

# KIWI INCOME PROPERTY TRUST (KIP)

Melbourne and Sydney Investor Roadshow

25-26 November 2010





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# Fund overview

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## Largest LPT

- New Zealand's largest listed property trust (listed 1993)
- Only listed property trust in the NZX 10 Index (ranked 10<sup>th</sup>)
- Diversified portfolio of 14 key retail and office assets located throughout New Zealand

## Sound financial position

- Total assets of **\$1.86 billion**
- Strong financial position with net bank debt gearing ratio of **24.9%**
- Combined market capitalisation of over **\$1.1 billion** (incl. mandatory convertible notes)

## Solid property fundamentals

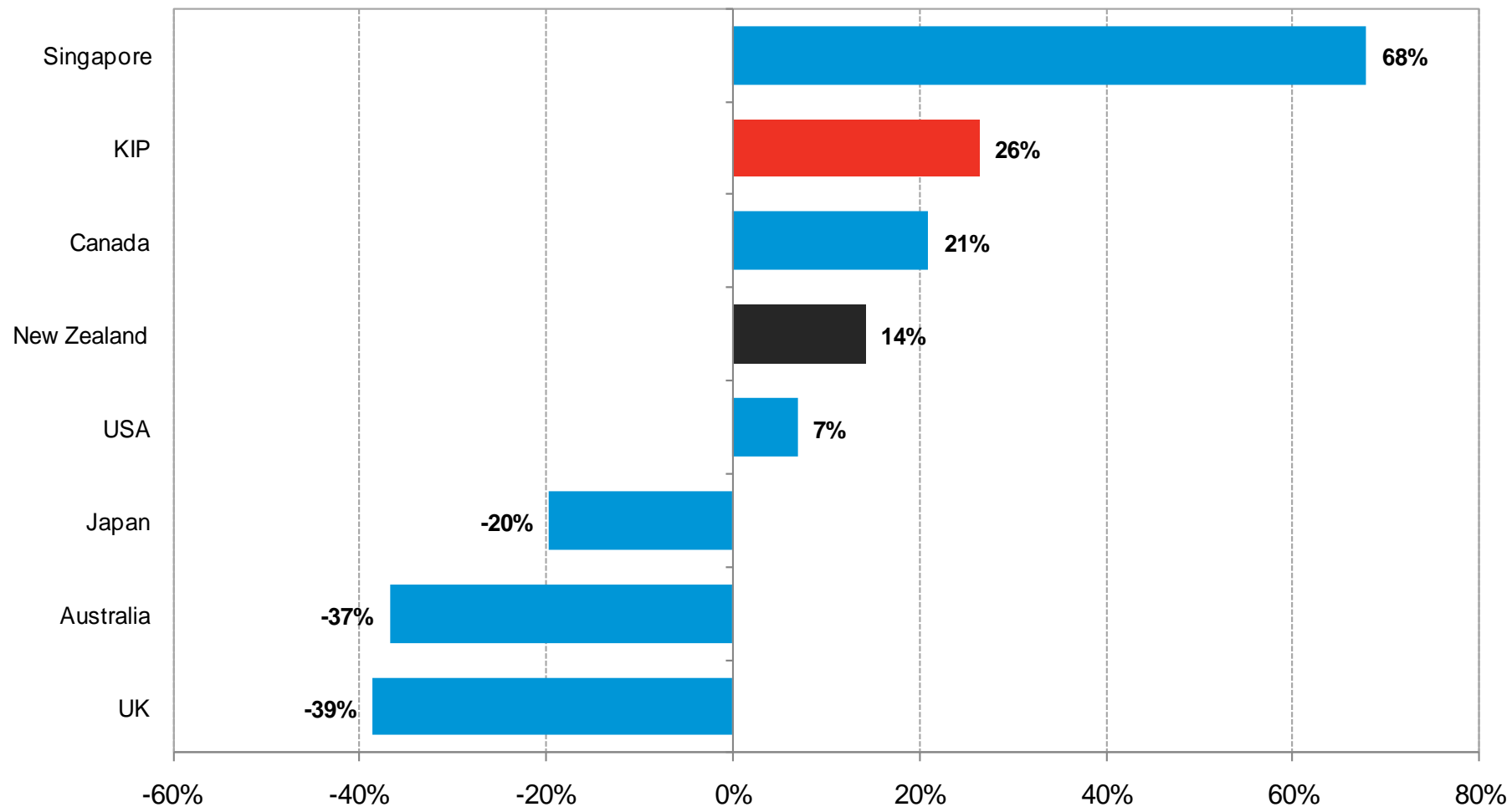
- Solid property fundamentals:
  - Occupancy **97.0%**
  - WALT **4.2 years**
- Income and investment performance enhanced through intensive asset management, prudent development and new investments

# Fund overview

## LPT global total return



Five years ended 30-Sep-10



**Cumulative average Total Return<sup>1</sup> since inception**

**9.5%**

**KIP has outperformed both NZX 50 and NZX property indices**

Total returns For the periods to 30-Sep-10	1 year	3 year	5 year
	%pa	%pa cum	%pa cum
<b>KIP</b> [Unit price \$1.01]	<b>3.6</b>	<b>-3.9</b>	<b>4.8</b>
NZX 50 Gross Index	0.5	-9.4	-1.6
NZX Property Gross Index	1.8	-5.1	2.7

1. Total Return means the return, including unit price movements and the reinvestment of all cash distributions and imputation tax credits

- Diversified portfolio of prime NZ retail and office assets
- Highly predictable, relatively low risk income streams
- Traditional real estate vehicle
- Conservatively geared with prudent debt and treasury position
- Strong underlying operating performance
  - Active management approach
  - Premium assets, diversified portfolio, solid tenant base
- Based upon the outlook for the Trust, and subject to economic conditions, we are projecting operating earnings after tax for the year ending 31 March 2011 of approximately 7.00 cents per unit

– **Balance sheet protection** ...

... maintaining conservative gearing and diversity within the capital structure to optimise the cost of capital

– **Intensively manage assets** ...

... to maximise income and investment performance

– **Position for growth** ...

... to take advantage of value added investment opportunities at the bottom of the cycle

# Fund overview

## State of the market



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### Economy

- Five consecutive quarters of positive GDP growth. GDP up 0.7% for year to June 2010
- Economic recovery is export led supported by growth in Australia and Asia. In September 2010 Fonterra announced its second highest dairy payout in history
- Domestic economy subdued and household sector remains cautious. Recovery in retail sales expected in 2011
- Unemployment rate stabilising around 6%
- Monetary policy remains stimulatory with the Official Cash Rate expected to remain low - currently 3.0%

### Property market

- Property values stabilising and listed securities supported by demand for yield stocks
- Retail property performance expected to improve with recovering economy
- Office property performance constrained by subdued demand

### Performance

- Total returns from the NZ LPT sector, as measured by the NZX Property Gross Index, have outperformed total returns for the overall equity market, as measured by the NZX 50 Gross Index, over the one, three and five year periods ended September 2010

### Transactions

- \$177 million sale of Deloitte House (Auckland) in May 2010 to private investor. This is a 23 level, five-star green rated premium grade office tower completed in September 2009 and fully leased to the Bank of New Zealand and Deloitte. The sale analyses to a passing yield of 7.62% and an IRR of 9.73%
- Overall, sales volumes improving, particularly in the <\$50 million price bracket

### Capital raisings

- NZ\$3.3 billion of debt and equity issuance across the entire NZX during 2010
- NZ corporates and REITs were generally conservatively geared pre-GFC

# Interim financial result

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### **Solid operating performance:**

- Net operating income \$68.2 million, **up 1.5%**
- Distributable profit after tax \$33.0 million, **up 10.4%**
- Interim distribution after tax 3.50 cents per unit, in line with guidance

### **Strong balance sheet:**

- Net gearing ratio of **24.9%**
- Bank debt facilities renewed for **\$302.5 million**, maturing FY15-FY17
- On-market buy back of up to 20 million units being undertaken from 29 June 2010 to 28 June 2011
- Weighted average term of bank debt facilities increased from 1.4 years to **2.9 years**

### **Index outperformance:**

- Outperformed NZX 50 and NZX Property Indices

### **Robust portfolio performance:**

- Core retail and office occupancy rate **97.0%**
- Weighted average lease term stable at **4.2 years**
- Active leasing program delivering results
- Retail sales recovering and affordability ratios improving
- Sylvia Park net operating income up **7.3%**
- Christchurch properties fully operational post Canterbury earthquake

### **Development program:**

- ASB development on track: **8.5% yield** on \$126.2 million development cost
- Plan change provides expansion options for Sylvia Park (subject to appeals)

# Interim financial result

## Income statement



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Financial performance For the six months ended	30-Sep-10	30-Sep-09	Variance	
	\$m	\$m	\$m	%
Gross rental income <sup>1</sup>	94.0	92.9	+1.1	+1.2
Property operating expenditure	-25.8	-25.7	-0.1	-0.4
<b>Net operating income<sup>1</sup></b>	<b>68.2</b>	<b>67.2</b>	<b>+1.0</b>	<b>+1.5</b>
Other operating expenses	-31.2	-29.9	-1.3	-4.3
<b>Distributable profit before tax</b>	<b>37.0</b>	<b>37.3</b>	<b>-0.3</b>	<b>-0.8</b>
Current tax expense	-4.0	-7.4	+3.4	+45.9
<b>Distributable profit after tax</b>	<b>33.0</b>	<b>29.9</b>	<b>+3.1</b>	<b>+10.4</b>
Property revaluations [fair value change]	-0.8	-65.8	+65.0	+98.8
Interest rate derivatives [fair value change]	-14.4	7.3	-21.7	-297.3
Other non-operating items	-1.6	0.5	-2.1	-420.0
Deferred tax benefit/(expense)	-134.7	9.9	-144.6	-1,460.6
Reported loss after tax	-118.5	-18.2	-100.3	-551.1
<b>Cash distribution [cpu]</b>	<b>3.50</b>	<b>3.75</b>	<b>-0.25</b>	<b>-6.7</b>

**Distributable  
profit**

**\$33.0m**

1. Excludes rental income resulting from straight-lining of fixed rental increases and other non-cash rental adjustments

# Interim financial result

## Distributable profit



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Distributable profit For the six months ended	30-Sep-10	30-Sep-09	Variance		
	\$m	\$m	\$m	% Total	% L4L
Net operating income - retail <sup>1</sup>	38.6	35.7	+2.9	+8.1	-1.3
Net operating income - office <sup>1</sup>	28.2	29.8	-1.6	-5.4	-2.6
Net operating income - other <sup>1</sup>	1.4	1.7	-0.3	-17.6	-17.6
<b>Net operating income<sup>1</sup></b>	<b>68.2</b>	<b>67.2</b>	<b>+1.0</b>	<b>+1.5</b>	<b>-2.4</b>
Net bank interest <sup>2</sup>	-16.7	-18.0	+1.3	+7.2	
Mandatory convertible notes	-8.2	-5.7	-2.5	-43.9	
Management fees	-5.1	-4.7	-0.4	-8.5	
Other expenses	-1.2	-1.5	+0.3	+20.0	
<b>Total expenses</b>	<b>-31.2</b>	<b>-29.9</b>	<b>-1.3</b>	<b>-4.3</b>	
Distributable profit before tax	37.0	37.3	-0.3	-0.8	
Current tax expense	-4.0	-7.4	+3.4	+45.9	
<b>Distributable profit after tax</b>	<b>33.0</b>	<b>29.9</b>	<b>+3.1</b>	<b>+10.4</b>	
<b>Weighted average no. units [m]</b>	<b>889.7</b>	<b>792.1</b>	<b>+97.6</b>	<b>+12.3</b>	
<b>Distributable profit: gross [cpu]<sup>3</sup></b>	<b>4.16</b>	<b>4.71</b>	<b>-0.55</b>	<b>-11.7</b>	
<b>Distributable profit: net [cpu]<sup>3</sup></b>	<b>3.71</b>	<b>3.77</b>	<b>-0.06</b>	<b>-1.6</b>	

– Net operating income increased by **1.5%** and distributable profit increased **10.4%**

1. Excludes rental income resulting from straight-lining of fixed rental increases and other non-cash rental income adjustments
2. Net of interest income and capitalised interest and excludes movement in cash flow hedge reserve
3. Calculated using the weighted average number of units on issue

# Interim financial result

## Financial position



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Financial position As at	30-Sep-10	31-Mar-10	Variance	
	\$m	\$m	\$m	%
<b>Assets</b>				
Property assets	1,856.1	1,848.7	+7.4	+0.4
Cash on deposit	112.7	117.8	-5.1	-4.3
Other assets	23.1	18.3	+4.8	+26.2
	<b>1,991.9</b>	<b>1,984.8</b>	<b>+7.1</b>	<b>+0.4</b>
<b>Liabilities</b>				
Secured bank debt	578.0	571.0	-7.0	-1.2
Mandatory convertible notes	117.3	261.7	+144.4	+55.2
Deferred tax liability	315.7	177.6	-138.1	-77.8
Other liabilities	76.2	65.9	-10.3	-15.6
	<b>1,087.2</b>	<b>1,076.2</b>	<b>-11.0</b>	<b>-1.0</b>
<b>Unit holder funds</b>	<b>904.7</b>	<b>908.6</b>	<b>-3.9</b>	<b>-0.4</b>
<b>Net gearing ratio<sup>1</sup></b>	24.9%	24.4%		-0.5%
<b>Adjusted NTA<sup>2</sup></b>	\$1.15	\$1.22	-\$0.07	-5.7%

**The balance sheet remains strong and provides flexibility to explore value-added investment opportunities**

1. Calculated as bank debt less \$108.4 million (31-Mar-10 \$113.8 million) MCN proceeds on deposit over total assets (excluding MCN proceeds on deposit)
2. Adjustment of NTA refers to the exclusion of deferred tax on items that will not crystallise

# Portfolio overview

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# Portfolio overview

## Key portfolio metrics



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Portfolio metrics <sup>1</sup>	Retail	Office	TOTAL
Number of assets	6	8	14
Value [\$000]	1,105,107	688,161	1,793,268
Percentage of investment portfolio	62%	38%	100%
Net lettable area [sqm]	192,834	158,061	350,895
Number of tenants	655	138	793
Occupancy	98.6%	94.9%	97.0%
Weighted average capitalisation rate [as at Mar-10]	7.55%	8.35%	7.86%
Weighted average lease term [years]	4.3	4.1	4.2

1. Excludes Investment Properties classified as “Other Property”, ie adjoining, development and non-core properties (value \$62.9m / 3.4% of total portfolio)

# Portfolio overview

## Key assets



### Sylvia Park Shopping Centre Auckland

NLA: 71,225 sqm  
Value: \$453.2m



### Northlands Shopping Centre Christchurch

NLA: 42,256 sqm  
Value: \$236.8m



### The Plaza Shopping Centre Palmerston North

NLA: 32,279 sqm  
Value: \$195.6m



### North City Shopping Centre Porirua

NLA: 25,795 sqm  
Value: \$103.3m



**Vero Centre  
Auckland**

NLA: 39,490 sqm  
Value: \$265.7m



**National Bank  
Centre  
Auckland**

NLA: 26,141 sqm  
Value: \$98.3m



**Majestic Centre  
Wellington**

NLA: 24,387 sqm  
Value: \$103.5m

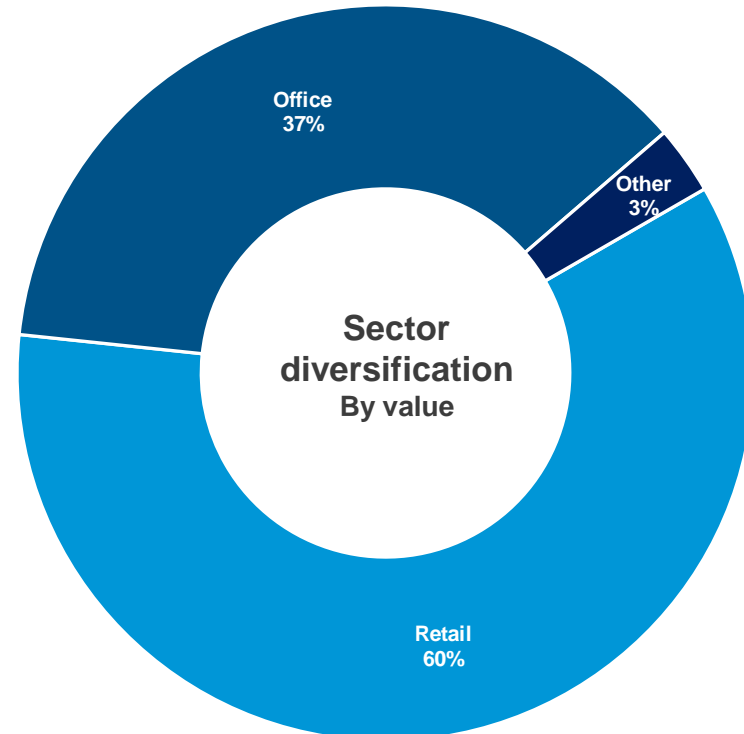
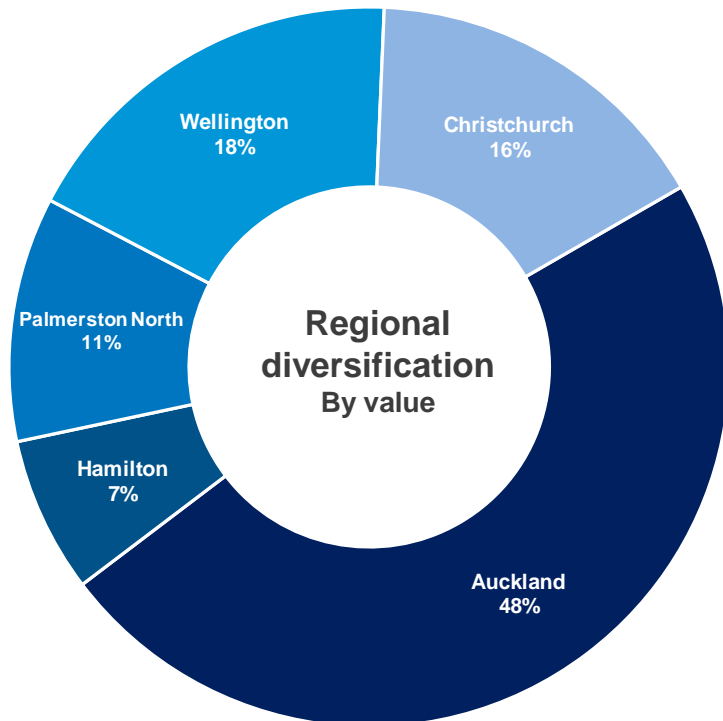


**Unisys House  
Wellington**

NLA: 22,158 sqm  
Value: \$79.8m

# Diversification: Sector and regional

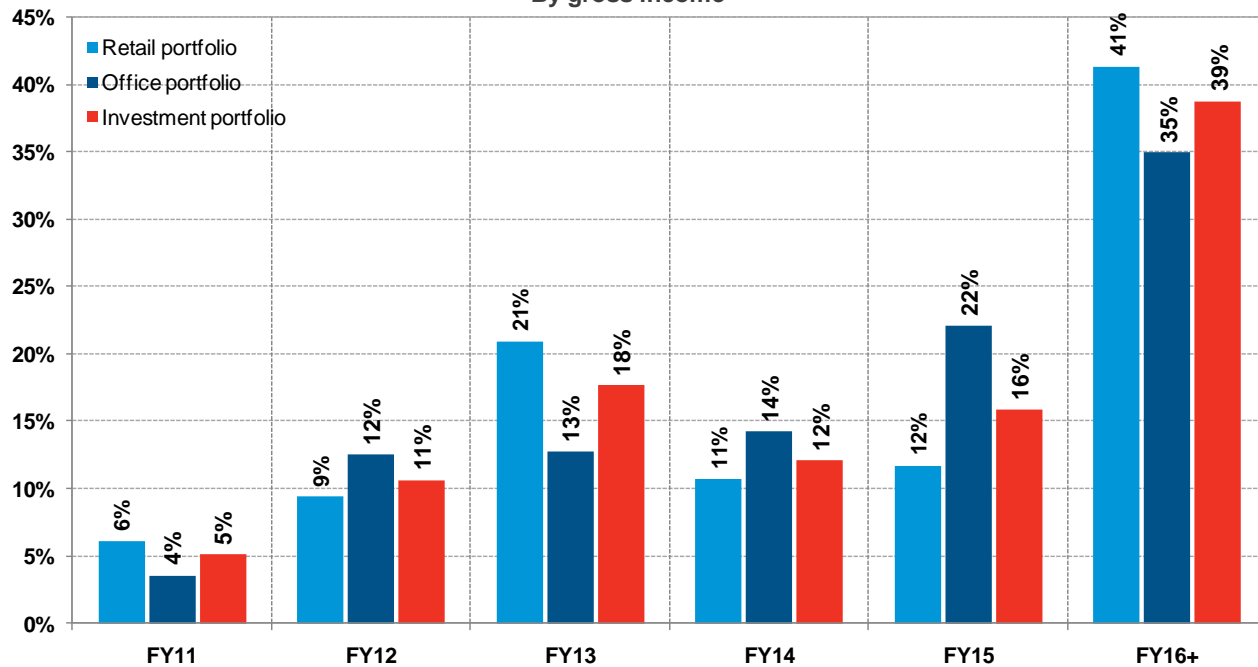
By value [by %]	Auckland	Wellington	Christchurch	Palmerston North	Hamilton	TOTAL % by sector
Retail	24	6	13	11	6	60
Office	22	12	3	-	-	37
Other	2	-	-	-	1	3
<b>TOTAL % by region</b>	<b>48</b>	<b>18</b>	<b>16</b>	<b>11</b>	<b>7</b>	<b>100</b>



# Portfolio overview

## Lease profile

**Lease expiry profile**  
By gross income



**Portfolio**  
**WALT**  
**4.2 yrs**

- Retail WALT: 4.3 years
- Office WALT: 4.1 years

**Key expiries forthcoming: Office**

FY	Property	Tenant	NLA sqm
11	44 The Terrace	Commerce Commission	2,677
12	National Bank Centre	ANZ National Bank [incl. retail]	5,735
12	21 Pitt Street	Beca <sup>1</sup>	4,205
13	Unisys House	Crown Law	4,806
13	Vero Centre	Russell McVeagh	7,452

**Key expiries forthcoming: Retail**

FY	Property	Tenant	NLA sqm
12	Centre Place	Event Cinemas	2,726
13	Sylvia Park	~100 specialty stores	~12,000
13	North City	Farmers	4,589

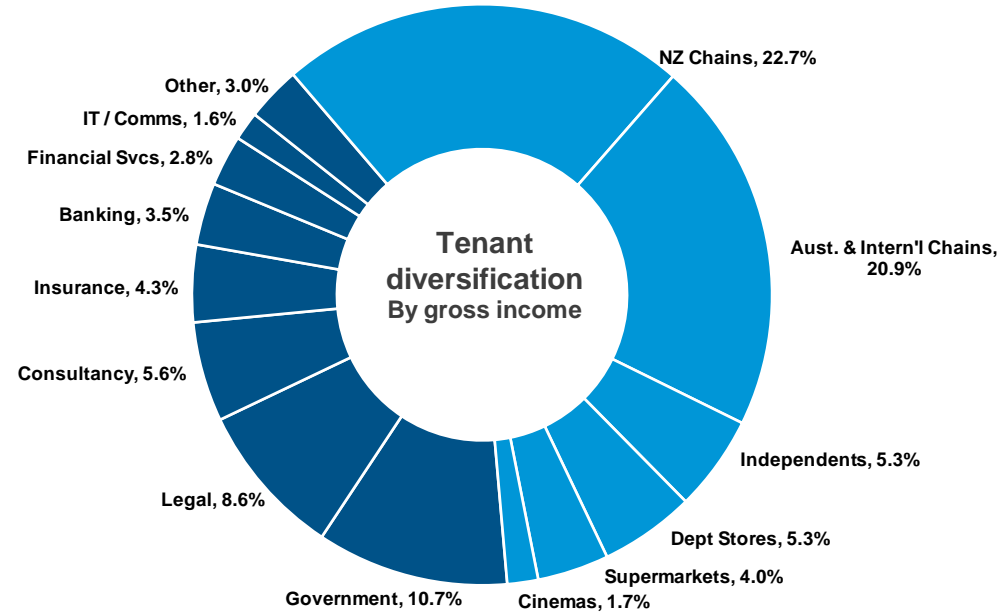
1. Subsequent to 30 September 2010, a new nine-year lease over 14,000 sqm was completed with Beca

# Portfolio overview

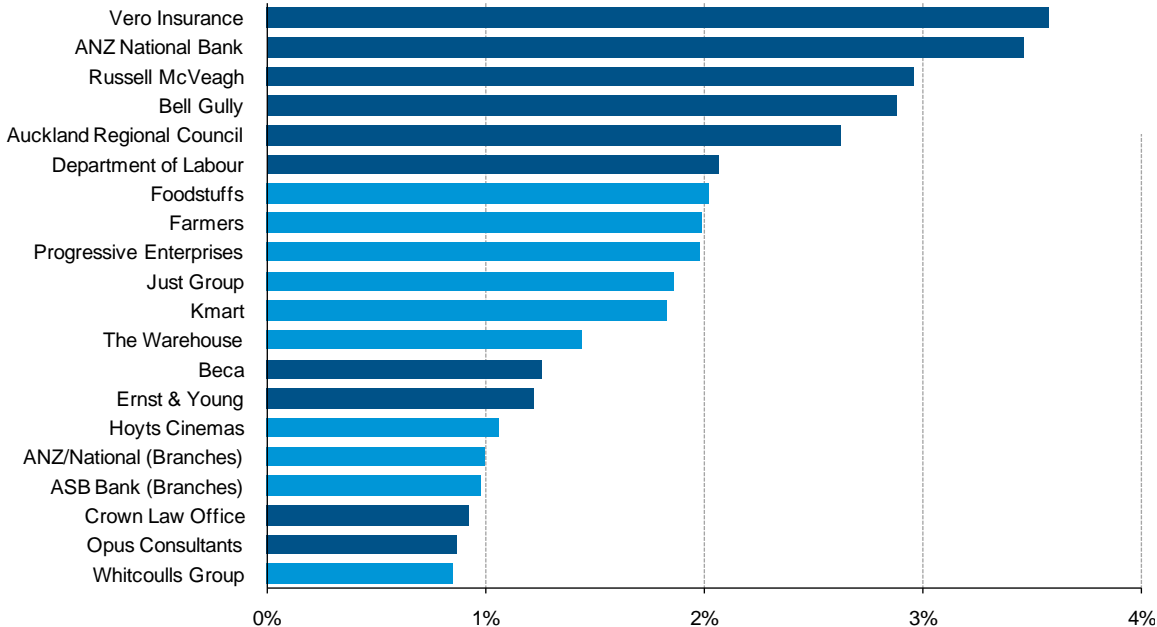
## Tenant profile

### Analysis of property portfolio

Portfolio	No. Tenants	NLA	Gross income
Retail	83%	55%	60%
Office	17%	45%	40%
Top 20 tenants	3%	53%	37%



### Top 20 tenants by gross income % of investment portfolio



# Lease and rental activity

Portfolio	No.	NLA	Rental uplift		
		sqm	\$000	%	CAGR
<b>NEW LEASES AND RENEWALS</b>					
Retail	62	7,459	-104	-1.8	N/A
Office	25	16,192	-9	-0.2	N/A
<b>Total: New leases and renewals</b>	<b>87</b>	<b>23,651</b>	<b>-113</b>	<b>-1.0</b>	<b>N/A</b>
<b>RENT REVIEWS</b>					
Retail	273	56,564	1,394	4.3	4.0
Office	21	24,122	741	11.1	4.1
Office [renewals where rent not concluded]	4	7,312	-	-	N/A
<b>Total: Rent reviews</b>	<b>298</b>	<b>87,998</b>	<b>2,135</b>	<b>5.4</b>	<b>4.0</b>
<b>Total [excl.renewals where rent not concluded]</b>	<b>381</b>	<b>104,337</b>	<b>2,022</b>	<b>4.0</b>	<b>N/A</b>
<b>Total</b>	<b>385</b>	<b>111,649</b>			

**New leases,  
renewals and  
rent reviews**

**381**

**Uplift over  
previous rental**

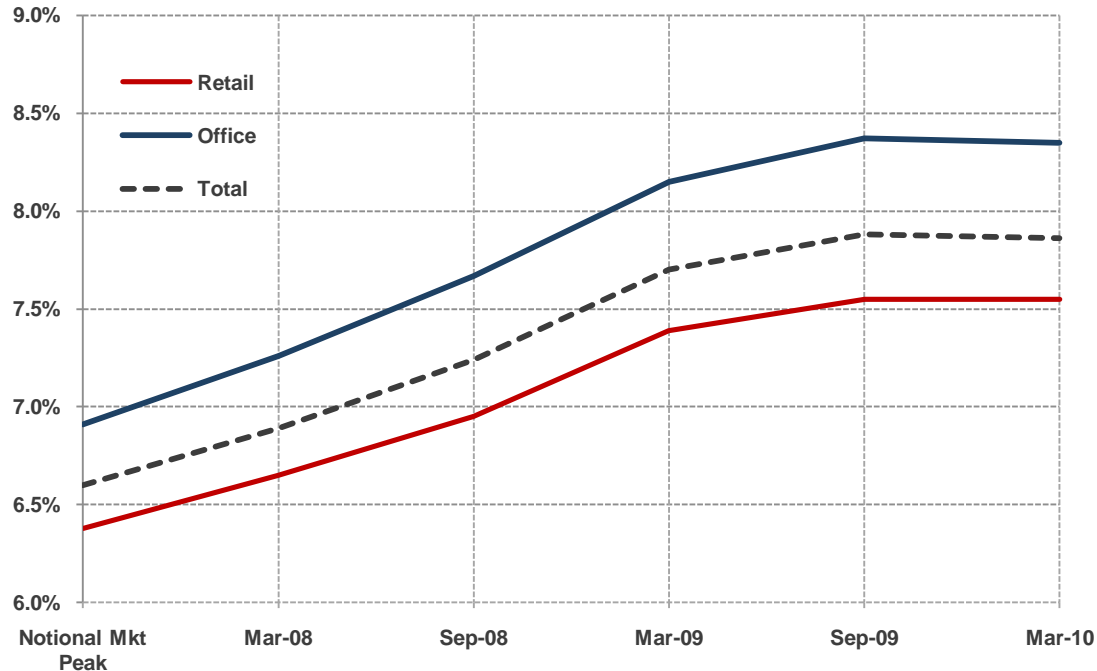
**4.0%**

## New lease to Beca

- New nine-year lease agreement for 14,000 sqm of space with Beca Corporate Holdings at 21 Pitt Street
- Lease to commence March 2012
- Auckland Regional Council to surrender bulk of its lease. Final tenancy is exited in 2015
- Transaction highlights leasing team's forward solving abilities
- Increases building's weighted average lease term to 9.5 years from 3.5 years
- General amenities upgrade will be undertaken as part of lease agreement



### Portfolio cap rates



- Capitalisation rates easing appears to have reached a cyclical high with the March 2010 valuations indicating almost no weighted cap. rate movement from six months prior
- No significant movement in cap rates March 2010 to September 2010 hence interim valuation round not undertaken
- Since March 2008, total portfolio write-down (after capex, asset sales and other adjustments) has been \$290 million, or ~14%

- A fundamental tenet of the Trust’s Investment and Management Philosophy is:
  - The on-going refurbishment, remixing and expansion of existing assets
  - The prudent development of new assets
- Thus ensuring:
  - The assets maintain their quality and dominance
  - The provision of long-term sustainable returns to Unit Holders
- As a guiding principle, no more than 15% of the Trust’s assets will be held as development properties at any point in time
- Recent development activity includes:
  - Completion of \$93 million redevelopment of The Plaza Shopping Centre in Palmerston North
  - Conditional agreement to develop new head office premises for ASB Bank
  - Planning for future expansion of the Trust’s flagship retail asset Sylvia Park Shopping Centre, Auckland
  - Potential \$40 million redevelopment of Centre Place Shopping Centre, Hamilton

# ASB Head Office, Wynyard Quarter

- Satisfied key Board and Trustee approvals contained in the conditional development agreement in August
- Proposed development remains conditional on a number of procedural matters including obtaining resource consent



Potential project statistics Based on conditional contract	
Development budget	\$126.2m
Target initial yield	8.5%
Net lettable area	18,000 sqm
ASB net lettable area	93%
ASB lease term	18 years
Construction period	Jun-11 to Jun-13



# Sylvia Park plan change

- Sylvia Park identified as one of three ‘principal centres’ by Auckland City Council
- Private plan change approved by Council in September 2010 (remains subject to appeal only)
  - The plan change supports Council’s vision for a comprehensively planned sub-regional centre with provision for retail, entertainment, office and residential activities
- Key provisions of the plan change include:
  - Increase in total allowable GFA from 148,000 sqm to 250,000 sqm
  - Increase in allowable GFA for retail and entertainment activities from 75,000 sqm to 130,000 sqm
  - Increased height limits
- The successful conclusion of this plan change is an important and necessary step in the long-term strategic planning of the Trust’s most valuable asset



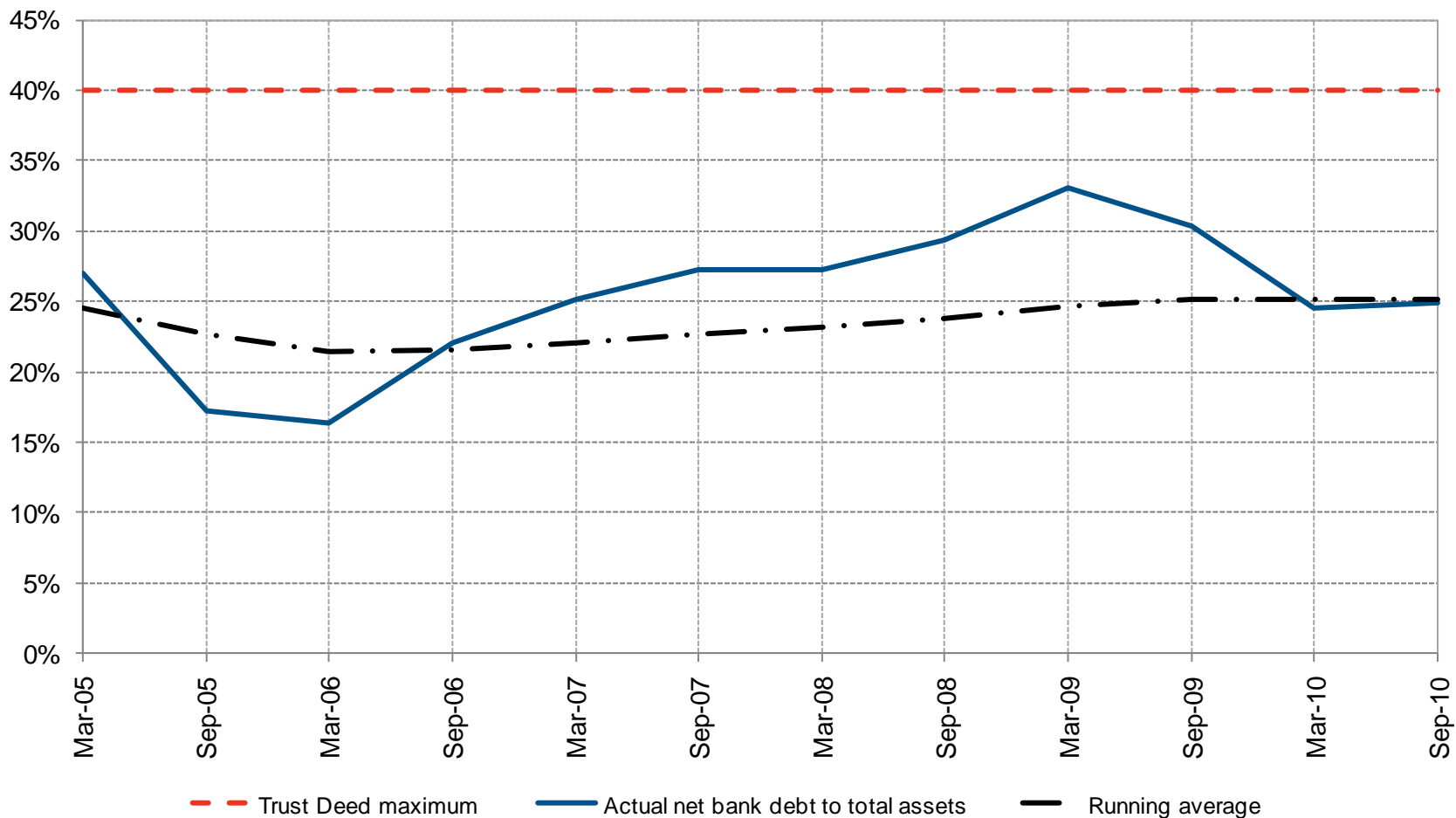
# Capital management

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# Capital management

## Net bank debt to total assets

- The average net bank debt to total assets ratio over the past five financial years is approximately **25%**

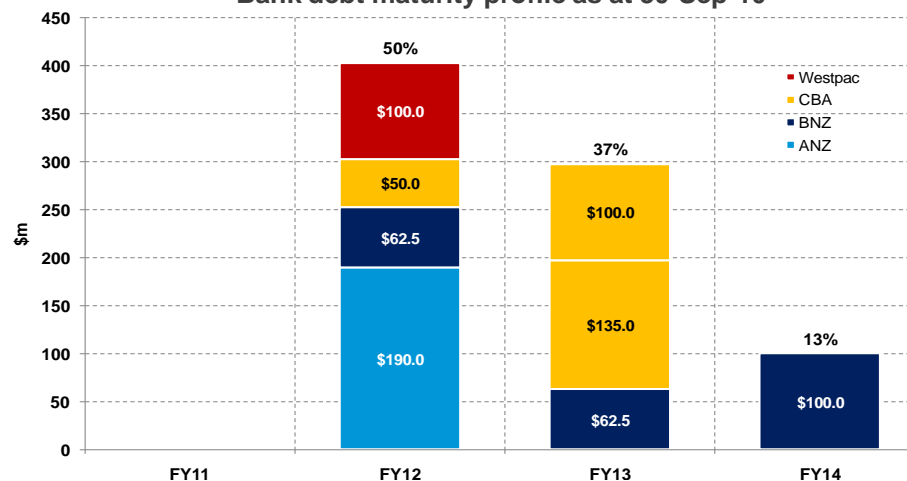


# Capital management

## Bank debt summary

Bank facilities	30-Sep-10	31-Mar-10
Bilateral facilities [ANZ, BNZ, CBA and Westpac]	\$800m	\$800m
Balance drawn	\$578m	\$571m
Balance undrawn	\$222m	\$229m
MCN proceeds on deposit	\$108m	\$114m
Percentage of drawn bank debt hedged (fixed)	82%	94%
Weighted average interest rate on hedged bank debt (excl. margin and fees)	6.66%	6.67%
Weighted average term to maturity of interest rate hedges	3.7 years	3.6 years
Weighted average cost of debt (incl. margin and line fees)	6.68%	7.07%
Weighted average term to maturity of facilities	1.4 years	1.9 years
Trust Deed gearing ratio [requirement: < 40%] <sup>1</sup>	29.0%	28.8%
Bank covenant interest cover ratio [requirement: > 2.25 times] <sup>2</sup>	3.96	3.73

Bank debt maturity profile as at 30-Sep-10

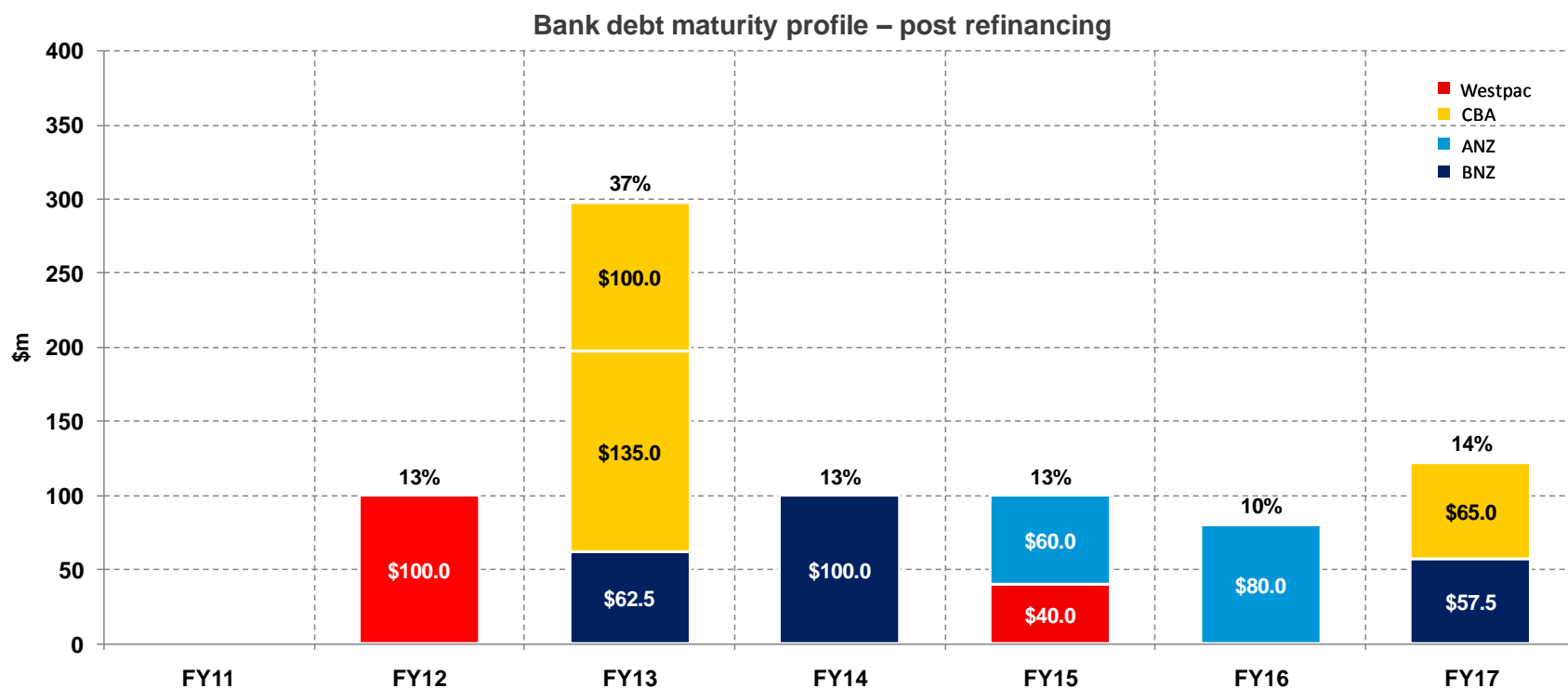


1. Calculated as bank debt over total assets
2. Calculated as net rental income over net interest expense (net interest excludes interest on mandatory convertible notes)

# Capital management

## Bank debt refinancing

- \$302.5 million in bank debt facilities renewed **post the interim reporting period**, with \$800 million in bilateral bank debt facilities maintained
- Weighted average term to maturity has increased by 1.5 years to 2.9 years
  - Renewed facilities with ANZ, BNZ, CBA and Westpac spreads the maturities amongst the Trust’s financial years ending 31 March 2015, 2016 and 2017
- Following the extensions, allocation to each of the four banks will be – ANZ: \$140 million (17.5%), BNZ: \$220 million (27.5%), CBA: \$300 million (37.5%) and Westpac: \$140 million (17.5%)



# Outlook

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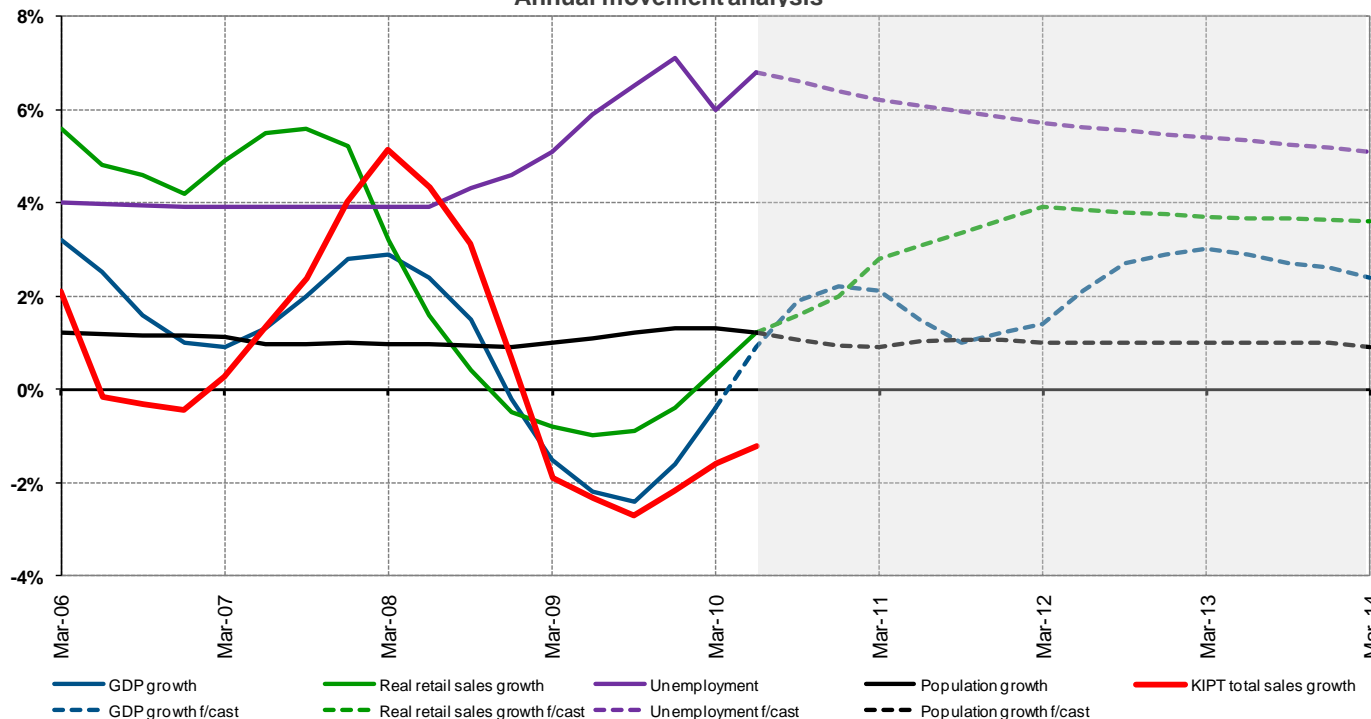
# Outlook

## General economy

Indicator For the year ended/as at 31 Mar	2008A	2009A	2010A	2011F	2012F
GDP Growth	2.9%	-1.5%	-0.4%	2.1%	1.4%
Private Consumption Growth	3.2%	-0.8%	0.4%	2.8%	3.9%
Unemployment	3.9%	5.1%	6.0%	6.2%	5.7%

- Pace of recovery in global economy has slowed
- Growth in Australia and Asia offsets United States and EU weakness

**New Zealand economic indicators**  
Annual movement analysis



- In New Zealand, economic recovery is export led
- New Zealand domestic economy subdued and household sector remains cautious
- Recovery in retail sales expected in 2011
- Unemployment rate stabilising around 6%

Source: Statistics NZ, NZIER Quarterly Predictions Sep-10

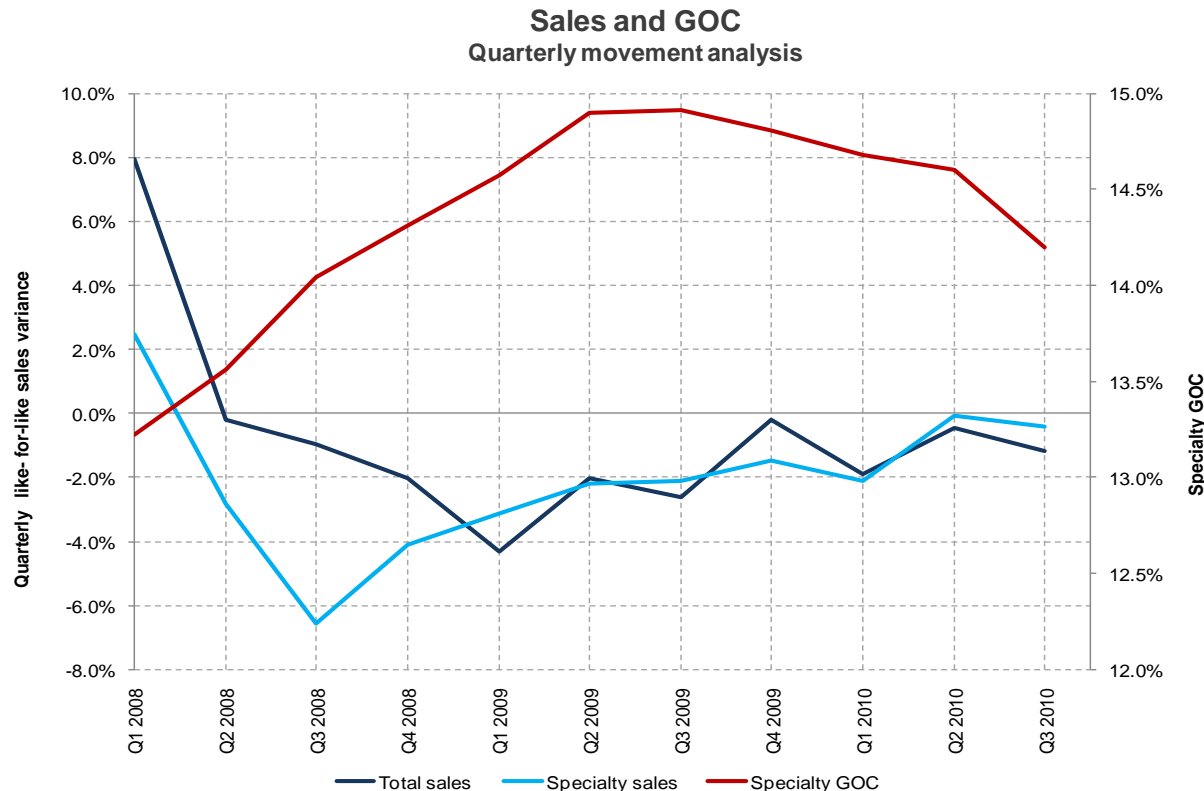
Sales and gross occupancy costs For the year ended / as at [Incl. GST]	30-Sep-10	30-Sep-09	Variance	
Portfolio moving annual turnover [\$m]	1,074.5	1,042.3	+32.2	+3.1%
Like-for-like moving annual turnover [\$m]	918.5	925.9	-7.4	-0.8%
Specialty gross occupancy costs [GOC]	14.2%	14.7%	-0.5%	

## Portfolio sales

- Total sales have increased due to new store openings
- Household spending subdued. Same store sales down **-0.8%**
- Like-for-like sales movement:
  - Supermarkets **+0.5%**
  - Department stores **+0.3%**
  - Disc. dept. stores **-3.0%**
  - Cinemas **+18.3%**
  - Mini majors **-6.0%**
  - Specialty **-0.8%**

## Specialty GOC

- Reduced to **14.2%**



	AUCKLAND		WELLINGTON	
	Current	Forecast	Current	Forecast
Supply	~32,000 sqm new Telecom head office recently completed	~52,000 sqm of new space forecast for 2011 with 60% pre-commitment <sup>2</sup>		~99,000 sqm of new space over 2010/2011. 89% pre-committed <sup>5</sup>
Vacancy	Current / (Prior year): <sup>1</sup> - Core CBD total <b>12.2%</b> (9.6%) - Core Premium <b>6.7%</b> (2.2%) - Core A-grade <b>15.7%</b> (11.2%)	Peak at <b>14.8%</b> in 2011 and recover thereafter albeit with a spike in 2013 as new developments complete <sup>2</sup>	Current / (Prior year): <sup>4</sup> - Core CBD total <b>8.1%</b> (5.8%) - Core Premium <b>2.9%</b> (3.7%) - Core B-grade <b>5.3%</b> (7.1%)	Increasing to a peak of <b>11.7%</b> during 2011 with steady recovery thereafter <sup>5</sup>
Rents	CBD avg <u>net</u> effective: <sup>1</sup> Current / (Prior year) - Premium <b>\$375/sqm</b> (\$424) - A-grade <b>\$232/sqm</b> (\$266)	Further falls in 2010 but forecast to increase in 2011. Premium grade will continue to improve thereafter with improving vacancy. A-grade recovery will flatten in 2013 with vacancy spike <sup>2</sup>	CBD avg <u>gross</u> effective: <sup>4</sup> Current / (Prior year) - Premium <b>\$452/sqm</b> (\$475) - B-grade <b>\$287/sqm</b> (\$304)	Premium: Further falls expected in 2010/11 with return to 2009 levels by 2014. B-grade: Further falls expected through to 2012 with subsequent strong rebound <sup>5</sup>
Sales	Activity still subdued. Deloitte House (80 Queen St) still latest transaction of note. Sold 1H 2010 for \$177m or 7.67% equivalent yield <sup>3</sup>	Investment yields forecast to firm by 80bps to 90bps over the next four years <sup>2</sup>	Some recent sales following long period of inactivity. 180 Molesworth St sold for \$38.2m at equivalent yield of 8.68% <sup>6</sup>	Investment yields for all grades expected to firm over the next four years, Premium by 80bps and B-grade by 42bps <sup>5</sup>

1. Auckland Property Market Monitor (CBRE, Jul-10)  
 2. Auckland Property Market Outlook (CBRE, May-10)  
 3. Colliers International analysis

4. Wellington Property Market Monitor (CBRE, Jun-10)  
 5. Wellington Property Market Outlook (CBRE, Jun-10)  
 6. Bayleys Valuations Limited analysis

**Economic  
recovery  
subdued**

**Trust's  
defensive  
characteristics**

**Distribution**  
cents per unit

**7.00**

- Economic recovery export led – strong growth in Australia, China and emerging Asia
- Household sector cautious with soft consumer spending
- Recovery in retail sales and employment in 2011
- Strong financial position
- Active management maintaining high occupancy rates
- Premium assets, diversified portfolio, solid tenant base
- Platform to explore investment opportunities
- Based on the outlook for the Trust, and subject to economic conditions, we are projecting an after tax cash distribution of 7.00 cents per unit for the year ending 31 March 2011

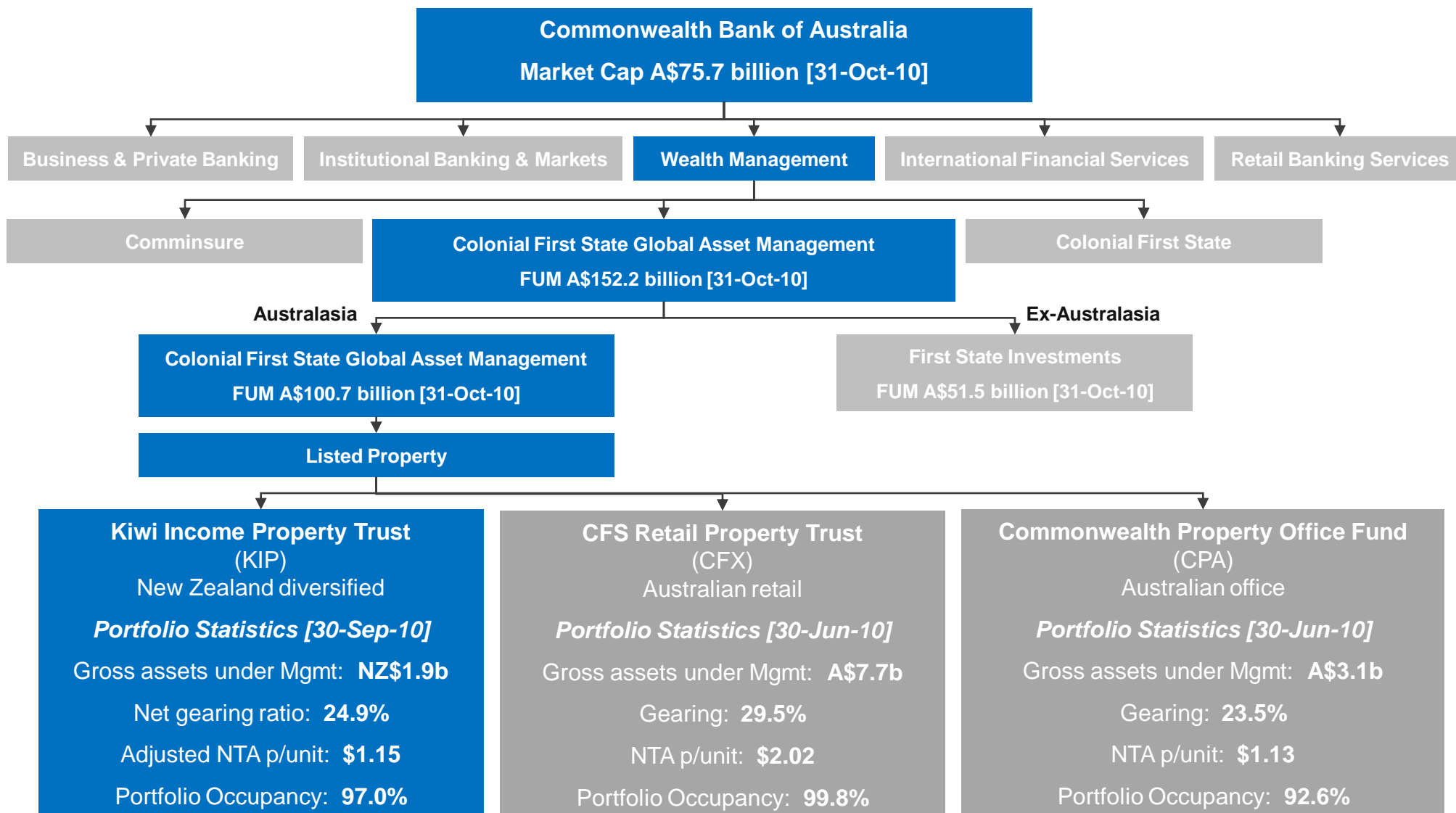
# Appendices

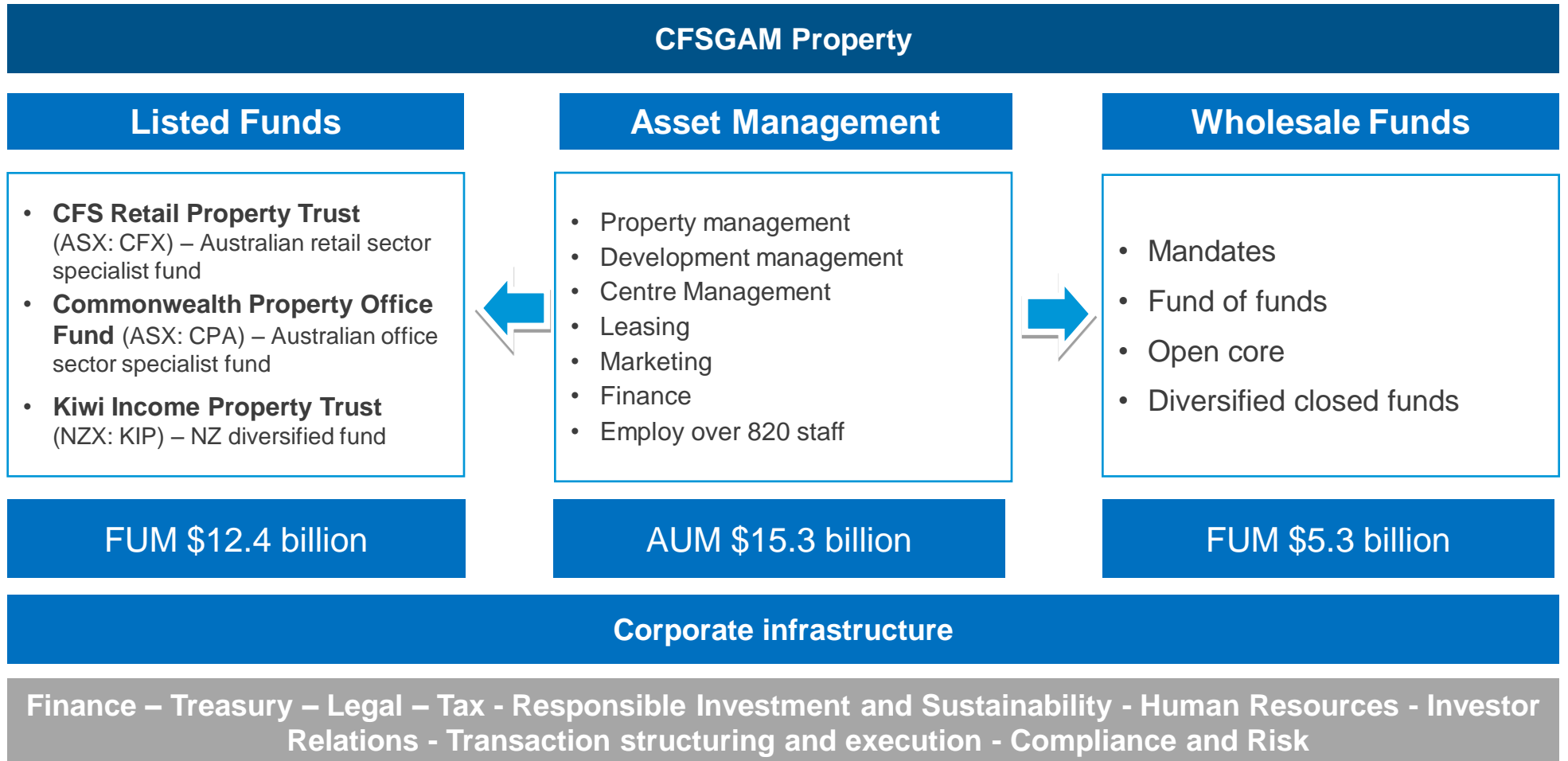
Melbourne and Sydney Investor Roadshow | 25-26 November 2010

- Appendix 1: Corporate strength**
- Appendix 2: Property portfolio summary**
- Appendix 3: Economic summaries**

# Appendix 1: Corporate strength

Melbourne and Sydney Investor Roadshow | 25-26 November 2010





## Appendix 2: Property portfolio summary

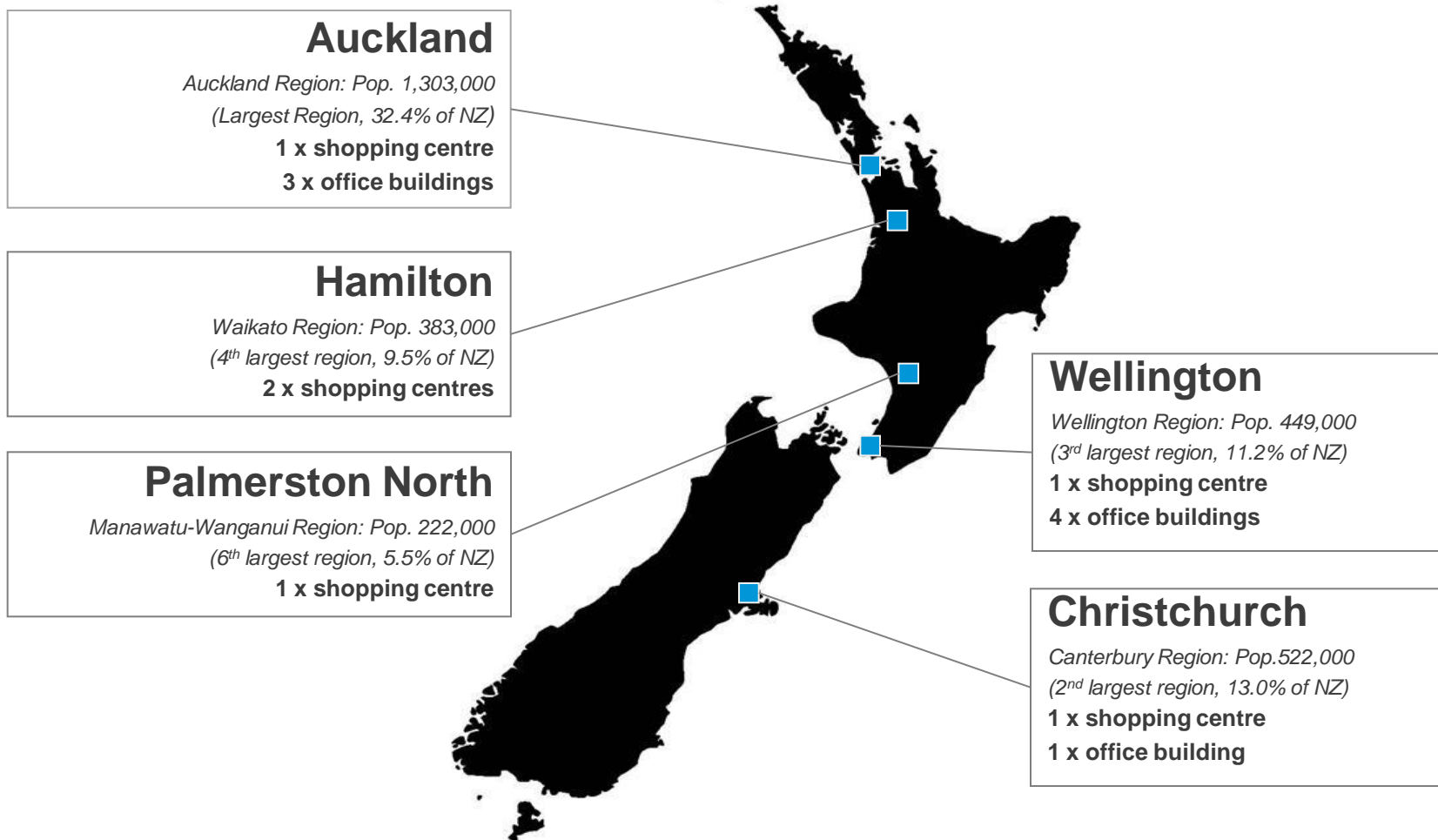
Melbourne and Sydney Investor Roadshow | 25-26 November 2010

**Note:**

At 31 March 2010 the property portfolio was held at fair value as determined by independent valuations. At 30 September 2010 the value of the property portfolio represents the 31 March 2010 valuation plus capital expenditure incurred. The cap rates are as at 31 March 2010

# Appendix 2 – Property portfolio summary

## Portfolio diversification overview



# Appendix 2 – Property portfolio summary

## Valuation and occupancy summary



Portfolio / property	Value \$m		Occupancy
	30-Sep-10	31-Mar-10	%
Sylvia Park	453.2	452.0	100.0
Centre Place	94.3	92.9	91.3
Downtown Plaza	21.9	21.9	100.0
The Plaza	195.6	194.2	100.0
North City	103.3	103.0	98.3
Northlands	236.8	236.0	97.9
<b>Total: Retail</b>	<b>1,105.1</b>	<b>1,100.0</b>	<b>98.6</b>
Vero Centre	265.7	265.4	91.0
National Bank Centre	98.3	97.5	89.0
21 Pitt Street	52.0	52.0	100.0
The Majestic Centre	103.5	103.4	100.0
Unisys House	79.8	79.8	100.0
44 The Terrace	30.4	30.3	100.0
50 The Terrace	6.3	6.2	100.0
PricewaterhouseCoopers Centre	52.2	51.8	90.2
<b>Total: Office</b>	<b>688.2</b>	<b>686.4</b>	<b>94.9</b>
<b>Total: Investment portfolio</b>	<b>1,793.3</b>	<b>1,786.4</b>	<b>97.0</b>
Other property	62.8	62.3	
<b>Total: Portfolio</b>	<b>1,856.1</b>	<b>1,848.7</b>	

# Appendix 2 – Property portfolio summary

## Retail assets

### Sylvia Park Auckland



Building grade: NZ Regional SC  
 Date completed: June 2007  
 Net lettable area: 71,225 sqm  
 Number of tenants: 205  
 Occupancy rate: 100%  
 Current valuation: \$453.2m  
 Capitalisation rate: 6.88%

### Northlands Christchurch



Building grade: NZ Regional SC  
 Date built: 1967  
 Last refurbished: 2004  
 Net lettable area: 42,256 sqm  
 Number of tenants: 131  
 Occupancy rate: 97.9%  
 Current valuation: \$236.8m  
 Capitalisation rate: 7.50%

### The Plaza Palmerston North



Building grade: NZ Regional SC  
 Date built: 1986  
 Last redeveloped: 2009-2010  
 Net lettable area: 32,279 sqm  
 Number of tenants: 107  
 Occupancy rate: 100%  
 Current valuation: \$195.6m  
 Capitalisation rate: 7.50%

# Appendix 2 – Property portfolio summary

## Retail assets

### North City Porirua



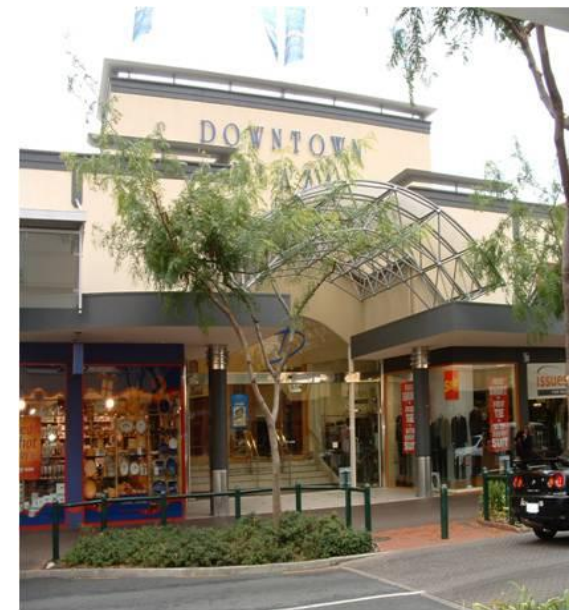
Building grade: NZ Regional SC  
 Date built: 1990  
 Last refurbished: 2004  
 Net lettable area: 25,795 sqm  
 Number of tenants: 105  
 Occupancy rate: 98.3%  
 Current valuation: \$103.3m  
 Capitalisation rate: 8.75%

### Centre Place Hamilton



Building grade: CBD SC  
 Date built: 1985  
 Last refurbished: 2000  
 Net lettable area: 15,133 sqm  
 Number of tenants: 77  
 Occupancy rate: 91.3%  
 Current valuation: \$94.3m  
 Capitalisation rate: 9.13%

### Downtown Plaza Hamilton



Building grade: CBD SC  
 Date built: 1994  
 Last refurbished: 2007  
 Net lettable area: 6,146 sqm  
 Number of tenants: 30  
 Occupancy rate: 100%  
 Current valuation: \$21.9m  
 Capitalisation rate: 100.0%

# Appendix 2 – Property portfolio summary

## Office assets

### Vero Centre Auckland



Building grade:	Prime
Date built:	2000
Net lettable area:	39,490 sqm
Number of tenants:	26
Tenant type:	Professional
Occupancy rate:	91.0%
Current valuation:	\$265.7m
Capitalisation rate:	7.75%

### The Majestic Centre Wellington



Building grade:	A-Grade
Date built:	1991
Net lettable area:	24,387 sqm
Number of tenants:	23
Tenant type:	Professional
Occupancy rate:	100%
Current valuation:	\$103.5m
Capitalisation rate:	8.50%

### National Bank Centre Auckland



Building grade:	A-Grade
Date built:	1990
Net lettable area:	26,141 sqm
Number of tenants:	35
Tenant type:	Professional
Occupancy rate:	89.0%
Current valuation:	\$98.3m
Capitalisation rate:	8.75%

### Unisys House Wellington



Building grade: B-Grade  
 Date built: 1968  
 Net lettable area: 22,158 sqm  
 Number of tenants: 10  
 Tenant type: Government  
 Occupancy rate: 100%  
 Current valuation: \$79.8m  
 Capitalisation rate: 8.75%

### PricewaterhouseCoopers Centre Christchurch



Building grade: A-Grade  
 Date built: 1990  
 Net lettable area: 16,082 sqm  
 Number of tenants: 25  
 Tenant type: Professional  
 Occupancy rate: 90.2%  
 Current valuation: \$52.2m  
 Capitalisation rate: 8.88%

### 21 Pitt Street Auckland



Building grade: A-Grade  
 Date built: 1990  
 Net lettable area: 17,252 sqm  
 Number of tenants: 3  
 Tenant type: Local government  
 Occupancy rate: 100%  
 Current valuation: \$52.0m  
 Capitalisation rate: 8.88%

# Appendix 2 – Property portfolio summary

## Office assets

### 44 The Terrace Wellington



Building grade:	B-Grade
Date built:	1988
Net lettable area:	10,109 sqm
Number of tenants:	8
Tenant type:	Government
Occupancy rate:	100%
Current valuation:	\$30.4m
Capitalisation rate:	8.75%

### 50 The Terrace Wellington



Building grade:	B-Grade
Net lettable area:	2,442 sqm
Number of tenants:	8
Tenant type:	Government
Occupancy rate:	100%
Current valuation:	\$6.2m
Capitalisation rate:	9.75%

## Appendix 3: Economic summaries

Melbourne and Sydney Investor Roadshow | 25-26 November 2010

# Appendix 3 – Economic summary

## New Zealand overview



### Key facts

Population	4.39 million (at Nov-10)
Population growth forecast (2010-2015)	182,000 or 4.2% (Migration 0.8%, Natural 3.4%)
Area	269,000 km <sup>2</sup> (similar in size to United Kingdom)

### Economic statistics

Nominal GDP (year to Jun-10)	NZ\$189.2 billion
GDP per capita (year to Jun-10)	NZ\$43,269
Real GDP growth (year to Mar-10)	-0.4%
Inflation (at Sep-10)	1.5%
Unemployment rate (at Jun-10)	6.8%
Foreign credit rating	AA+ (S&P)
Currency (at 22 Nov-10)	NZ\$1:A\$0.7890, NZ\$1:US\$0.7760
Government net debt (at Nov-10)	NZ\$26.7 billion (14% of GDP)
Market capitalisation (at Nov-10)	NZ\$54.3 billion

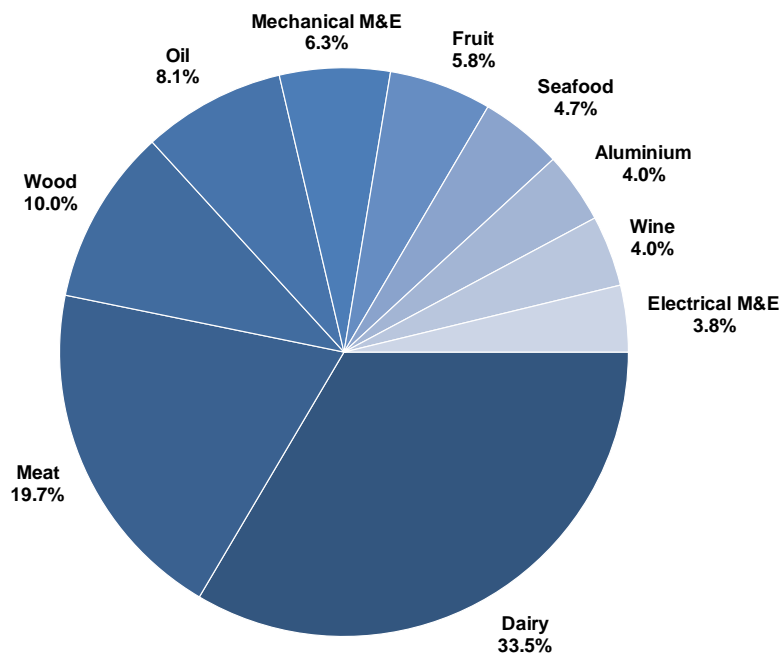
## Exports

- Dominated by agricultural goods and their by-products, in which the country has a comparative advantage, in particular dairy and meat

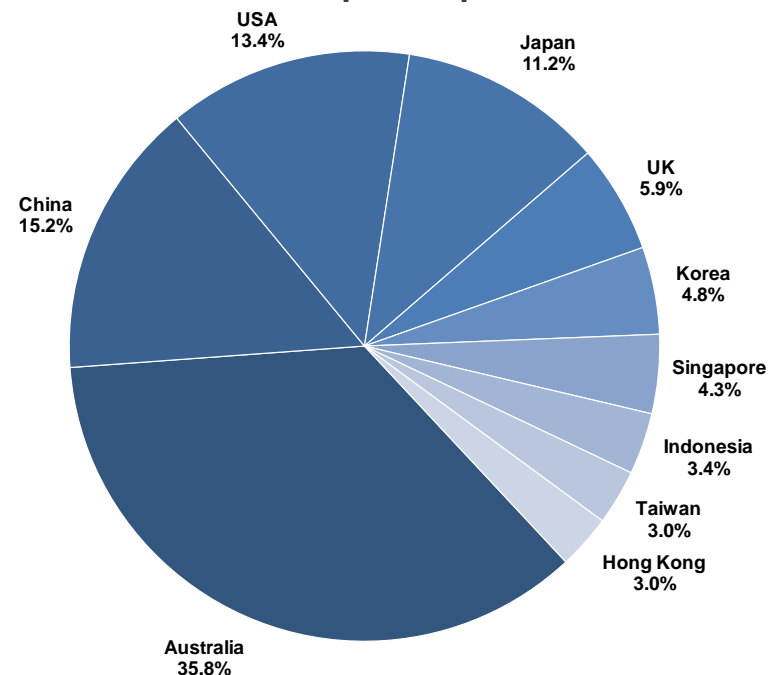
## Trade partners

- New Zealand has few trade restrictions and has become increasingly integrated with its closer Asian neighbours compared to the 1950s when the country relied heavily on the United Kingdom

**New Zealand's top 10 exports**



**New Zealand's top 10 export destinations**



Source: Statistics NZ (Nov-10)

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