

ASX RELEASE | 29 March 2021

AMP Capital agrees internalisation of Precinct (NZ)

AMP Limited today confirms it has agreed to end the management agreement with listed NZ REIT, Precinct Properties New Zealand Limited, allowing them to internalise management for a one-off payment of NZ\$215 million (A\$197 million¹) for 100 per cent of the management interests.

AMP Capital, via its 50 per cent interest in the management company AMP Haumi Management Limited (AHML), has managed Precinct since its listing in 1997 and through its corporatisation in 2010. Over the last ten years, the business has been transformed to become one of New Zealand's leading listed property businesses, creating significant value for Precinct shareholders.

Under AHML's management, Precinct has grown and optimised its portfolio, including successful delivery of more than NZ\$1.5 billion in developments, and delivered strong returns for Precinct's shareholders, as well as for AHML's owners – AMP Capital and a wholly-owned subsidiary of Abu Dhabi Investment Authority.

However, following a long period of ownership, AMP Capital has assessed that the internalisation of these management rights offered the strongest value to both Precinct and AHML as well as representing a natural evolution for the management arrangements for Precinct, which has become an increasingly standalone business. Precinct will now internalise and simplify its management arrangements to deliver the next stage of its growth strategy.

The transaction is estimated to deliver approximately A\$80 million profit subject to foreign currency and other adjustments for AMP Capital's 50 per cent share of the payment, which will be recognised in the AMP 1H 21 financial results, and will be recorded as a one-off gain outside of AMP Capital's operating results. AMP Capital will cease receiving Precinct management fees post implementation, the impact of which is not material to AMP Capital's ongoing earnings.

The management rights of Precinct were excluded from the proposed transaction between AMP and Ares Management Corporation for AMP Capital's private markets businesses.

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Authorised for release by the Market Disclosure Committee.

¹ AUD amount is subject to foreign exchange rates at the time of repatriation