

INVESTMENT STRATEGY HITS THE RIGHT NOTE WITH

STRONG 2016-17 RETURNS



Despite a year of global political and economic uncertainty, Media Super's investment strategy delivered strong returns for members. Investment returns for both our super and pension (default) Balanced options finished in the top 15 Australian super funds.¹

The financial year began with investors finding their feet in a post-Brexit global economy. Australian super funds were affected short-term but losses were recovered in the following months, as the immediate impacts were predominantly confined to the UK.

Next, the world prepared for the US presidential election in November 2016, not knowing quite what to expect. Election day saw volatile share markets; however, taking their cue from Brexit, global equity markets went from strength to strength. Since then, the US equity market has reached all-time highs. In December 2016, US interest rates were increased for the first time since the GFC, signalling economic growth and inflation.

The outcome of the French presidential election in May helped to stabilise the tone of European politics and, in turn, stabilised and strengthened European economic resolve.

Theresa May's snap election in the UK in June didn't work out too well for her party, but fortunately the outcome had little impact on global markets.

Your investment returns

After comparatively low returns in 2015-16 across Australian super funds, we have achieved strong double-digit returns in the past financial year.

Our Balanced (MySuper) option – in which most members are invested – **returned 11.53%³ for the financial year to 30 June 2017**, well ahead of the median return of 10.53%.¹

The pension Balanced investment option also continues to perform strongly, **returning 12.49%³ for the financial year to 30 June 2017**, also well ahead of the median return of 11.23%.²

Media Super's Balanced (MySuper) option is well diversified across shares (Australian and international), property, infrastructure, fixed interest and cash investments, as well as various alternative investments, such as our R&D and Fulcrum film and television financing fund.

By investing in our Balanced (MySuper) investment option you also have added peace-of-mind knowing we have portfolio insurance in place, a mechanism designed to reduce the impact of losses if share markets fall heavily. We are one of the few funds that has this type of insurance in place.

The year ahead

The global economy continues to display positive economic signs, including higher growth and job creation, in both the US and Europe. Around the world, central banks are focusing on increasing interest rates to a more 'normal' level. This should be viewed positively, as the extraordinary post-GFC measures are slowly and tentatively unwound in the major economies.

Broadly speaking, economic growth is positive for asset prices, such as shares, property and infrastructure; although, given strong price rises in 2016-17, there may be limited further upside. In an environment of continuing moderate economic growth, low interest rates and low inflation, we are not likely to see another year of double-digit returns.

In any event, superannuation funds are focused on long-term investment objectives and returns. In Media Super's case, the investment objective for the Balanced (MySuper) option is CPI + 3.5% over rolling 10-year periods.

Over the past three years, we have worked to enhance our investment strategy and significantly improved our performance, in pursuit of that long-term goal.

We're here to help

Everybody's investment needs are different and if you have questions about your investment options or would like help developing an investment strategy that best meets your needs and circumstances, speak to a Media Super Financial Planner.*

You can arrange to speak to a financial planner by calling us on **1800 640 886**.

¹ SuperRatings Fund Crediting Rate Survey – SR50 Balanced options [60-76] Index, June 2017.

² SuperRatings Fund Crediting Rate Survey – SRP50 Balanced options [60-76] Index, June 2017.

³ Investment returns are not guaranteed and past performance gives no indication of future returns.

* For more details on Industry Fund Services financial planners, please see disclaimer on p.12.

MEET THIS YEAR'S GOAL KICKERS

At Media Super, we love hearing about the professional and personal achievements of our community. That's why we asked you to tell us how you've been **#kickingyourgoals** in our online competition.

We caught up with some of our winners to learn a bit more about their achievements. Here's a snippet of what they had to say.



NAOMI LISNER

#GOALKICKED

Directing her first film, *Hannah Rosenthal*, which she also wrote, produced and acted in.

'My aim is to entertain people and bring that sense of community back into our society, which I feel is desperately missing. I want the audience to walk away feeling entertained and more open-minded about people from all walks of life.'



MELISSA BRATTONI

#GOALKICKED

Performing in Skit Box's *The UTI* dance.

'It was lovely to see how well the Skit Box team worked with the crew, and how welcoming they were. It's definitely hard to keep a straight face when you're an extra in one of their sketches. I hope I get the opportunity to work with them again.'



MICHAEL WHALLEY

#GOALKICKED

Scoring the role of Perry Heslop in Sydney Theatre Company's production of *Muriel's Wedding The Musical*.

'If you love your passion, fill up your world with it. And that means exposing yourself to all types of art that makes you feel great as an artist.'



TAYLOR DENT

#GOALKICKED

Working as a sports producer for Channel Nine, Taylor achieved his long-term goal of getting his first package to air.

'In an industry with ever-tightening budgets, I've found that the more multi-skilled you are and the more you can offer, the more valuable you can make yourself.'



ARNOLD PEREZ

#GOALKICKED

Landing an associate post producer position after two years of working in Australian reality TV.

'Part of my job is literally being that fly on the wall, watching things unfold. And then working out the best way of how to tell that story.'

VISIT [YEARBOOK.MS/KICKINGYOURGOALS](https://yearbook.ms/kickingyourgoals) TO SEE MORE OF OUR WINNERS AND FINALISTS.



SUPPORTING AUSSIE R&D WITH NEW INVESTMENT

In April 2017, we launched an innovative \$30 million fund to help finance Australian research and development projects.

The revolving fund will provide loans of up to \$3 million to companies and research institutions for projects eligible for an R&D tax credit under the Federal Research and Development Tax Incentive program.

The federal incentive program is designed to encourage more companies to engage in R&D, and aims to boost competitiveness and improve productivity across the Australian economy.

Our CEO Graeme Russell said the new investment allows Media Super to provide much-needed funding for Australian R&D projects, while providing a stable return for members.

'The R&D finance facility is modelled on our successful film and television investment fund, which we run in partnership with Fulcrum Media Finance,' Russell said.

'Since 2010, we have loaned more than \$100 million to over 70 Australian productions, and loans on all completed productions have been repaid.'

'The film and TV finance facility has provided our members average returns of 6.70%^ over the past six years, and we expect to earn a higher return on the R&D investment.'

These innovative but relatively low-risk investments are part of Media Super's diverse investment portfolio, and are contributing to our strong investment performance.

Returns for both our Balanced [MySuper] and pension Balanced investment options are in the top 15 Australian super funds for the year ending 30 June 2017.*

How the investment works

The program provides tax offsets on eligible R&D expenditure for companies with an aggregated turnover of less than \$20 million a year. These companies/entities will be the main focus of the proposed financing scheme.

Media Super will provide a loan facility for eligible R&D expenditure which is repaid from the R&D tax offset refund, following the R&D entity's lodgement of its annual

'The new investment allows Media Super to provide much-needed funding for Australian R&D projects, while providing a stable return for members'

income tax return. To be eligible for funding, borrowers must have a history of qualifying for and receiving R&D tax credits.

Similarly to the partnership with Fulcrum Media Finance, Media Super has no active involvement in making decisions on which projects to support – these are made by Paddington Street Finance, who manage the selection process.

The R&D Tax Credit regime is administered jointly by Innovation Australia (with the assistance of AusIndustry) and the Australian Taxation Office. You can find out more about the R&D Tax Incentive program, including eligibility criteria at www.ato.gov.au.

^ Investment returns are not guaranteed and past performance gives no indication of future returns.

* SuperRatings Fund Crediting Rate Survey – SR50 Balanced options [60–76] Index and SRP50 Balanced options [60–76], June 2017.



Super that lasts AS LONG AS YOU

With retirees feeling the pinch with low interest rates and our ever-extending life expectancy, it's understandable that you might be apprehensive you'll outlive your retirement savings.

For example, the life expectancy of a 65-year-old female today is 87. By 2050, that's expected to increase to 91.¹

In terms of outliving your super, here are the cold, hard stats:²

- 1 in 2** Australians underestimate their life expectancy
- 1 in 2** Australians will outlive their savings by 5 years
- 1 in 4** Australians will outlive their savings by 10 years

The risk of your retirement savings running out is called 'longevity risk'. And in reality, you can't just rely on the Age Pension to see you through.

Most people assume that as you reach the late stages of retirement, the Age Pension will be enough for you to live off because you will tend to spend less on holidays, going out and car expenses.

However, people tend to forget that the cost of basic needs actually goes up – you start spending more on pharmaceuticals and medical requirements, in-home or residential care, and modifications to the home.

The good news is, your super can last a lifetime. Enter LifetimePlus.

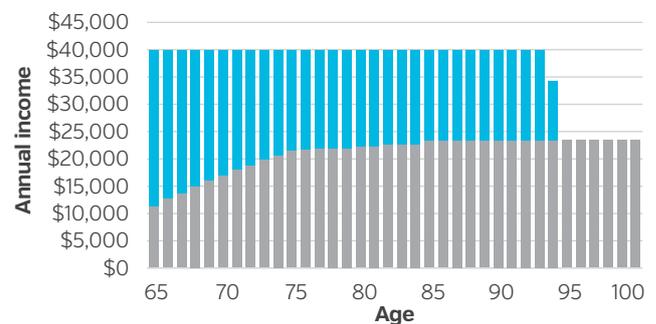
LifetimePlus can give you the confidence and financial peace of mind to enjoy your retirement, without fear of your savings running out. LifetimePlus is simply an investment option that can be accessed from your Media Super Pension account or transition to retirement (TTR) account. By investing some of your Media Super Pension or TTR account in LifetimePlus, you can expect to receive an income for as long as you live.

Retirees typically invest between 10 per cent and 30 per cent of their super into LifetimePlus, which complements their other assets by providing income that never runs out, no matter how long you live. It's also designed to give you the greatest returns when you need them the most – when your other assets may be running out.

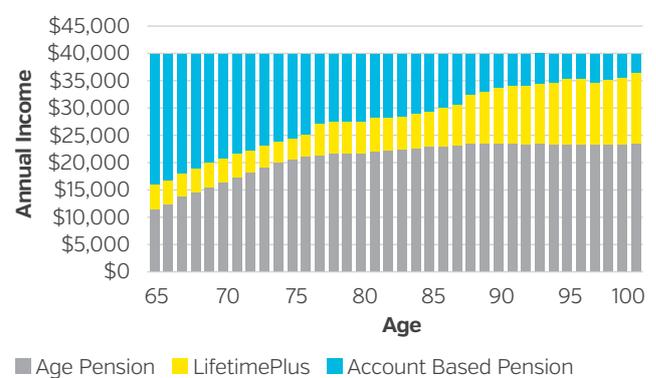
Income that continues for as long as you live

The below illustrations³ show how a retiree can use LifetimePlus to supplement their Media Super Pension and Age Pension income to make their super last a lifetime.

Expected income



Expected income with LifetimePlus



To find out more about LifetimePlus and how it works, speak to your financial adviser.

Media Super Financial Planners* can help you understand your current position, determine what your goals are and look specifically at your superannuation and retirement planning needs. Call the Helpline on **1800 640 886** to make an appointment with a Media Super Financial Planner* today.

1 Australian Government, Treasury projections, 2015 Intergenerational Report. 2 Expectations vs Reality of Retirement, Mercer, July 2014. 3 The illustration shown is based on an account-based pension of \$400,000 with or without a 25% allocation to Mercer LifetimePlus. Investment returns of 6% p.a. have been assumed for the account based pension. Age pension rules and amounts as at 31 March 2017 have been applied. Figures are shown in today's dollars. For more information about LifetimePlus, please refer to the LifetimePlus Product Disclosure Statement at mediasuper.com.au. * For more details on Industry Fund Services financial planners, please see disclaimer on p.12.

1987-2017

CELEBRATING 30 YEARS

OF MAKING A DIFFERENCE

As the industry super fund for the print, media, entertainment and arts industries, we've been proudly providing super and pension products to our members since Bob Hawke was prime minister!

Back then we were called JUST and Print Super, which merged to form Media Super in 2008.

For three decades, we've been through both the good and the bad with you, as each of our industries has gone through significant changes and faced unique challenges.

But our commitment runs deeper than that – we've been proudly supporting your industries through partnerships, talent programs and awards to help you excel professionally. And we look forward to continuing to support you, celebrating your achievements, and ultimately helping you save for your retirement in the years to come.

Until then, find out why some of our original longstanding JUST and Print Super members believe super is so important.



'There's never a good time to retire, but I was lucky that I had the super to do it.'

Kelvin Thompson
member since 1989

As he started to get older, Kelvin began to take more notice of his super, and then he started making contributions from his before tax pay, (known as salary sacrificing). 'When I got a pay rise, I didn't need the money, so I put it into my super, and then I really saw a difference – I saw my account go up by thousands.' Like many in the rapidly changing print industry, Kelvin was unfortunately made redundant earlier this year. 'There's never a good time to retire, but I was lucky that I had the super to do it.'



'It's so vitally important to think ahead about your retirement, especially in the years when your earning potential is highest.'

Simon Burke
member since 1987

Simon was fortunate to learn the importance of super at a young age when he overheard an older actor being told 'I regret to say, the introduction of super won't make a difference to your retirement as it's being introduced as you near the end of your working life.' This really hit home and made him think, 'It's so vitally important to think ahead about your retirement, especially in the years when your earning potential is highest.'



'I'm glad I was with Media Super when the demerger happened - the others got no help from their bank fund.'

Darren Travis
member since 1988

Originally a member of Print Super, Darren's glad he's stuck with an industry super fund throughout his career. A few years ago, his workplace underwent a demerger, and as a result, he saw a lot of his workmates lose the defined benefits they had through their corporate super fund. 'I'm glad I was with Media Super when the demerger happened - the others got no help from their bank fund.' Until he retires, he plans to keep salary sacrificing. 'It's something my Dad made me do. Dad said, "You won't see the money, so you'll get used to it". And I did - I don't miss it.'

'I've always relished my financial independence and security, and I desperately wanted to support myself.'

Kay Stewart
member since 1987

Having been a freelance writer and illustrator since 1979, Kay has had to pay herself super since she first became a member in 1987. A colleague of Kay's initially encouraged her to set up her super and start paying contributions into her account. And before long, Kay could see the benefits of committing to it. 'I've always relished my financial independence and security, and I desperately wanted to support myself. I wanted to know that I wouldn't need to rely on anyone in retirement, if possible.'

**AS AT 30 JUNE 2017,
OUR COMMUNITY IS**

80,000
MEMBERS STRONG WITH

\$5 BILLION
IN FUNDS UNDER MANAGEMENT

READ THE FULL STORIES AT YEARBOOK.MS/30YEARS



1 in 10

older Australians experience depression and anxiety

STAYING WELL IN RETIREMENT

While mental health challenges can occur at any stage of your life, there are times you are especially vulnerable to experiencing depression and anxiety.

Retirement can involve some triggers for these conditions, particularly if it is a stressful time or if it becomes an ongoing challenge. 'The transition between work and retirement is a big change,' explains *beyondblue's* Policy, Research and Evaluation Leader, Dr Stephen Carbone. 'For some people it's a positive, but for others it means a certain level of loss.'

SuperFriend's Mentally Healthy Retirement Program outlines five ways to stay well during retirement.

CONNECT

One of the major differences between working life and retirement is the change in social interactions. Carbone says, 'People who are lonely or feel socially isolated are often at a higher risk of developing depression. Having that social support network is just as important at 65, 75 or 85 as it is at any other time in your life.'

Building new connections within your community is important, as is continuing to foster strong relationships with your family and friends. Trying new activities by joining like-minded groups is one method of staying socially active - you'll be doing things you enjoy while meeting new people and making new friendships.

BE ACTIVE

There are strong links between both physical and mental health. Being active in ways that work within your lifestyle and abilities is vital.

This can be challenging for some. 'As you get older, physical health problems can start to kick in and we know that these can increase the risk of experiencing depression and anxiety, particularly when the person is in pain or the condition is causing a loss of independence,' says Carbone.

However, it's important to do what you can. 'Looking after your health in general is good for you - eating well, regular physical activity, adequate sleep - and looking after your mental health is just as important,' Carbone says. 'Stay stimulated, challenged, involved, connected; these things help reduce stress, prevent loneliness and decrease the risk of depression and anxiety.'

TAKE NOTICE

Being present and purposeful about the actions you take can help you plan activities and interactions that you enjoy. 'Anything that gives you a sense of satisfaction, stimulation, relaxation or purpose is the stuff we need,' says Carbone.

Taking notice of how you're spending your days is also a good way to decide what you want to do. 'Retirement can be overwhelming if you have all this time and you're not sure what to do with it,' Carbone says. Finding purpose within retirement will help you feel happier and increase your mental wellbeing.

KEEP LEARNING

You actively learn through all stages of your life, and retirement is no different. Learning new skills and adding to your current interests is still important in retirement.

There will be things you've always wanted to try, but never had the time for, so now is your chance to give them a go. This can help you set goals and give you a sense of achievement. Carbone suggests that adding to your skillset can help you find who you are in retirement.

GIVE

Senior Australians contribute the highest number of volunteer hours of any age group, with around 2.9 million people over 65 taking part in voluntary activities.

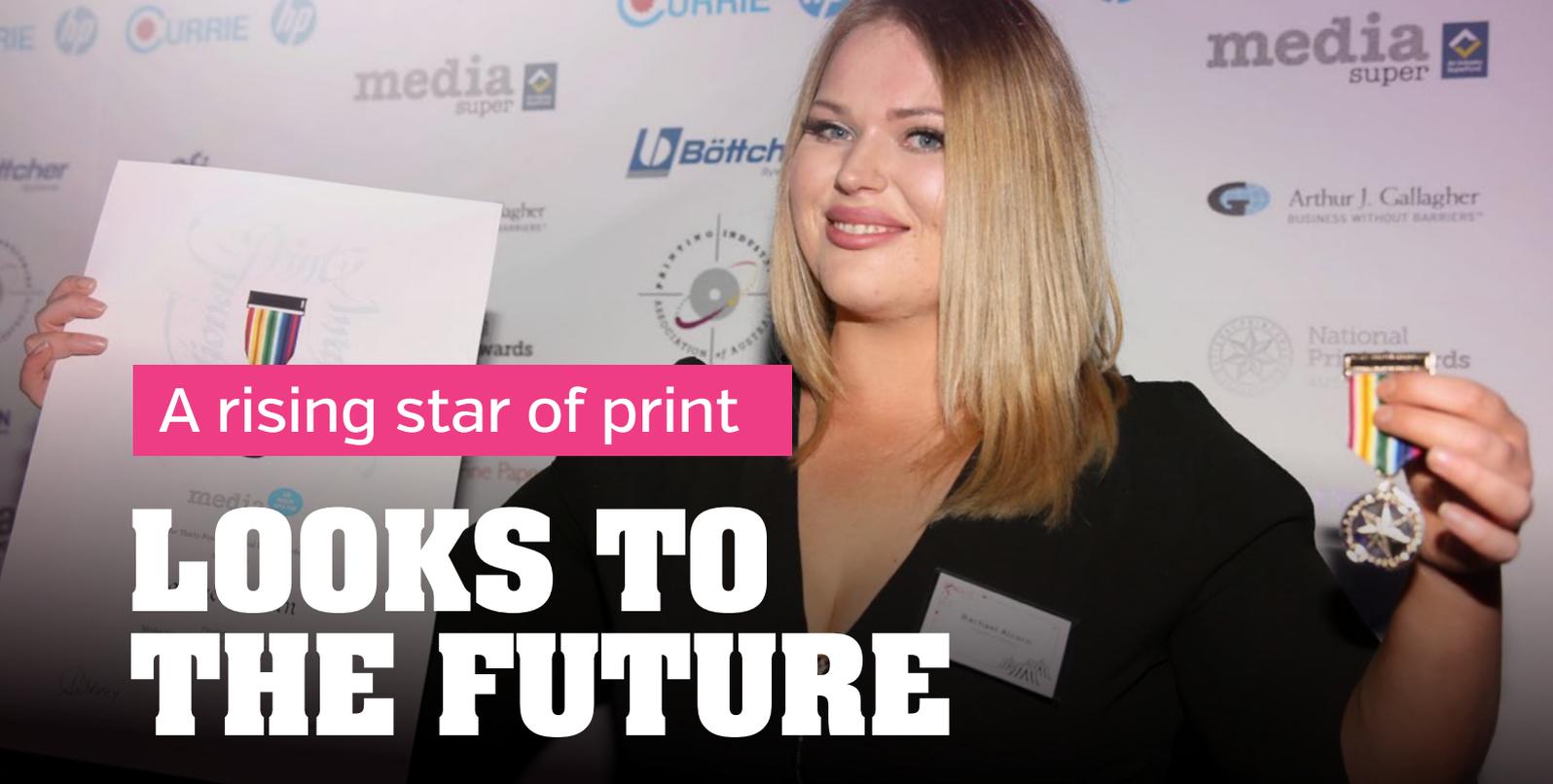
Research shows that giving back to your community helps you make new connections, increases your self-worth and can teach you new skills, which is great for your mental wellbeing.

This article has been supplied by SuperFriend.

Media Super is a proud partner of SuperFriend, a national mental health promotion foundation focused on creating mentally healthy workplaces.

To find out more about SuperFriend's Planning for a Mentally Healthy Retirement program, visit superfriend.com.au.

If you're having difficulty adjusting to retirement or you just want to talk to someone, *beyondblue* is ready to provide support, service and advice at **1300 22 4636**.



A rising star of print

LOOKS TO THE FUTURE

Racheal Alcorn, newly crowned Young Executive of The Year at the 2017 Media Super National Print Awards, tells us how she got to where she is, and why she's excited about the future.

In the short time she's worked in print, Racheal has already turned her hand to several areas of the industry, and it's a path that seems to be paying dividends.

'It's best to be involved in as many areas of print as possible and learn as much as you can. It makes you more well-rounded,' she said. 'The administration role has really helped me understand all the different processes, so I can identify where a job needs to go straight away and choose the most efficient way of getting it printed.'

A WINNING ATTITUDE

After completing her apprenticeship in 2015, Racheal was offered a screen-printing job 'on-the-spot' by Jaybro, a local supplier of civil and construction industry products who could see the knowledge and passion Racheal had for printing.

Two years later, after progressing to print production administration and scheduling, an offer came her way to work for Superior Safety, a company that produces hi-vis work clothes.

She accepted the challenge and before long suggested they buy their own screen-printing machine, saving them thousands and providing greater flexibility for their customers. It has been this sort of problem solving that's got Racheal noticed.

'Whatever industry you're in, you should be working towards improvements, thinking about reducing costs, maximising productivity and enhancing all round performance,' she told us. 'It's important to keep advancing and coming up with new ideas, staying relevant. Especially in the print industry, because technology does creep up quite fast.'

'I'm always researching new technologies. It's something that I like doing anyway. I'll go to my boss and say "I think this could work for us".'

THE EXTRA DIMENSION

That said, what does she think are the most interesting things happening in the industry today?

'I think a lot of people in the print industry are excited about 3D printing. What it's capable of now and in the future. It could affect so many different areas.'

Are there any other innovations she wishes were around the corner?

'Well, directly related to my area of work, it would be great if someone could invent a printer that prints plastisol transfers. It would be difficult because plastisol ink is so thick, but it might be possible.'

For those of us not in printing, plastisols are the most commonly used inks for printing designs onto garments.

'I'd also like to see a fabric that's compatible with any kind of printing – direct to garment, screen-printing, even sublimatic. A blend that's more compatible and more versatile.'

She also enthuses about how digital and print are supporting each other more frequently these days. Cloud computing is 'making the communication process a lot more efficient' and brands are embracing the exciting marriage between old and new mediums, as with Coca Cola's 'Share a Coke' campaign.

'Sales went crazy. Everyone wanted their name on a can and to be seen with it, so it became a trend. Print and digital media went hand-in-hand. It was a very smart marketing tactic. Vegemite and some other brands have run similar style campaigns.'

LOOKING TO THE FUTURE

The resurgence of 'old school' printed material and continued use of printing over digital in other key areas also pleases her. She concludes, 'Print will always be around. People prefer to sit down with a printed book rather than a tablet. Printed catalogues are still more efficient than digital marketing and you're more likely to look at something that you've received in the post. Car wraps are on the increase. Then there's signs, banners and there'll always be a need to print clothing.'

'I'm very optimistic about the future of printing and I'm interested to see how far new innovations like 3D printing can go. It's definitely the industry I plan to stay in.'

THE MEDIA SUPER COMMUNITY

JANUARY-JUNE 2017

HONOUR ROLL

You're part of a community of talented people. As your industry super fund, we're committed to nurturing talent and helping our members succeed. That's why we support programs and awards that celebrate our talented members.

GREEN ROOM AWARDS

- ★ Female Performer [Theatre Companies] – **Rose Riley**, *The Glass Menagerie* [Belvoir, Malthouse Theatre]
- ★ Male Performer [Theatre Companies] – **Rory Kelly**, *Trevor* [Red Stitch Actors' Theatre] [10]

THE ADG AWARDS

- ★ Best Direction in a TV or SVOD Comedy Program: **Matthew Saville**, *Please Like Me – Burrito Bowl* [Series 4, Episode 5]

FILMBITES

- ★ Media Super Outstanding Achievement & Commitment Award
Senior – **Jordan Paolillo, Connor Fantasia-Serve, Sam Dunlop and Blake Hay**
Junior – **Bethan Peters and Piper Gage** [1]

MEDIA SUPER NATIONAL PRINT AWARDS

- ★ Young Executive of the Year – **Racheal Alcorn** [Superior Safety] [9]
- ★ Industry Legend – **Dudley Scott** [Scott Print] [6]

SOUTH AUSTRALIAN MEDIA AWARDS

- ★ Radio News & Current Affairs or Feature – **Caroline Winter**, 'Statewide Blackout', *ABC PM* program [3]
- ★ Best Television Broadcaster [Presenter, Reporter or Camera Person] – **Alex Mann**, *Body of Work, ABC 7:30* [7]

EQUITY ENSEMBLE AWARDS

- ★ Outstanding Performance in a Drama Series – **Cleverman Series 1**: Hunter Page-Lochard, Rob Collins, Iain Glen, Frances O'Connor, Deborah Mailman, Tasma Walton, Rarriwuy Hick, Ryan Corr, Stef Dawson, Tysan Towney, Tony Briggs

TASMANIAN MEDIA AWARDS

- ★ Best News Image – **Matthew Growcott**, Moonah Siege, *WIN News Tasmania* [4]
- ★ Best News Story – **Richard Baines**, 'Letting the Most Vulnerable Down – Tasmania's Child Protection Woes', *ABC* [2]

FLICKERFEST

- ★ Media Super Award for Best Screenplay in an Australian Short Film – **The Eleven O'Clock**
Writer: Josh Lawson
Director: Derin Seale [8]
Producers: Derin Seale, Karen Bryson, Josh Lawson

AUSTRALIAN BOOK INDUSTRY AWARD

- ★ Publisher of the Year – **Pan Macmillan Australia**

SOUTH AUSTRALIAN COUNTRY PRESS AWARDS

- ★ Digital initiative: **The Northern Argus**, 'Balaklava Races Fanciest Fillies and Colts Initiative' [5]

SEE THE FULL HONOUR ROLL WWW.YEARBOOK.MS/HONOUR-ROLL



WEAR MEDIASUPER YEARBOOK BOOK 17

Explore the highlights of 2016-17, be inspired by the stories of your fellow members, find out just how Media Super is working for you, and much, much more.

WWW.YEARBOOK.MS

Super Helpline
1800 640 886
mediasuper.com.au



Print. Media. Entertainment. Arts.

Superannuation. Insurance. Retirement. Financial Planning.

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* Media Super has engaged Industry Fund Services (IFS) ABN 54 007 016 195 AFSL No 232514 to facilitate the provision of financial advice to members of Media Super. Advice is provided by one of our Financial Planners who are Representatives of IFS. Fees may apply. Further information about the cost of advice is set out in the relevant Financial Services Guide, a copy of which can be obtained by calling IFS on 1300 138 848. IFS is responsible for any personal advice given to you by its Representatives.