13 and 14 of the annual report. The summary financial statements were authorised for issue by the Trustee. The summary financial statements have been extracted from the full audited financial statements as at 30 June 2009. An unqualified audit report on the full financial statements was issued on 30 September 2009. The summary financial statements have been prepared in accordance with FRS-43: Summary Financial Statements.

The full financial statements have been prepared in accordance with generally accepted accounting practice and they comply with New Zealand equivalent to International Financial Reporting Standards (NZ IFRS). The Plan has made an explicit and unreserved statement of compliance with NZ IFRS in note 2 of its full financial statements.

The financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Plan operates.

The summary financial statements cannot be expected to provide as complete an understanding as provided by the full financial statements of changes in net assets, net assets and cash flows of the Plan. A copy of the full financial statements can be obtained, free of charge, from the Plan's administration manager. The Plan is a profit oriented entity.

The auditor has examined the summary financial statements for consistency with the audited financial statements and has issued an unqualified opinion.

Abridged Financial Statements

	2009	2008
	\$	\$
Statement of Changes in Net Assets		
Investment Activities		
Net Investment Income	(15,202,627)	(6,383,845)
Net Investment Loss	(15,202,627)	(6,383,845)
<i>Less</i>		
Other Expenses		
Administration Fees	312,297	289,931
Auditors' Remuneration - Audit Fees	15,863	16,763
Auditors' Remuneration - Other Fees	-	3,456
Trustee Fees	75,612	72,702
Other Expenses	24,688	21,039
Total Other Expenses	428,460	403,891
Change in Net Assets Before Taxation and Membership Activities	(15,631,087)	(6,787,736)
Income Tax Expense/(Credit)	1,075,766	(398,162)
Change in Net Assets After Taxation and Before Membership Activities	(16,706,853)	(6,389,574)
Membership Activities		
Member Contributions	19,917,892	17,489,577
Member Voluntary Contributions	5,483,210	5,354,764
Employer Contributions	19,873,138	17,488,323
Transfers in from Other Schemes	115,152	46,291
<i>Less</i>		
Benefits Paid	(6,406,611)	(5,257,629)
Net Membership Activities	38,982,781	35,121,326
Net Decrease in Net Assets During the Year	22,275,928	28,731,752

	2009	2008
	\$	\$
Statement of Net Assets		
Assets		
Financial Assets - Fair Value Through Profit or Loss	193,828,021	170,247,351
Current Assets	1,824,499	1,327,937
Non-Current Assets	342,305	461,665
Total Assets	195,994,825	172,036,953
<i>Less</i>		
Liabilities		
PIE Tax Payable to Investment Manager	1,777,606	-
Benefits Payable	1,835	16,429
Member Contributions Received in Advance	211	21,492
Employer Contributions Received in Advance	458	18,236
Transfers Receivable	-	29,482
Fund Withdrawal Tax Payable	239	12,900
Trade and Other Payables	59,133	58,999
Total Liabilities	1,839,482	157,538
Liability for Promised Benefits	194,155,343	171,879,415
Vested Benefits*	194,155,343	171,879,415

Statement of Cash Flows

Net Cash Flows from Operating Activities	38,537,312	34,887,986
Net Cash Flows from Investing Activities	(38,040,750)	(36,340,476)
Net Increase/(Decrease) in Cash Held	496,562	(1,452,490)
Cash at Beginning of Year	1,327,937	2,780,427
Cash at End of Year	1,824,499	1,327,937

* Vested Benefits are benefits payable to members or beneficiaries under the conditions of the Trust Deed, on the basis of all members ceasing to be members of the Scheme at balance date.

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Auditors' Report

To the members of the Employee Retirement Plan

We have audited the summary financial statements of the Plan for the year ended 30 June 2009 on pages 12 to 14.

Trustee's responsibilities

The Trustee is responsible for the preparation and presentation of the summary financial statements in accordance with generally accepted accounting practice in New Zealand.

Auditors' responsibilities

We are responsible for expressing to you an independent opinion on the summary financial statements presented by the Trustee.

Basis of opinion

Our audit was conducted in accordance with New Zealand Auditing Standards and involved carrying out procedures to ensure the summary financial statements are consistent with the full financial statements on which the summary financial statements are based. We also evaluated the overall adequacy of the presentation of information in the summary financial statements against the requirements of FRS 43: *Summary Financial Statements*.

We have no relationship with or interests in the Plan other than in our capacity as auditors.

Unqualified opinion

In our opinion:

- (a) the amounts set out in the summary financial statements have been correctly extracted from the full financial statements of the Plan and are consistent in all material respects with the full financial statements, upon which we expressed an unqualified audit opinion in our report to the members dated 30 September 2009; and
- (b) the information reported in the summary financial statements complies with FRS-43: *Summary Financial Statements*.

We completed our work for the purposes of this report on 8 October 2009 and our unqualified opinion is expressed as at that date.



Chartered Accountants

Wellington

Directory

ERP Trustee

Public Trust is the Trustee of the ERP.

As Trustee it is responsible for the management of the ERP on behalf of members, ensuring the ERP is operated in accordance with the Trust Deed, and acting in the best interest of members at all times.

ERP Secretary

The ERP's Secretary and Privacy Officer is Derek Vincent of Mercer.

All correspondence with the ERP Trustee should be addressed to:

The ERP Trustee
c/- The Secretary to the Trustee
Mercer (N.Z.) Limited
Level 8, 113-119 The Terrace
P O Box 2897, Wellington 6140
Telephone: 04 819 2600 Fax: 04 914 0434

Administration manager

As the administration manager, Mercer maintains records of members' accounts, calculates members' benefits, prepares the annual accounts and produces members' annual statements.

Mercer (N.Z.) Limited
Level 8, 113-119 The Terrace
P O Box 1849, Wellington 6140
Free Phone: 0508 4 TEACHERSRETIRE or 0508 4 83224
Direct phone line: 04 819 2600 Fax: 04 914 0434
Email: teachersretire@mercer.com Website: www.teachersretire.org.nz

Investment managers

The ERP funds are invested by the Mercer Super Investment Trust with a team of specialist investment managers selected for their expertise and recognised performance in their specific investment sectors.

Asset Class	Investment Manager
Trans-Tasman Shares	Brook Asset Management Limited ING (New Zealand) Limited
International Shares	Mercer*
Trans-Tasman Property	AMP Capital Investors (New Zealand) Limited
International Property	AMP Capital Investors (New Zealand) Limited ING (New Zealand) Limited
NZ Fixed Interest	Tyndall Investment Management New Zealand Limited
International Fixed Interest	PIMCO
NZ Cash	ING (New Zealand) Limited

*Mercer utilises the following investment managers for its multi-manager international shares portfolio:

Baillie Gifford & Co Bernstein	Martin Currie RCM
Edinburgh Partners	State Street Global Advisers
Fidelity International	Taube Hodson Stonex Partners
Lazard Asset Management	

During the year Mercer appointed Fidelity International, Martin Currie and RCM, and ceased using Acadian, Alliance and Arrowstreet.

