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**NZX RELEASE**

19 June 2017

## **Kiwi Property entitlement offer and suspension of DRP**

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### **Entitlement offer**

Kiwi Property is pleased to announce that it is raising approximately \$161 million of new equity through a fully underwritten pro rata entitlement offer (Offer) at an issue price of \$1.36 per new share. The issue price reflects a 4.5% discount to the theoretical ex-entitlement price of \$1.424<sup>1</sup>.

It is intended that the net proceeds of the Offer will initially be used to pay down bank debt and reduce gearing, before being used to fund potential future investment and development opportunities, including the potential expansion and improvement projects at Sylvia Park, Northlands, The Base, and in the longer term at Drury.

Under the Offer, eligible Kiwi Property shareholders will be entitled<sup>2</sup> to acquire 1 new share for every 11 existing shares held on the record date, being 5.00pm (NZ time) on 21 June 2017.

The institutional component of the Offer will be accelerated and occur over the two days immediately after the Offer is announced, with settlement and allotment of new shares to occur on 30 June 2017.

The retail component of the Offer will open for eligible retail shareholders with a registered address in New Zealand or Australia on 22 June 2017 and close on 10 July 2017, with settlement and allotment of new shares to occur on 17 July 2017.

Under the Offer, there is no rights trading. Instead, new shares not taken up or attributable to ineligible shareholders will be offered to institutional investors through two bookbuilds run by the joint lead managers (one in respect of the institutional offer and one in respect of the retail offer). Any premium achieved above the application price for the new shares in each of the bookbuilds will be shared on a pro rata basis (with no brokerage costs deducted) between those shareholders who do not exercise their entitlements or who are ineligible to do so under each of the institutional offer and the retail offer, respectively.

Goldman Sachs New Zealand Limited and Forsyth Barr Limited are acting as joint lead managers and Goldman Sachs New Zealand Limited and Forsyth Barr Group Limited are acting as underwriters.

The terms of the Offer are summarised in the Offer presentation. Full details of the Offer are included in the Offer Document which will be provided to eligible shareholders and made available to download at [kprightsoffer.co.nz](http://kprightsoffer.co.nz).

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<sup>1</sup> Based on the theoretical ex-entitlement price of \$1.424 which is equal to the average price of 118,132,021 new shares at the application price of \$1.36 and 1,299,452,240 existing shares at \$1.43 being the closing price on the NZX as at 16 June 2017.

<sup>2</sup> Entitlements will not be rounded up to a minimum holding. The number of new shares to which an eligible shareholder is entitled will, in the case of fractions, be rounded down.



### **Suspension of Dividend Reinvestment Plan**

Due to the timing of this Offer, Kiwi Property's Dividend Reinvestment Plan (DRP) has been suspended in respect of the final dividend for the six months ended 31 March 2017, payable 22 June 2017. Shareholders who have elected to participate in the DRP will be paid the dividend on 22 June 2017 either by cheque or, where provided, to the nominated bank account. Shareholders who normally participate in the DRP, who are eligible shareholders, will have the opportunity to achieve the intended objective of participating in the DRP by applying the cash dividend received into more Kiwi Property shares through participation in the entitlement offer. The board will continue to assess whether to operate or suspend the DRP on a half-yearly basis as Kiwi Property's capital needs dictate.

> Ends

### **Disclaimer**

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This announcement has been prepared for publication in New Zealand and may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy securities in the United States or any other jurisdiction.

The entitlements and shares to be offered in the Offer described in this announcement have not been, and will not be, registered in the United States under the US Securities Act of 1993 and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable to US state securities law.

### **Contact us for further information**

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### **About us**

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Kiwi Property (NZX: KPG) is the largest listed property company on the New Zealand Stock Exchange and is a member of the NZX15 Index. We've been around for more than 20 years and we proudly own and manage a \$3.0 billion portfolio of real estate, comprising some of New Zealand's best shopping centres and prime office buildings. Our objective is to provide investors with a reliable investment in New Zealand property by targeting superior risk-adjusted returns over time through the ownership and active management of a diversified, high-quality portfolio. Kiwi Property is licensed under the Real Estate Agents Act 2008. To find out more, visit our website [kp.co.nz](http://kp.co.nz)