# ING Capital Guaranteed - fund changes

## January 2009

ING Life Limited has announced changes to the current asset allocation for the ING Capital Guaranteed fund, and the PLUS Range and Traditional products.

### Background information

The ING Capital Guaranteed fund (the Fund) aims to provide returns in excess of the return on cash (after fees, charges and taxes) and the rate of change in inflation over periods of three years or more while protecting investors' capital and interest credited. This is achieved by investing in a diversified portfolio of assets including cash and fixed interest (defensive assets) and property and shares (growth assets).

### What changes have been made?

In managing the asset allocation of the Fund, ING Life Limited has made a tactical shift away from growth assets towards defensive assets. The asset allocation as at 31 December 2008 to growth assets was 11% and the asset allocation to defensive assets was 89%. Additionally, to help facilitate ongoing management of the fund, ING Life Limited has introduced ranges to each of the asset classes in which the Fund invests. These are outlined below along with the current benchmarks.

#### Current asset allocation benchmark and ranges

| Asset class | Benchmark (%) | Range (%) |
|---|---|---|
| Cash | 20 | 10-65 |
| Australian fixed interest | 35 | 22.5-47.5 |
| Inflation linked bonds | 5 | 2.5-7.5 |
| International fixed interest | 10 | 5-15 |
| **Defensive assets** | **70** | **68-95** |
| Property securities | 10 | 0-15 |
| Australian shares | 17.5 | 5-30 |
| International shares | 2.5 | 0-5 |
| **Growth assets** | **30** | **5-32** |
| **Total** | **100** | |

### Why has ING Life Limited taken this action?

This action has been taken in response to the current unprecedented market conditions to protect the best interests of all investors.

The return to investors is guaranteed by ING and cannot be negative, however a zero return would not be in the best interests of investors. Accordingly a moderation of the risk profile by partially switching out of growth assets was prudent in order to help the Fund meet its long term investment objective.

This action is not intended to be a long-term change to the asset allocation - ING Life Limited continues to monitor market conditions and will look for opportunities to return the asset allocation of the Fund to the long-term benchmark.

### What does this mean for you?

The investment objective, strategy and benchmark asset allocation for the fund has not changed. The decision to tactically change the asset allocation of the fund does not affect the capital value of your investment. You are not required to take any action as a result of this change.

### What products are impacted?

- ING Capital Guaranteed fund - available via OneAnswer Personal Super, OneAnswer Pensions, Tax Effective Investment Bond, Deferred Annuity, Allocated Annuity, DIY Super funds, Future Plans, Pooled Investment Plan, Corporate Super and Integra Super
- PLUS Range superannuation and investments*
- Traditional superannuation and investments*.

*Investors in these products invest in the ING Capital Guaranteed fund.

## What is the effective date of these changes?

These changes were made throughout November 2008.

## Any questions?

If you have any questions or would like further information, please:

- speak with your financial adviser
- call Customer Services on 133 665, weekdays between 8am and 8pm (Sydney time)
- email us at customer@ing.com.au

For Corporate Super:

- call Customer Services on 1800 627 625, weekdays between 8am and 8pm (Sydney time)
- email corpsuper@ing.com.au

ING Custodians Pty Limited
ABN 12 008 508 496 AFSL 238346 RSE L0000673

ING Life Limited
ABN 33 009 657 176 AFSL 238341

347 Kent St
Sydney NSW 2000.

This material is current as at January 2009 and may be subject to change. It must not be reproduced without the written consent of the issuer. This material has been prepared without taking into account a potential investor's objectives, financial situation and needs. Before making a decision based on this material, a potential investor should consider the appropriateness of advice, having regard to their objectives, financial situation and needs. Before acquiring a product or deciding whether to hold a product, investors should consider the relevant Product Disclosure Statement which is available at www.ing.com.au or by calling 133 665.