

Kapstream Absolute Return Income Fund

Fact sheet | 31 January 2019

| Fund facts | |
|---|---|
| Asset class | Fixed interest - absolute return |
| Inception date | 04 December 2017 |
| Investment menu code | UF10A |
| APIR code | ALL8139AU |
| Investment management cost (ICR) ¹ | 0.70%p.a. |
| Buy/sell spread | 0.00% / 0.00% |
| Suggested minimum investment period | 1 Year |
| Risk level | 2 - Low |
| Invests into | Kapstream Absolute Return Income Fund (APIR: HOW0052AU) |

Investment objective

Aims to provide a steady stream of income and capital stability over the medium term while aiming to outperform a composite index of 50% Bloomberg AusBond Composite Bond 0-3 Year Index² & Bloomberg AusBond Bank Bill Index² through market cycles.

Investment approach

Targets an absolute return over time, by investing in a global, diversified portfolio of predominantly investment grade fixed income securities, according to the manager's global macroeconomic and market views.

About the investment manager

Kapstream Capital manages over A\$10 billion from offices in Sydney and Newport Beach, California. Kapstream invest by setting absolute return targets and absolute risk limits, creating portfolios that are constructed using predominantly investment grade assets that more closely meet the requirements of a growing number of investors, in delivering consistent and positive returns. Since July 2015 Kapstream has operated as an autonomous 'boutique' subsidiary, initially of Janus Capital Group and – since their merger in May 2017 with Janus Henderson Investors.

Performance³ (after tax and management fees)

| | Performance |
|--------------------------|-------------|
| 1 month (%) | 0.13 |
| 3 months (%) | 0.02 |
| 6 months (%) | 0.27 |
| 1 year (%) | 0.40 |
| 2 year (p.a. %) | - |
| 3 year (p.a. %) | - |
| 5 year (p.a. %) | - |
| 7 year (p.a. %) | - |
| 10 Year (p.a. %) | - |
| Since Inception (p.a. %) | 0.46 |

Notes

¹ The Indirect Cost Ratio (ICR) includes the investment manager's fees, estimated performance fee (if applicable), estimated expense recoveries and other indirect costs as a percentage of total average assets of the investment option as at 30 June 2018, but excludes indirect transactions and operation costs (see latest copy of the PDS).

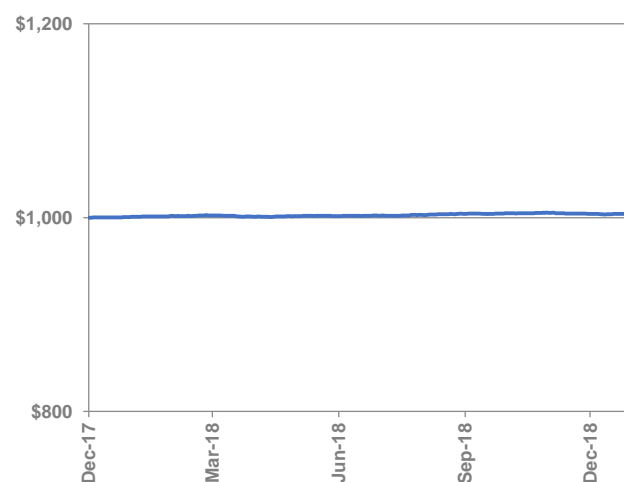
² Bloomberg Finance L.P. and its affiliates (collectively, 'Bloomberg') do not approve or endorse this material and disclaim all liability for any loss or damage of any kind arising out of the use of all or any part of this material.

³ Past performance is not an indicator of future performance.

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Growth of \$1,000 since inception



Target asset allocation

| | Range |
|------------------------------|--------|
| Cash | 0-100% |
| Australian fixed interest | 0-100% |
| International fixed interest | 0-100% |

Actual asset allocation⁴

| | Range % |
|------------------------------|---------|
| Cash | 0.92 |
| Australian fixed interest | 66.75 |
| International fixed interest | 32.33 |
| Total | 100.00 |

Notes

⁴ Asset allocations are updated quarterly.

Investor services

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Adviser services

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Important notice: Generation Life Limited (Generation Life) AFSL 225408 ABN 68 092 843 902 is the issuer of Investment Bonds (IB). In deciding to acquire an IB or to hold an IB (including switching between Investment Portfolio options), you should obtain the relevant PDS and consider its content. We recommend that you obtain financial, legal and taxation advice before making any investment decision, including switching Investment Portfolios. Generation Life does not guarantee (whether expressly or impliedly) investment returns or the return of capital invested when investing in IB Investment Portfolios. The information in this Adviser Reference Sheet does not take account of your objectives, financial situation or needs. Past performance is not an indicator of future performance. Performance is measured by Investment Portfolio unit price movements (after Tax and Management fees). The above-listed information is correct up to and including 31 January 2019 only.