



URB INVESTMENTS LIMITED



NTA AND MONTHLY REPORT - November 2017

URB: TOP 20 INVESTMENTS

Stock / Property	% of Total Portfolio
1 Purt No 5: Prestons	16.1%
2 Purt No 4: Penrith	16.0%
3 Purt No 3: Kingsgrove	12.0%
4 Sydney Airport	5.4%
5 Transurban Group	4.9%
6 Wesfarmers Limited	3.1%
7 360 Capital Group	2.7%
8 LendLease Group	2.5%
9 Harvey Norman Holdings	2.1%
10 Mirvac Group	1.9%
11 National Storage REIT	1.8%
12 Woolworths Limited	1.8%
13 Regis Healthcare Limited	1.6%
14 AP Eagers Limited	1.5%
15 BWP Trust	1.5%
16 Qube Holdings Limited	1.4%
17 Stockland	1.4%
18 Abacus Property Group	1.2%
19 Goodman Group	1.2%
20 AV Jennings Ltd	1.2%
Cash and cash equivalents	13.5%
Total of Top 20 Investments plus cash and cash equivalents	94.8%

URB's aim is to maximise total shareholder returns through a combination of capital and income growth through a Portfolio of unlisted property assets and Australian listed equities exposed to the urban renewal thematic.

Business Overview

URB is a research driven investment company listed on the Australian Stock Exchange (**URB.ASX**). The URB portfolio complements more mainstream equity portfolios as URB combines direct property with equities and doesn't invest in banking or resource stocks. Rather, we are focused on capturing long-term value by investing across various direct property and equity sectors that will benefit from urban renewal.

Managed by Contact Asset Management (**Contact**), an investment in URB gives shareholders access to the benefits of urban renewal through a portfolio of Equity Assets as well as access to Direct Property through a co-invest agreement with Washington H. Soul Pattinson and Company Limited (WHSP).

Net Tangible Asset Backing - As at 30 November 2017

Pre-tax net tangible asset (NTA) backing was **\$1.04** per share.

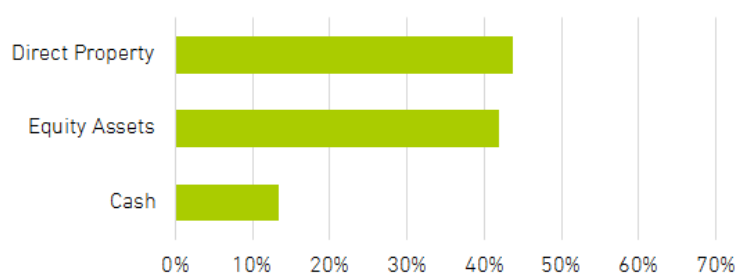
URB is a long term investor and does not intend to dispose of its total portfolio.

Post-tax net tangible asset (NTA) backing was **\$1.04** per share.

This measure reduces pre-tax NTA for the deferred provision for tax on net unrealized gains on the Company's investment portfolio as required by current Accounting Standards. As URB does not currently have a net deferred tax provision, pre-tax NTA and post-tax NTA are the same.

Asset Allocation

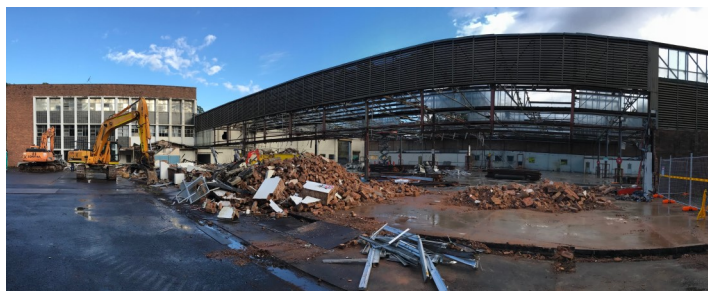
The Company structure allows URB to be opportunistic through effective asset allocation between equities and property. Liquid capital from Cash and Equity Assets enables Contact to manage the portfolio so we can move quickly and take advantage of Direct Property opportunities.



URB's Equity Assets typically consist of 30 stocks. While it is focused on urban renewal, the portfolio is well diversified across many sectors of the market including Real Estate, Healthcare, Consumer, Utilities, Building Materials and Industrials.

Monthly Update

On the 13th October 2017, URB provided an update on the re-organisation of the PURT3 Kingsgrove Property with the commencement of demolition via a Complying Development Certificate. Demolition of the PURT 3 office and industrial warehouse is progressing well as can be seen by the photos below.



PSRE on behalf of PURT3 has lodged a DA for the sub-division of the 18,490sqm property. PURT3 has also exchanged conditional contracts of proposed sub-divided lots at 1A and Lot 7. We have commenced a formal sales marketing program for the remaining sites. All sales at PURT3 are conditional on the granting of sub-division and the necessary approvals from local government.

Within the URB equities portfolio, Harvey Norman released 4 month sales numbers, showing a 4.9% improvement on last year. Sydney Airport passenger numbers grew again, up 5.8% for the month of November. Transurban successfully raised \$407m of non-recourse debt via a new 5 year bank facility for the Hills M2 asset. Goodman Group reaffirmed their forecast FY2018 EPS number of 45.7cps which is up 6.0% from last year.

Dividend Policy

URB's long term target is to offer shareholders sustainable and growing fully franked dividends and a yield that is competitive within the listed investment company industry. The URB Board and Contact's Portfolio Managers are shareholders in URB and are aligned in delivering these outcomes for all shareholders.

URB Corporate Directory

Non-Executive Directors

Mr Warwick Negus	Chairman
Ms Victoria Weekes	Independent Director
Mr Bruce Dungey	Independent Director
Mr Tony McDonald	Independent Director

Company Secretary

Jaime Pinto

Registered Office

Level 2, 160 Pitt Street Mall,
Sydney NSW 2000

Website www.urbinvest.com.au

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Tel +61 2 9210 7000

Investment Manager

Contact Asset Management

URB's portfolio is managed by Contact Asset Management Pty Limited, utilising its own specialist equities experience and benefitting from the specialist property expertise of Pitt Street Real Estate (PSRE).

Portfolio Managers

Tom Millner	Director/Portfolio Manager
Will Culbert	Director/Portfolio Manager

Registered Office

Level 1, 160 Pitt Street Mall,
Sydney NSW 2000

Website www.contactam.com.au

Tel +61 2 9238 0522

Company Overview

As at 30 November 2017

<u>Mandate</u>	Urban Renewal
<u>Market capitalisation</u>	\$78m
<u>Equity portfolio</u>	\$32m
<u>Direct property portfolio</u>	\$34m
<u>Cash & cash equivalents</u>	\$10m
<u>Total Assets</u>	\$78m
<u>Debt</u>	\$0m

Pre Tax NTA \$1.04

Post Tax NTA \$1.04

URB Share Price **\$1.07**

URBO Option Price **\$0.011**

Management Fee

The Management Fee is 0.50% of URB's Total Assets.

Performance Fee

The Performance Fee is 15% of the out performance over a Pre-Tax NTA 12 month return of 8.0%. This 8% return is calculated after the payment of any ordinary dividends to URB shareholders.

www.urbinvest.com.au

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