

URB INVESTMENTS LIMITED

2017 ANNUAL GENERAL MEETING



URB is managed by Contact Asset Management
AFSL 494045

CHAIRMAN'S ADDRESS

2017 ANNUAL GENERAL MEETING

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Investors should consult their financial adviser in relation to any material within this document.



NON EXECUTIVE DIRECTORS

Warwick Negus

Non-Executive Chairman
Member of the Investment Committee

Bruce Dungey

Independent Non-Executive Director
Chairman of the Audit Committee
Member of the Investment Committee

Tony McDonald

Independent Non-Executive Director
Member of the Investment Committee, Audit Committee
Director of Trustee companies of unlisted property trust investments

Victoria Weekes

Independent Non-Executive Director
Member of the Investment Committee, Audit Committee,
Director of Trustee companies of unlisted property trust investments

INVESTMENT MANAGER

Contact Asset Management

Tom Millner

Portfolio Manager

Member of the Investment Committee

Director of Trustee companies of unlisted property trust investments

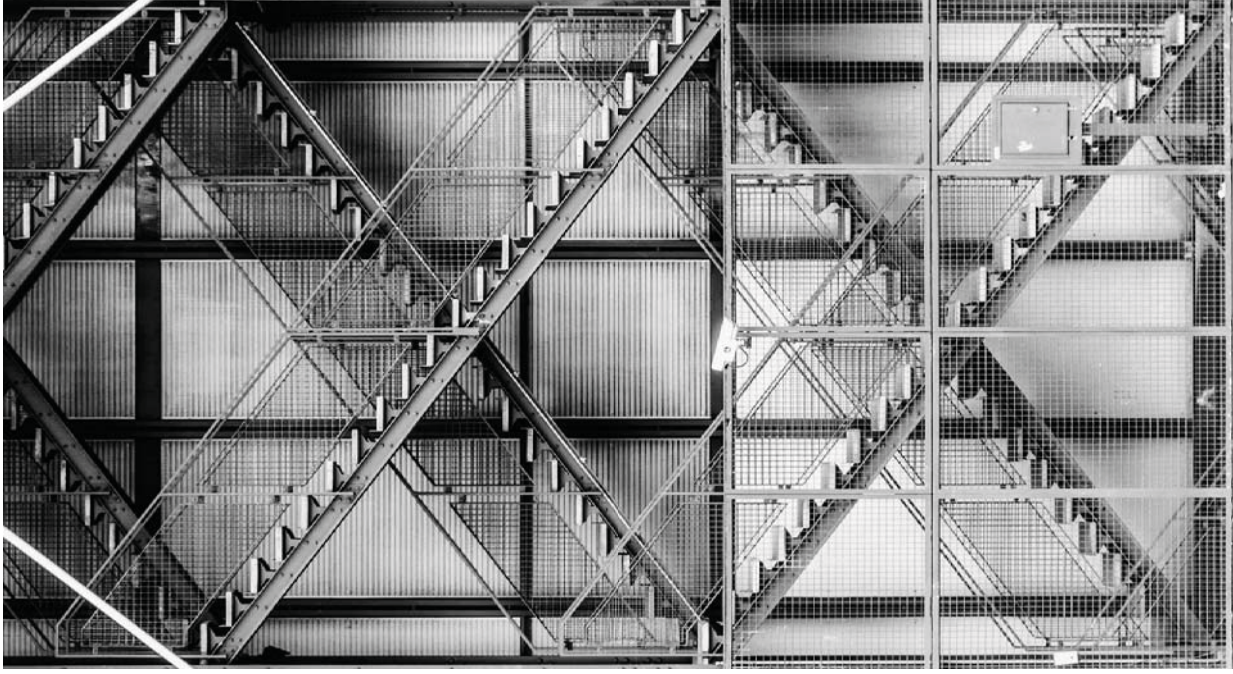
Will Culbert

Portfolio Manager

Member of the Investment Committee

Raul Tamilarasan Investment Analyst

Jovana Gagic Investment Analyst



SECRETARY, ADVISORS, AUDITORS

Company Secretary
Corporate and Administration Services
Jaime Pinto Company Secretary
Larina Tcherkezian Financial Controller



Real Estate Advisory
Pitt Street Real Estate Partners
Hugh Williams Managing Director
Mike Hercus Portfolio Manager



Company Auditors
Pitcher Partners
Scott Whiddett Partner



INITIAL PUBLIC OFFERING

Welcome shareholders to the inaugural Annual General Meeting of URB Investments Limited.

URB Investments Limited was incorporated in October 2016, and listed on the Australian Stock Exchange on Wednesday 12 April 2017.

The initial public offering was a successful one, with URB completing the issue of shares and options raising approximately \$80.1 million.



INVESTMENT STRATEGY & OBJECTIVES

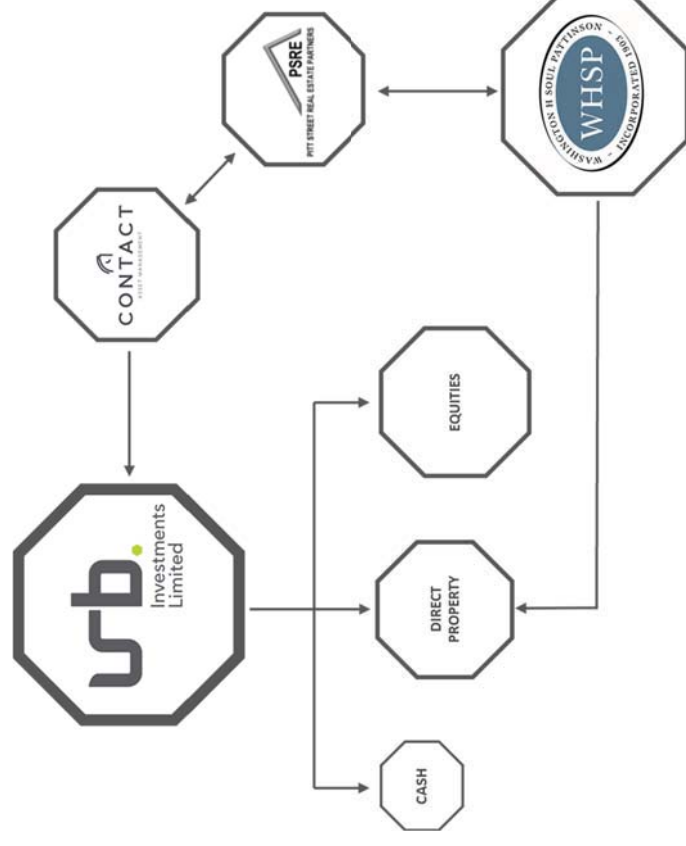
CAPTURE VALUE

By investing in a diversified portfolio of Equity Assets and Direct Property Assets with exposure to the rapidly growing urban renewal and regeneration theme

PROVIDE ACCESS

In Direct Property opportunities through a Co-Investment Agreement between URB and Soul Pattinson

To an Alternative Asset Class



URBAN RENEWAL & REGENERATION

The significant transformation of existing urban areas to accommodate much denser, generally mixed use environments.

Characterised by unlocking under-utilised areas. Typically involves rezoning land whilst investing in infrastructure required to cater for the desired new area.

Urban renewal enables the use and development of an area to better align with the current and future needs of a growing city.



FY2017 PERFORMANCE OVERVIEW

FOR THE PERIOD 12 APRIL 2017 - 30 JUNE 2017

	Ordinary Operations \$'000	Abnormal Items \$'000	Statutory Numbers \$'000
Ordinary revenue from equity portfolio	522	-	522
Other income	122	-	122
Income from operations	644	-	644
Operating expenses	(255)	-	(255)
Transaction costs on investments in direct property assets	-	(1,249)	(1,249)
Operating result before tax	389	(1,249)	(860)
Income tax (expense) / benefit	(90)	343	253
Net operating result	299	(906)	(607)
Basic and diluted earnings per share (EPS)	<i>Cents per share</i> 0.41		<i>Cents per share</i> (0.83)

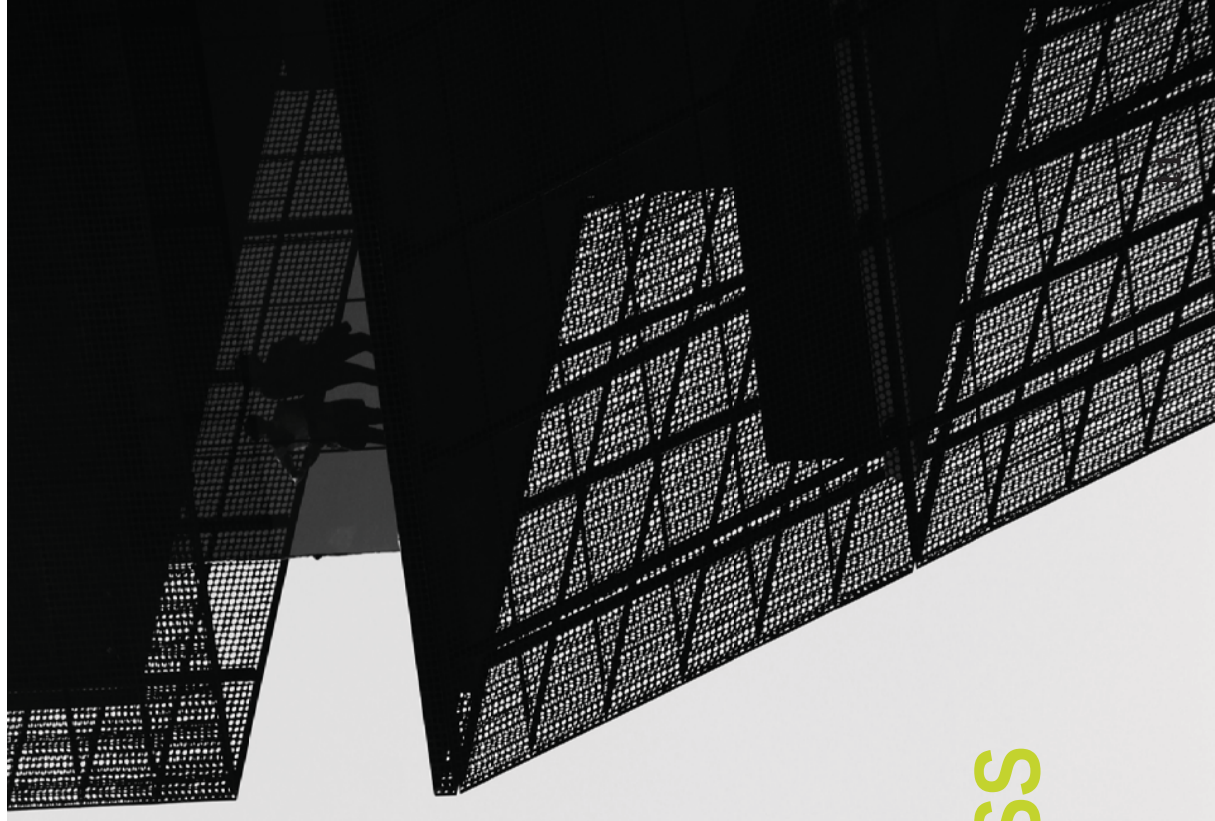


CONTACT

ASSET MANAGEMENT

INVESTMENT MANAGER'S ADDRESS

2017 ANNUAL GENERAL MEETING

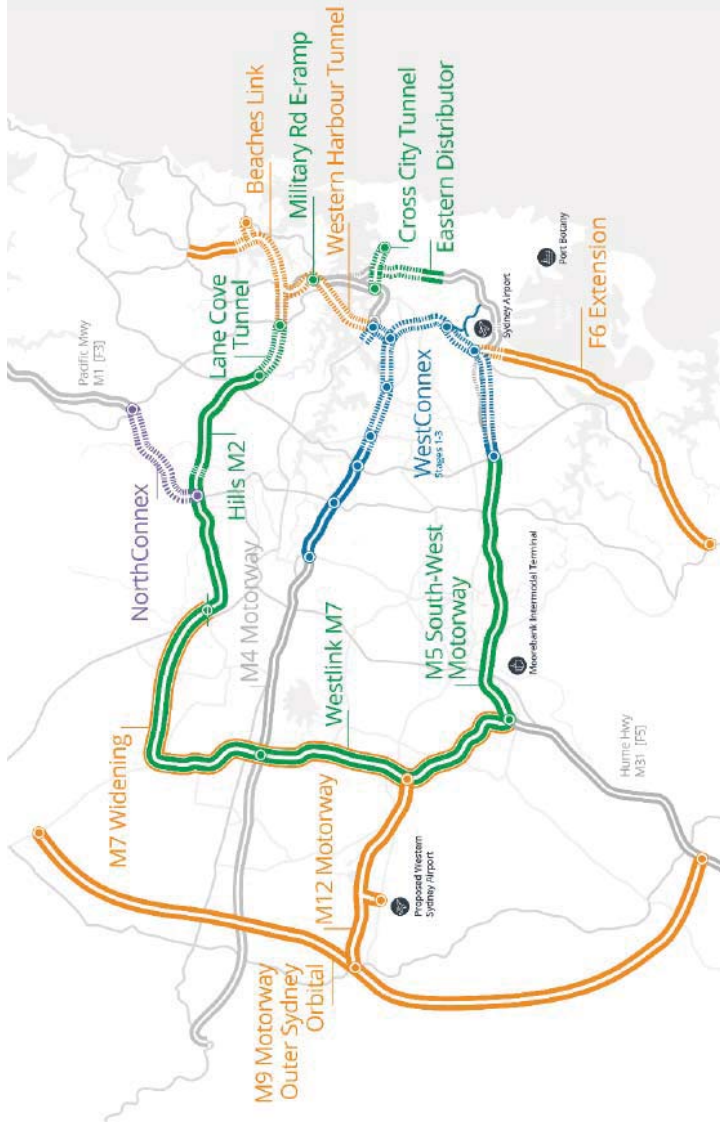


SYDNEY TOLL-ROAD NETWORKS

Congestion is a major issue that has crippled growth in Sydney for many years.

Congestion is not just annoying; it is expensive. Cost of lost production caused by congestion could rise to \$12.6 billion a year by 2030*.

The Toll-Road Network in Sydney is being addressed.



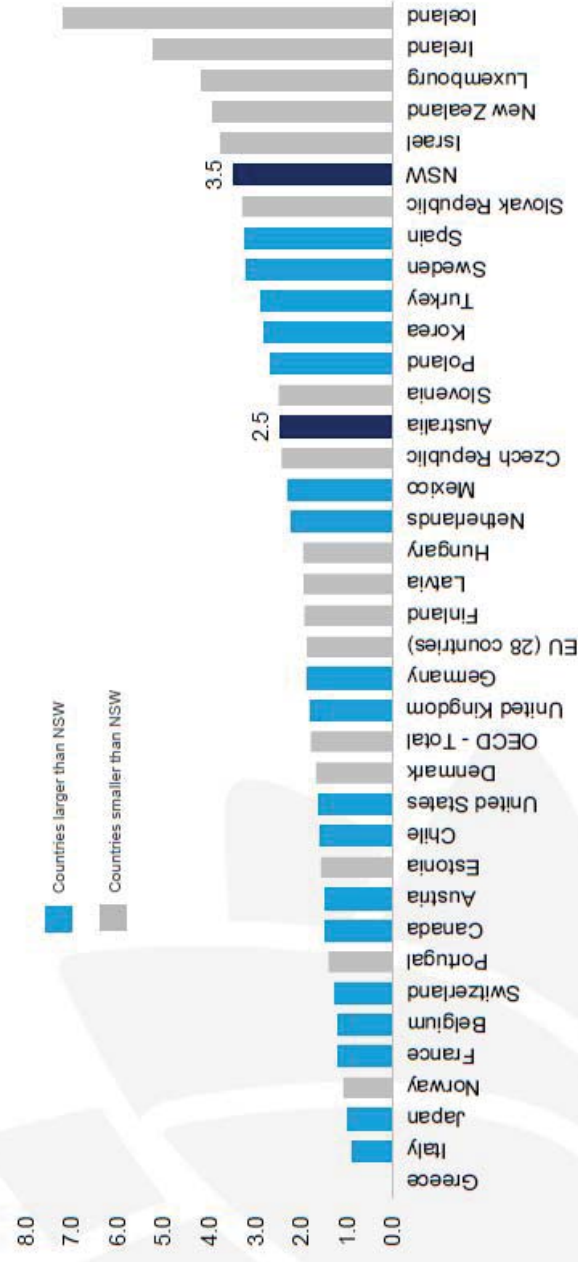
GROWING ECONOMIES

Growing faster than 30 nations in the OECD



NSW's economy is outpacing most countries in the developed world

Economic growth (%)



Note: NSW result is for 2015–16, while others are for calendar year 2016

JOBS AND HOUSING REQUIREMENTS

Sydney's population is estimated to grow by 1.6 million people by 2031.

This growth will require:

- 690,000 new direct and in-direct jobs
- 664,000 new homes

Penrith City Council has stated
"Council is committed to helping create more than 45,000 new jobs and 25,000 new dwellings by 2031. At least 10,000 of these jobs and 5,000 of these dwellings will be created in the Penrith City Centre."

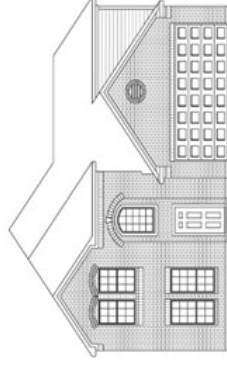
SYDNEY

689,000

Direct and
indirect jobs
created
by 2031

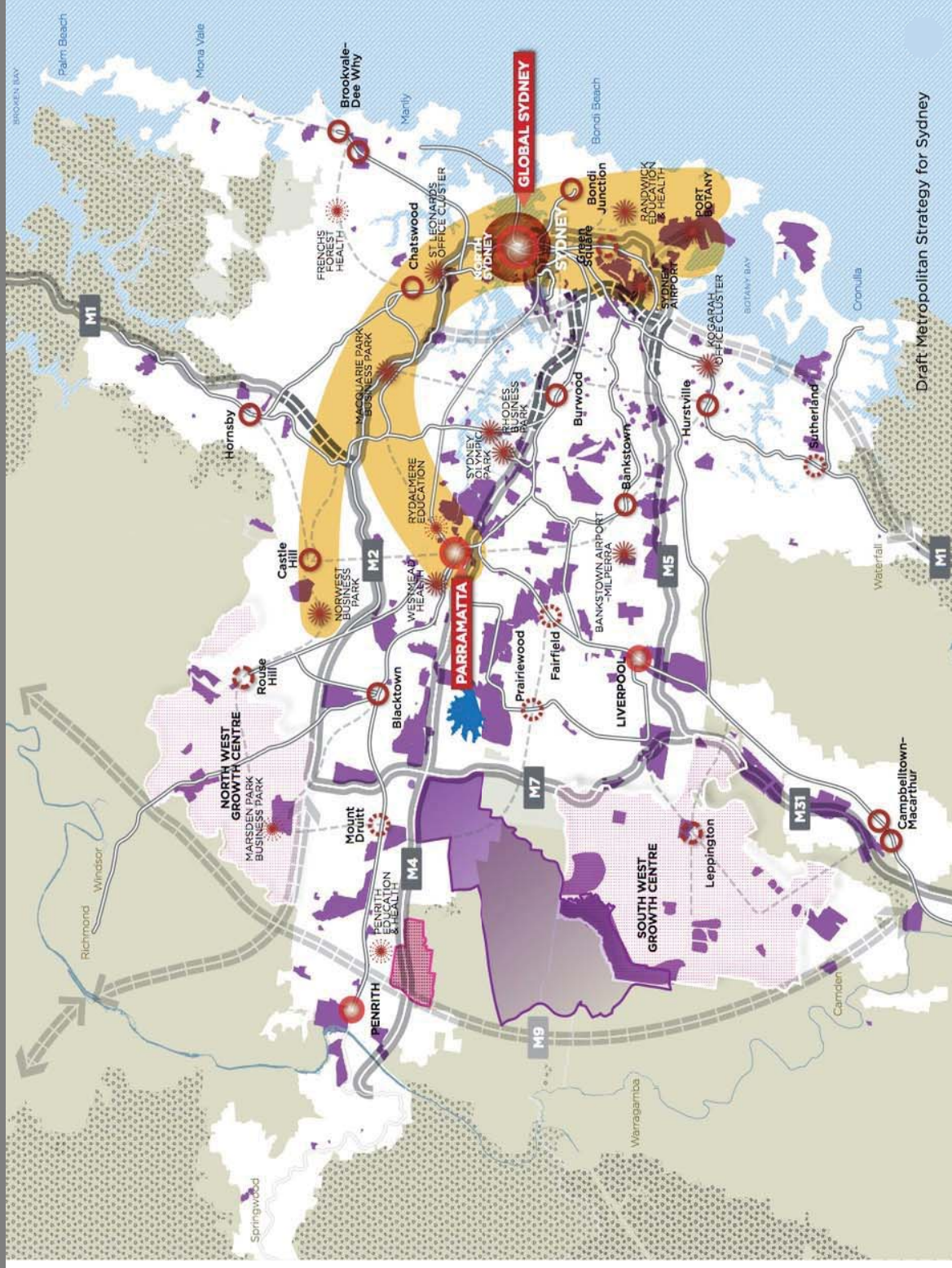


664,000



New homes
expected by 2031

NSW GOVERNMENT - A PLAN FOR GROWING SYDNEY



JOBS AND HOUSING REQUIREMENTS

Melbourne could grow by another 3.4 million people, to around 7.7 million by 2051.

This growth will require:

- 1.6 million new homes
- 1.7 million new jobs

Property Council of Australia has stated:
“Urban renewal and regeneration are important elements of a city’s growth. Government has a key role to play in ensuring important locations are market-ready where private markets are not yet in place.”

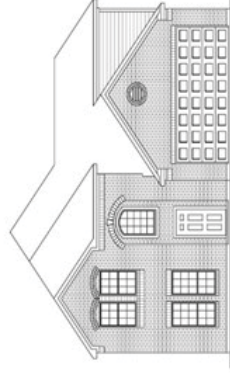
MELBOURNE

1,700,000

Direct and
indirect jobs
created
by 2051



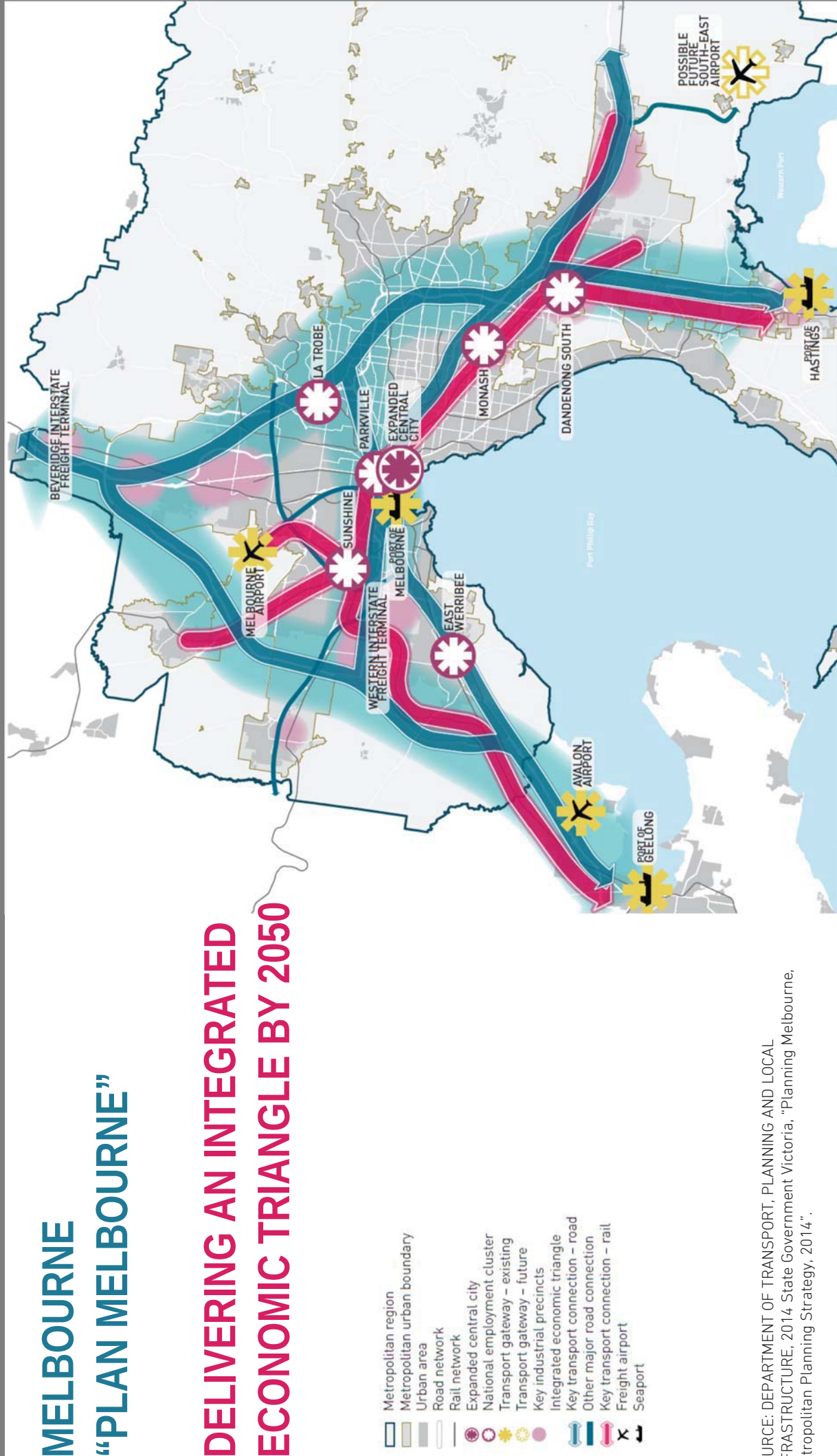
1,600,000



New homes
expected by 2051

MELBOURNE “PLAN MELBOURNE”

DELIVERING AN INTEGRATED ECONOMIC TRIANGLE BY 2050



SOURCE: DEPARTMENT OF TRANSPORT, PLANNING AND LOCAL INFRASTRUCTURE, 2014. State Government Victoria, "Planning Melbourne, Metropolitan Planning Strategy, 2014".

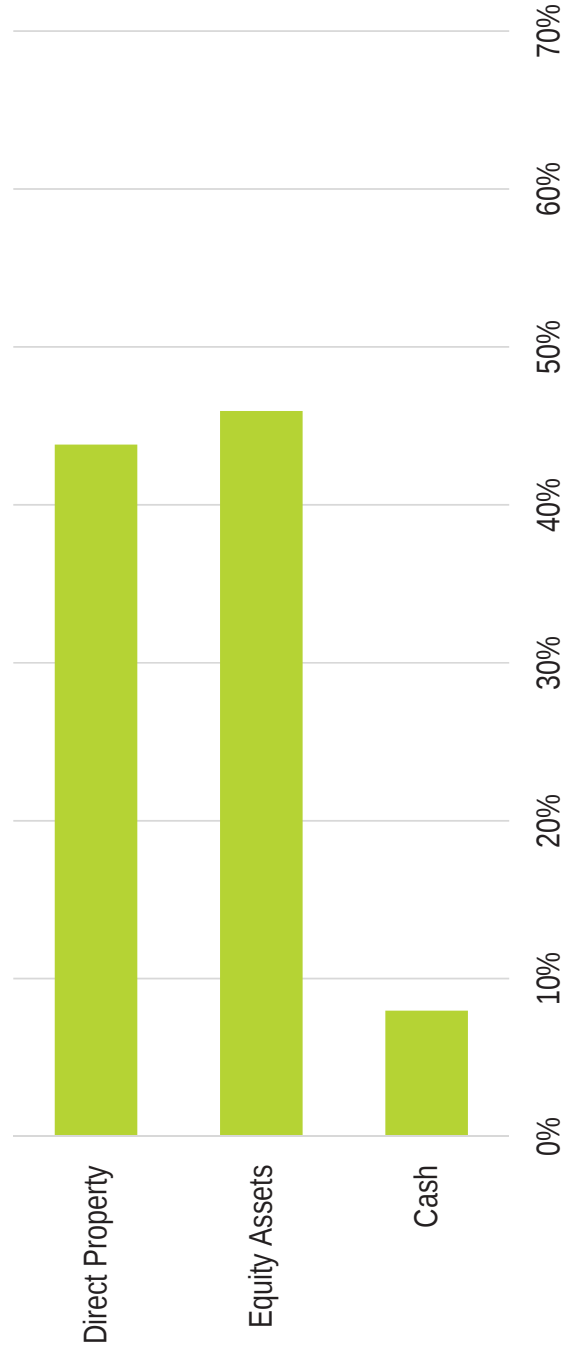
INVESTMENT MANAGER'S ADDRESS
EQUITY PORTFOLIO

URB ASSET ALLOCATION

As at 30 September 2017

Portfolio structure allows URB to be opportunistic through effective asset allocation.

Liquid capital from cash and the Equity Portfolio enables Contact to manage the asset allocation quickly on exclusive Direct Property deals, and then realise them at the right price.



KEY INVESTMENT PRINCIPLES

The construction of the URB Equity Portfolio is a focused approach using active portfolio management and focusing on fundamental, in-depth, bottom-up research to identify high quality and attractively valued equities using Contact's proven and disciplined investment process.

Urban Renewal Exposure	Identify equities exposed to the multiple and growing forces of Urban Renewal and Regeneration including - population growth, population density, major infrastructure investment, housing growth, new employment, revitalising of town centres, education services, healthcare services and tourism growth.
Income	Dividend Yields, Franking Credits, Payout Ratios
Principal Activity	Sustainable Business Model, Competitive Advantage
Balance Sheet	Appropriate Gearing Ratios, Net Interest Coverage
Management	Alignment, Creating Shareholder Wealth, Board of Directors
Valuation	Earnings Profiles, PE Multiples, EV/EBITDA Multiples



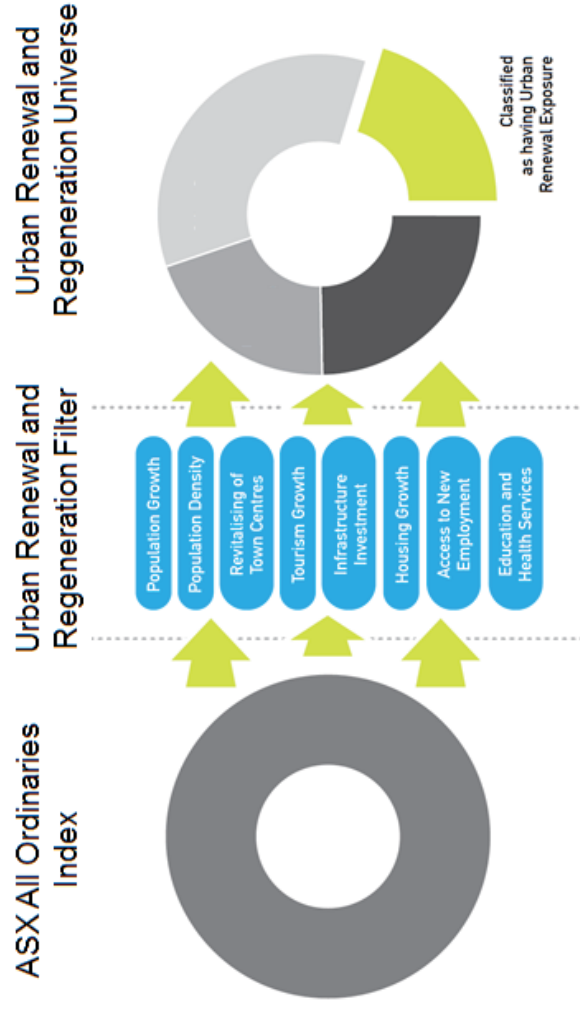
URBAN RENEWAL UNIVERSE

As at 30 September 2017

The Urban Renewal Universe* is currently made up of 93 stocks from the ASX All Ordinaries Index.

The Universe has been weighted based on market capitalisation (the combined market capitalisation of those 93 companies is approximately \$442 billion).

The Urban Renewal Universe accounts for 24.4% of the ASX All Ordinaries Index.



* The Urban Renewal Universe is not an official index but is a universe of the ASX listed equities that Contact considers to have exposure to urban renewal and regeneration and to be within the Investment Strategy after applying investment filters. Equities that comprise the Urban Renewal Universe will vary going forward.

URB INVESTMENT UNIVERSE

As at 30 September 2017

Urban Renewal and Regeneration Opportunities

- Access to Local and Global Urbanisation
- Sustainable and Growing Dividend Stream
- Access to Franking Credits
- Well Managed, Quality Investments
- High Conviction
- Benchmark Unaware
- Liquidity (Settlement in T+2)
- Diversification



PORTFOLIO POSITIONING

As at 30 September 2017

	Stock	% of Total Portfolio	Stock	% of Total Portfolio	
1	Purt No 5: Prestons	16.4%	11	Harvey Norman Holdings	1.8%
2	Purt No 4: Penrith	16.3%	12	CSR Limited	1.7%
3	Purt No 3: Kingsgrove	12.2%	13	National Storage REIT	1.7%
4	Sydney Airport	5.2%	14	Woolworths Limited	1.7%
5	Transurban Group	4.8%	15	AP Eagers Limited	1.5%
6	Wesfarmers Limited	2.9%	16	Regis Healthcare Limited	1.5%
7	LendLease Group	2.8%	17	Seymour Whyte Limited	1.5%
8	Adelaide Brighton Limited	2.7%	18	BWP Trust	1.4%
9	Telstra Corporation	2.1%	19	Qube Holdings Limited	1.3%
10	Mirvac Group	1.8%	20	Stockland	1.3%
			Cash & Cash Equivalents		8.1%
			Total		90.7%

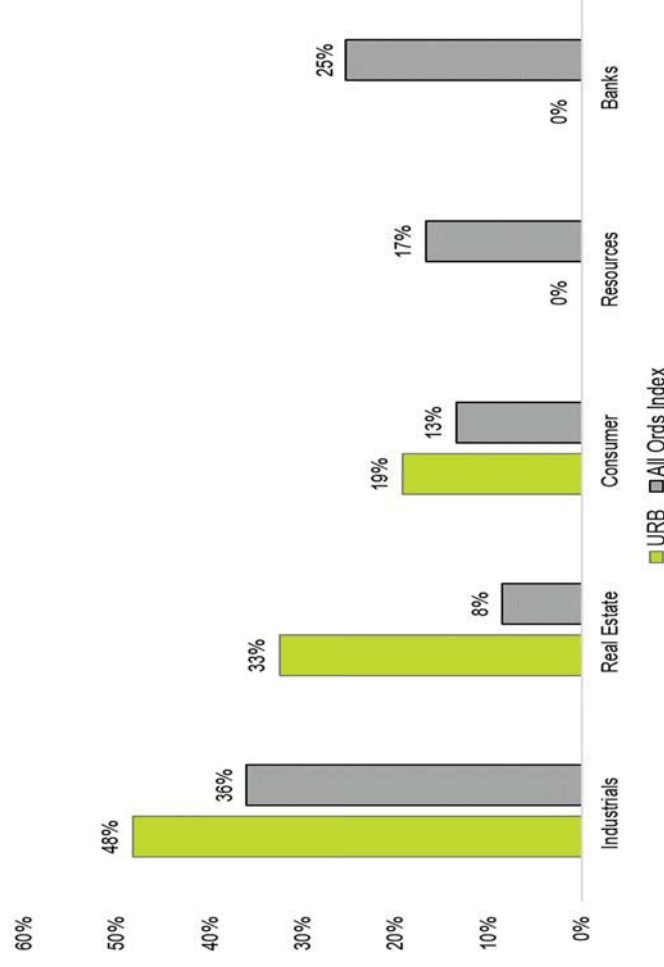
SECTOR EXPOSURE

As at 30 September 2017

URB's Equity Portfolio vs All Ordinaries Index

URB's Equity Portfolio made is up of 27 stocks, which provide the following benefits:

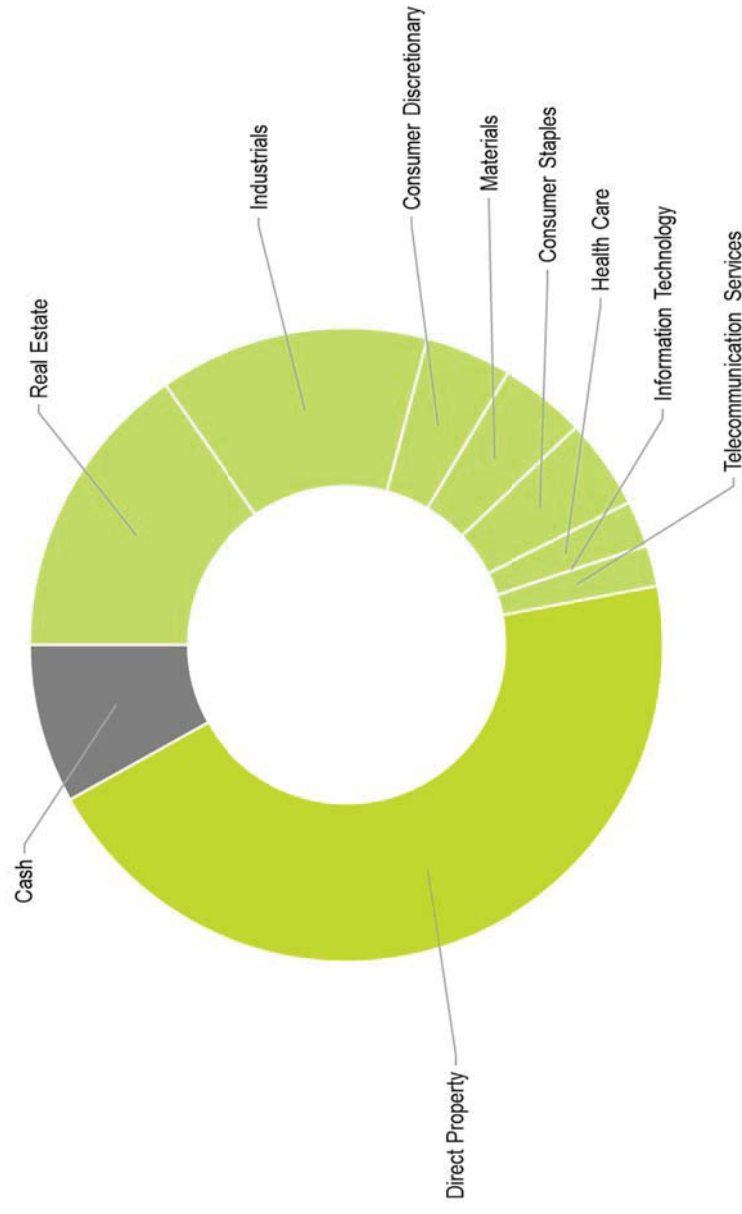
- Positive EPS growth
- Dividend yield growth
- Diversification
- No Banks
- No Resources



SECTOR EXPOSURE

As at 30 September 2017

URB Portfolio – Exposure by Asset Class / Sector



INVESTMENT MANAGER'S ADDRESS

DIRECT PROPERTY



KEY INVESTMENT PRINCIPLES

The construction of the URB Direct Property Portfolio is a focused approach using the following three key investment and management principles

Asset Selection

- Identify under-valued, under-developed and under-utilised property assets exposed to the urban renewal and regeneration thematic and acquire them at attractive prices.
- Target assets where there are identifiable drivers of future revaluations preferably coupled with sustainable income.

Portfolio Construction

- Diversification by: geography; income mix and asset class.
- Invest in sustainable returns across the entire property growth cycle.

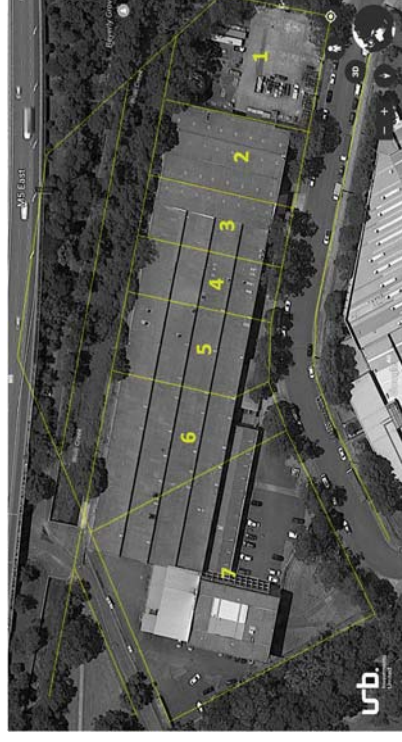
Maximise Asset Performance

- Active asset/property management to generate superior income outcomes.
- Active engagement with stakeholders to maximise future uses & value uplift (e.g. re-zoning).
- Smart value realisation: we will optimise value realisation to drive returns.

URB INVESTMENT UNIVERSE

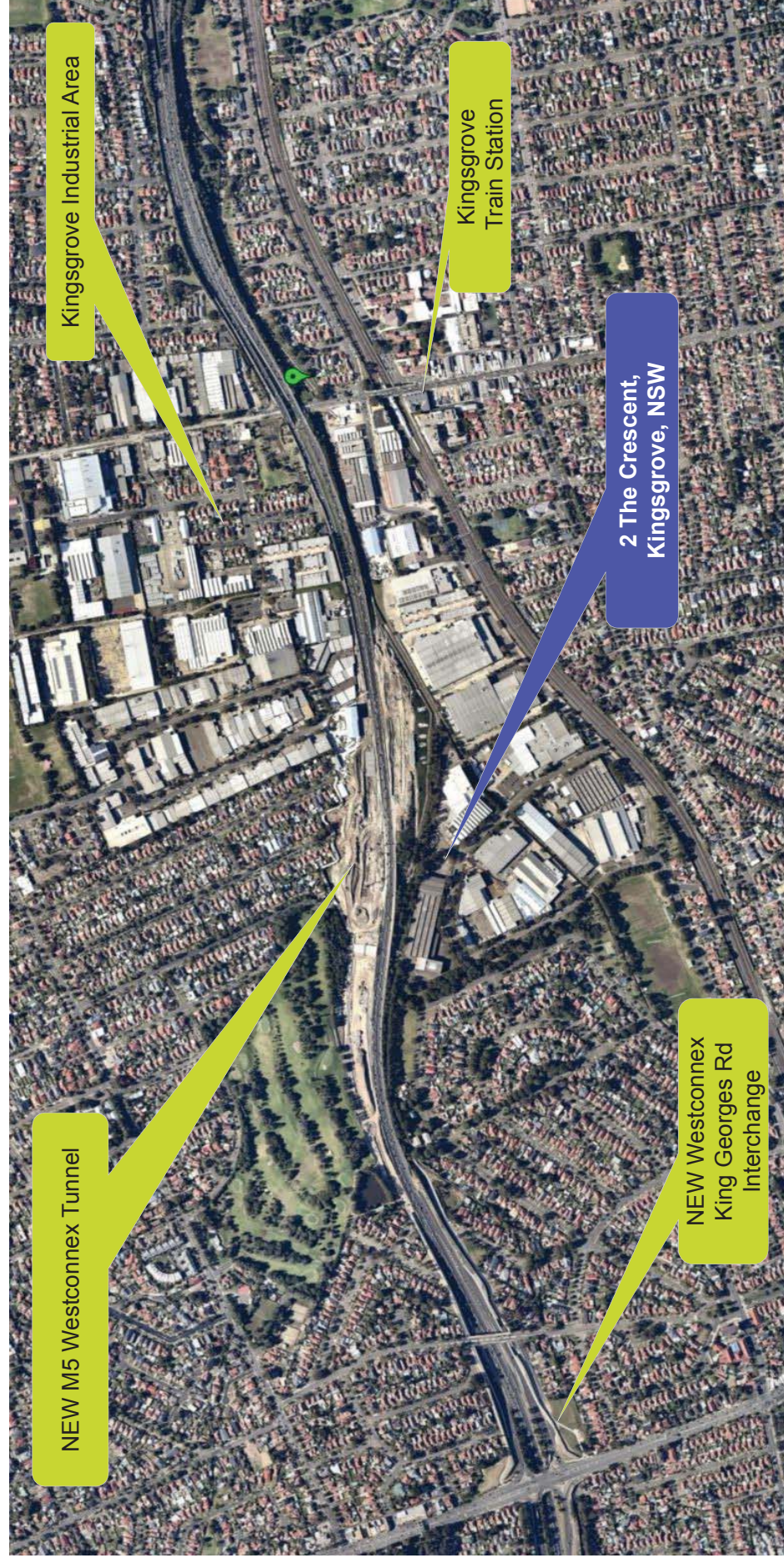
Income and Re-Valuation Opportunities

- Location Benefits
- Major Infrastructure Investment
- De-Industrialisation
- Uplift in Income
- Re-Zoning Outcomes
- Mixed Use Outcomes
- Revitalising of Town Centres
- Re-Development Opportunities



PURT 3: KINGSGROVE

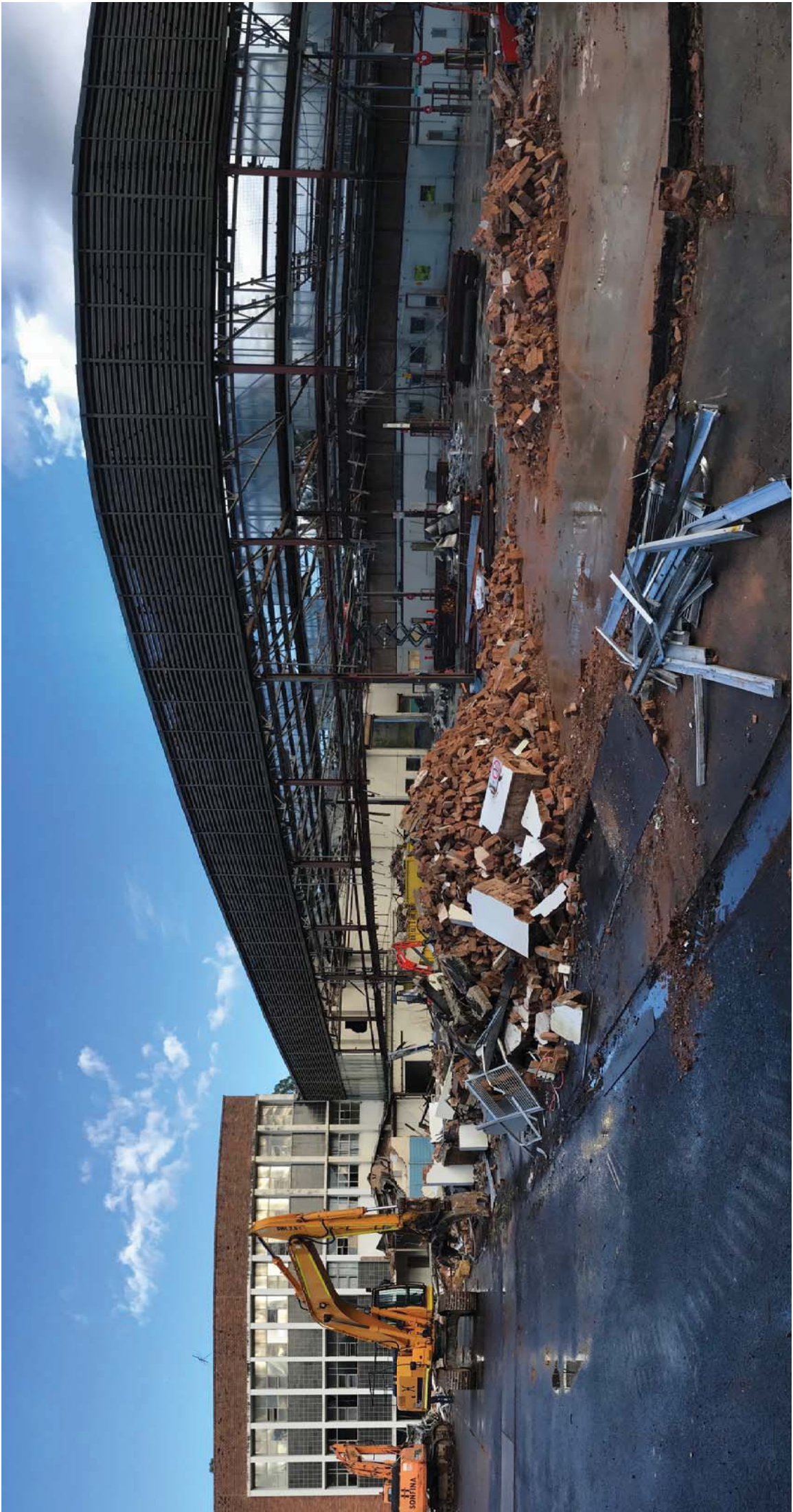
2 THE CRESCENT, KINGSGROVE, NSW



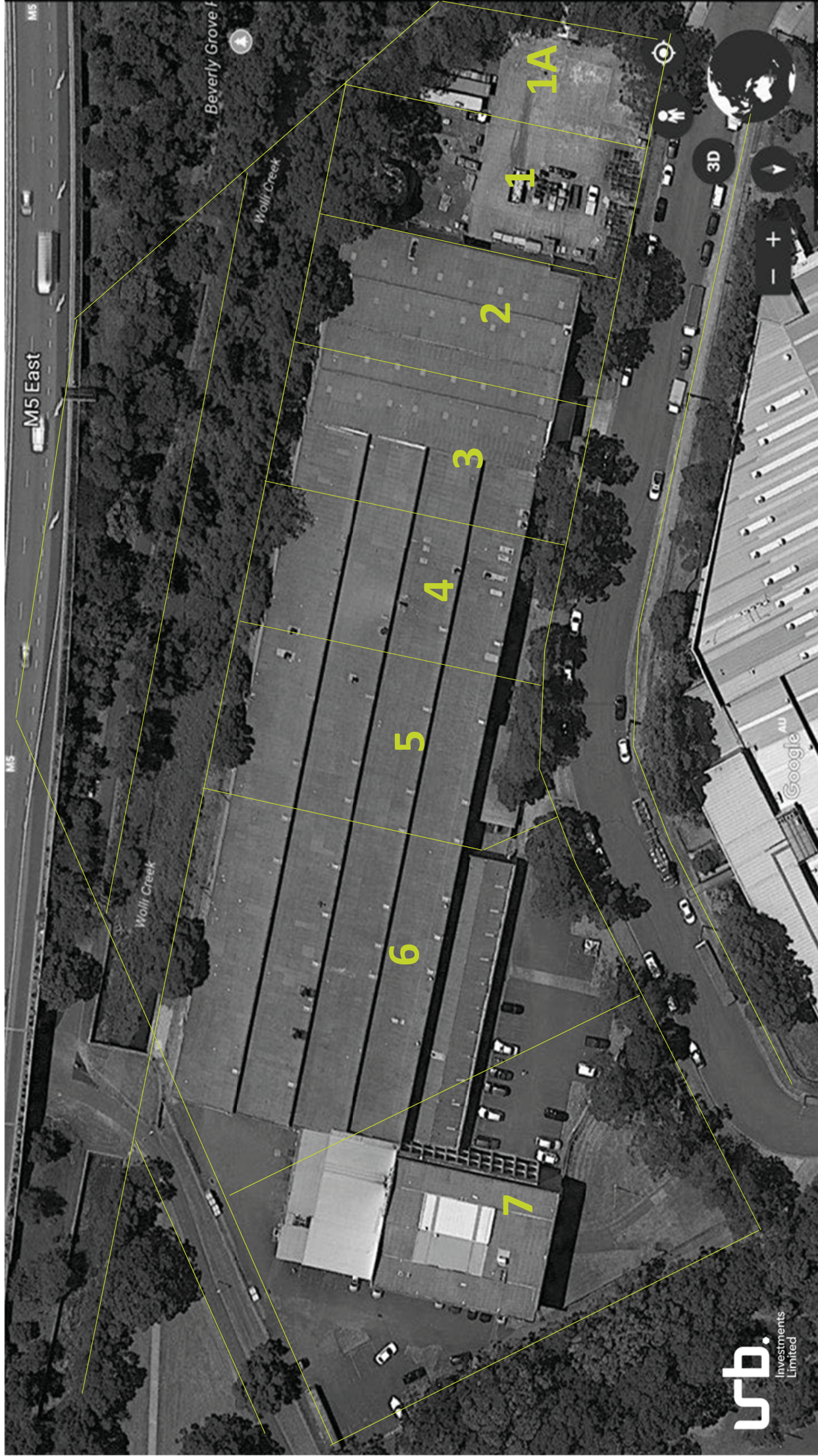






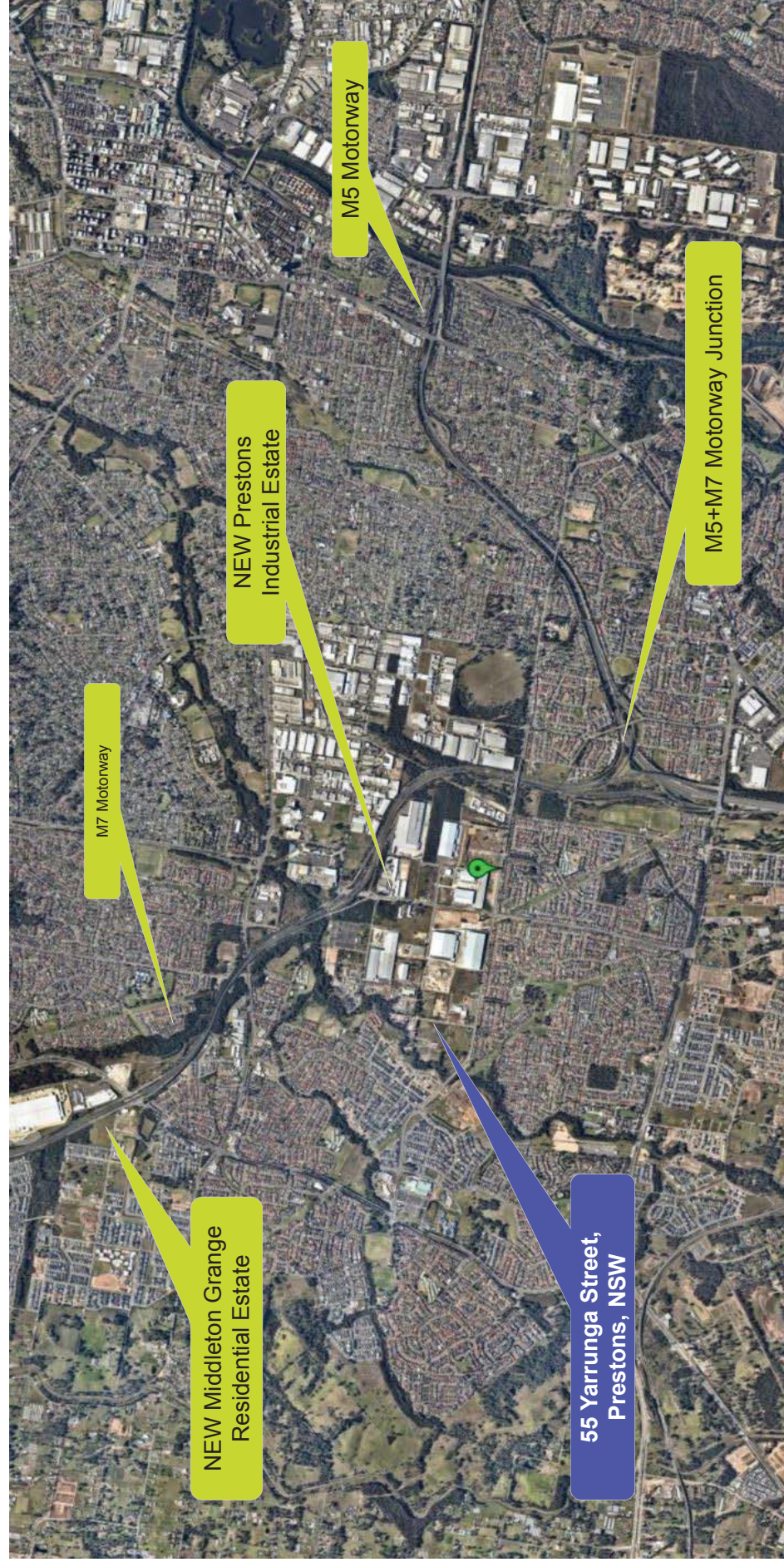






PURT5: PRESTONS

55 YARRUNGA STREET, PRESTONS, NSW









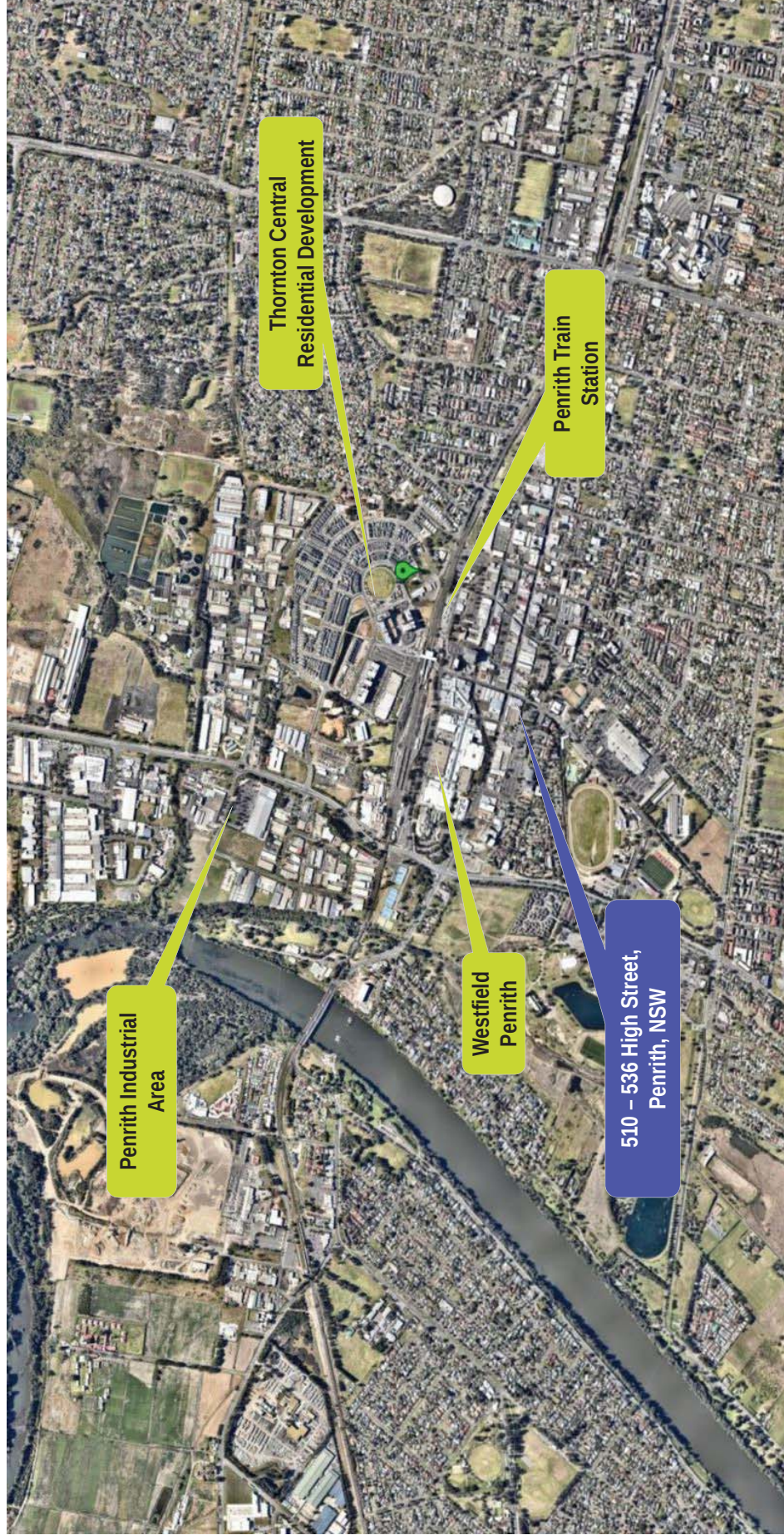






PURT4: PENRITH

510 – 536 HIGH STREET, PENRITH, NSW





PURT4: PENRITH

510 – 536 High Street, Penrith, NSW

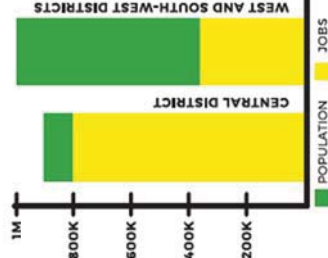
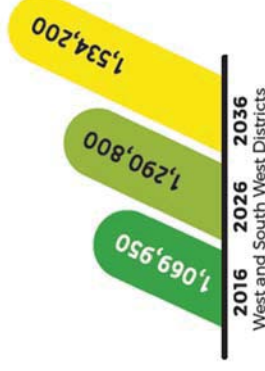


Creating a Liveable City

“Council is committed to helping create more than 45,000 new jobs and 25,000 new dwellings by 2031. At least 10,000 of these jobs and 5,000 of these dwellings will be created in the Penrith City Centre.

We’re dedicated to finding partners that will help deliver innovative and remarkable results for our growing community.”

WESTERN SYDNEY WILL GROW BY MORE THAN **1 MILLION PEOPLE** OVER THE NEXT 20 YEARS INCLUDING ALMOST **500,000** IN THE WEST AND SOUTH WEST DISTRICTS ⁽¹⁾



The West & South-West Districts have **360,000 jobs** for a population of **over one million**

Compared with Sydney's Central District, which has over **800,000 jobs** for a population of **close to 900,000** ⁽²⁾



Australian Government
Department of the
Prime Minister and Cabinet



Smart Cities Plan

PURT4: PENRITH

“A VISION FOR UNION ROAD AND HOUSING SUPPLY FOR THE FUTURE”, Penrith City Council.

Penrith City Council endorsement of Frasers Property Australia as the preferred proponent for the proposed development of Union Road Car Park.

The development is expected to include:

- 6 residential apartment buildings ranging in height from 17 to 34 storeys.
- Mixed use component including residential, retail and commercial space; a child care centre, public plaza and landscaped communal spaces; and a fully integrated 1,600 space public car park.



