



Argosy

FY2020
Interim Results

20.11.2019

Argosy Property Limited

Agenda

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PRESENTED BY

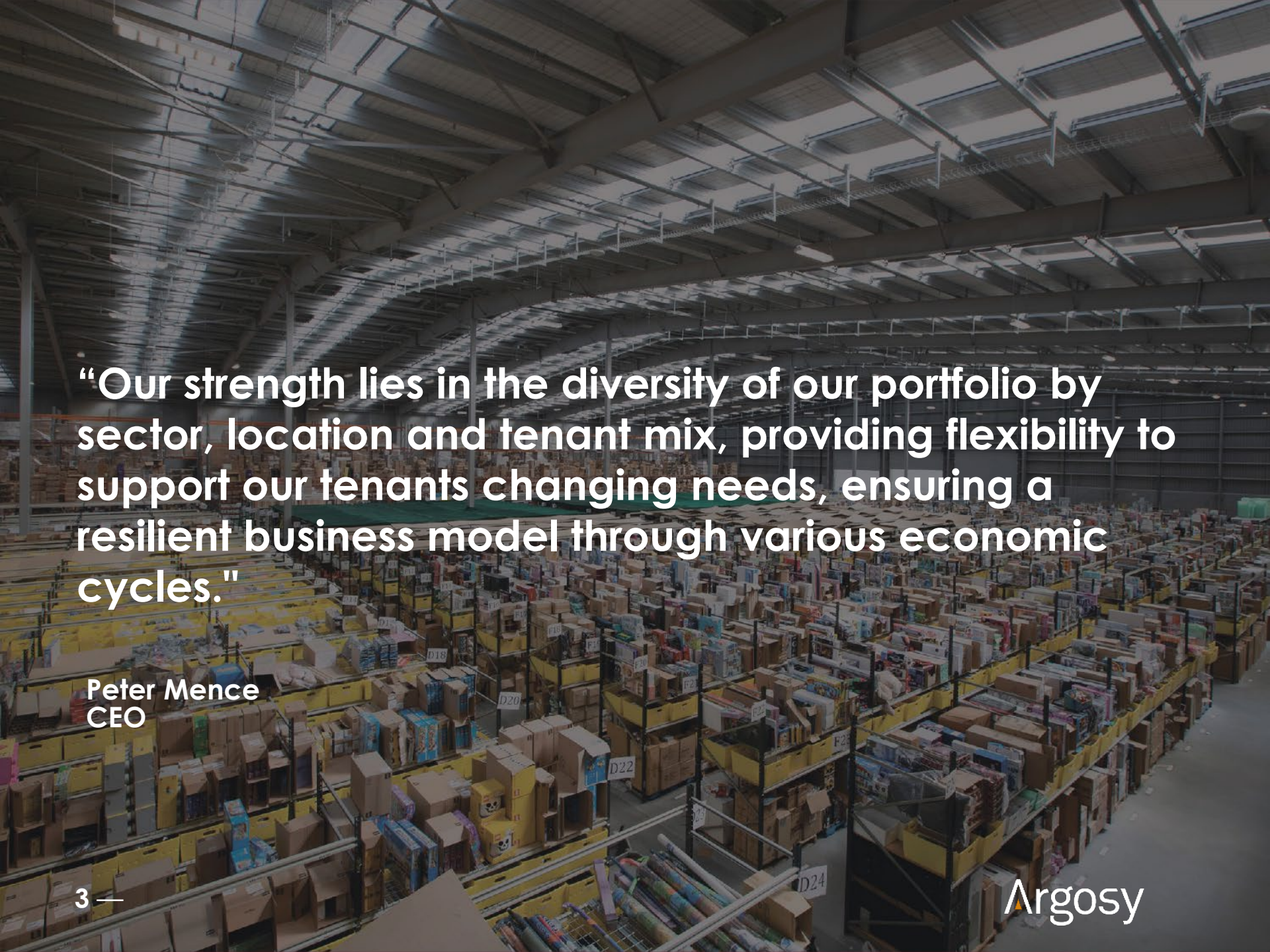


Peter Mence
CEO



Dave Fraser
CFO

Note: This results presentation should be read in conjunction with the NZX release dated 20 November 2019. Due to rounding, numbers presented in this presentation may not add up exactly to the totals provided and percentages may not reflect exactly absolute figures.



“Our strength lies in the diversity of our portfolio by sector, location and tenant mix, providing flexibility to support our tenants changing needs, ensuring a resilient business model through various economic cycles.”

Peter Mence
CEO

Highlights



1H20 Interim Result

24.3%

Total shareholder return
for the six month period

100m

2nd successful 7 year green bond
issued post reporting date

\$1.28

New NTA, a 4.9% increase driven
by a \$50.8m revaluation gain

3.5%

Net distributable income
increase per share

6.275¢

Full year dividend guidance

Strategy / Portfolio



Create. Manage. Own.

Proactive delivery of sustainable growth.



An environmentally focused & sustainable business

Transition value add properties to drive earnings and capital growth

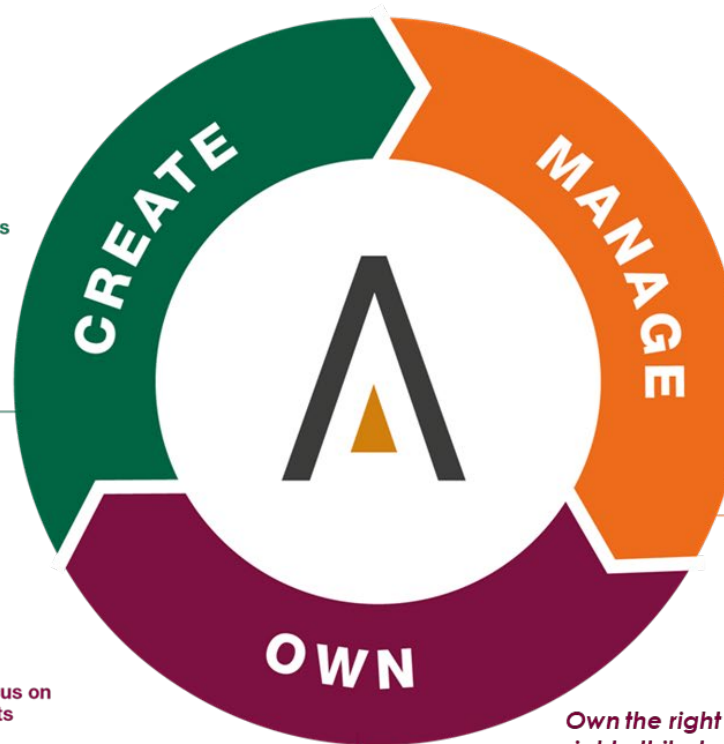
Streamlined tenant led development process and execution



A diversified portfolio of high quality, well located assets with growth potential

Real estate with a primary focus on Auckland & Wellington markets

Target off market opportunities or contiguous properties with potential



Manage all elements of the business to deliver the right outcomes for all our stakeholders.



Strong and valued relationships across all key stakeholders

Safe working environments for Argosy's people and its partners

A commitment to management excellence

Own the right assets, with the right attributes in the right locations.

2020 Focus

OUR PERFORMANCE SO FAR

Create

Proactive delivery of sustainable growth.



- ▶ We have continued to transition Value Add properties to drive earnings and capital growth. ✓
- ▶ Current organic value add development pipeline of \$194m. More opportunities (including green developments) currently being considered. ✓

Manage

Manage all elements of our business to deliver the right outcomes for all our stakeholders.



- ▶ Solid leasing outcomes over 1H20, only ~5% of portfolio expiring over the remainder of 2020. ✓
- ▶ Excellent leasing results announced with the Crown for 7WQ space, building is now 82% leased. Strong inquiry for remaining floors. ✓
- ▶ Second 7 year Green Bond issue of \$100m completed post reporting date, improving debt funding diversification and tenor. ✓
- ▶ Transition towards AFFO based dividend policy continues. ✓

Own

Own the right assets, with the right attributes in the right locations.



- ▶ Several strategic acquisition opportunities being considered, with long term capital growth upside. ✓
- ▶ Settled strategic acquisition of 244 Puhinui Road, contiguous with an existing site. ✓
- ▶ Sold the non Core Albany Lifestyle Centre. ✓



Portfolio Snapshot

\$1.69B

Portfolio highlights

97.6%

Occupancy

6.0 yrs

Weighted average lease term
(WALT)

70%

Auckland portfolio weighting

47%

Industrial portfolio weighting

3.2%

Like for like rent growth for the half
year

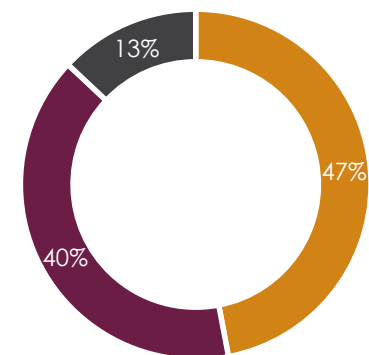
50.8m

\$ desktop revaluation gain, 3.1%
above 30 September book value

Portfolio at a glance

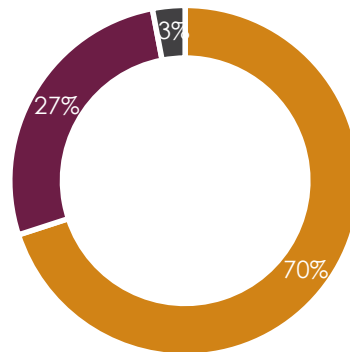
\$1.69 BILLION¹ @ 30 SEPTEMBER 2019

**TOTAL PORTFOLIO VALUE
BY SECTOR**



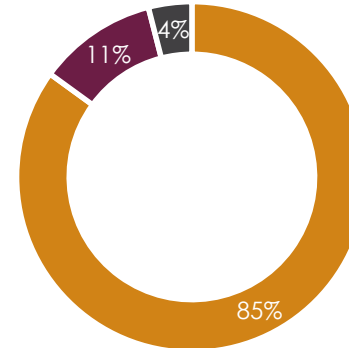
■ Industrial	Bands 40-50%
■ Office	30-40%
■ Retail	15-25%

**TOTAL PORTFOLIO VALUE
BY REGION**



■ Auckland	Bands 65-75%
■ Wellington	20-30%
■ Regional North Island & South Island	<10%

**TOTAL PORTFOLIO VALUE
BY ASSET MIX**



■ Core	Bands 75-90%
■ Non Core	-
■ Value Add	-

1. 30 September desk top valuation and excluding asset held for sale and right-of-use asset at 39 Market Place.

Sector Summary



INDUSTRIAL

Number of buildings

37

Market value of assets (\$m)

\$786.8

Occupancy (by income)

97.8%

Weighted average lease term (WALT)

7.2yr

Contract yield

5.86%



OFFICE

Number of buildings

16

Market value of assets (\$m)

\$682.1

Occupancy (by income)

96.6%

Weighted average lease term (WALT)

4.9yr

Contract yield

6.56%



RETAIL

Number of buildings

6

Market value of assets (\$m)

\$221.2

Occupancy (by income)

100%

Weighted average lease term (WALT)

5.1yr

Contract yield

6.02%

Value Add

OPPORTUNITY TO DRIVE EARNINGS AND CAPITAL GROWTH

- ▶ Value Add properties total 11% of the portfolio.
- ▶ Several major development projects underway within the group to transition them to Core properties, driving earnings and long term capital growth.
- ▶ A real focus on transforming Value Add assets into green developments where possible.

194m

\$ of Value Add properties with potential to deliver capital growth







Note: Valuation is 30 September 2019 desk top valuation.

Property	Sector	Location	Valuation \$m
90 - 104 Springs Road, East Tamaki	Industrial	Auckland	6.6
5 Unity Drive, Albany	Industrial	Auckland	7.5
80 Springs Road, East Tamaki <i>(complete)</i>	Industrial	Auckland	15.9
211 Albany Highway, Albany <i>(complete)</i>	Industrial	Auckland	26.7
960 Great South Road, Penrose <i>(planned)</i>	Industrial	Auckland	7.2
15 Unity Drive, Albany	Industrial	Auckland	4.6
133 Roscommon Road, Wiri	Industrial	Auckland	9.2
107 Carlton Gore Road, Newmarket <i>(underway)</i>	Office	Auckland	39.3
252 Dairy Flat Highway, Albany	Office	Auckland	9.1
8-14 Willis Street <i>(underway)</i>	Office	Wellington	39.6
Stewart Dawson Corner <i>(underway)</i>	Retail	Wellington	22.3
54-56 Jamaica Drive, Wellington <i>(underway)</i>	Industrial	Wellington	6.1
TOTAL \$m			194.0

Development Pipeline

A REAL FOCUS ON GREEN DEVELOPMENTS

- ▶ **180-202 Hutt Road:** Works expected to be completed by December.
- ▶ **107 Carlton Gore Road:** 12 year lease with Housing New Zealand Corporation commencing 1 March 2020 for the entire 6,100m². Targeting minimum 4 Green Star and NABERSNZ ratings for this A Grade building.

Development	Major Tenant	Type	Location	\$m ¹	Forecast completion	FY 2020		FY 2021	
						Sep-19	Mar-20	Sep-20	Mar-21
Underway / commenced									
180-202 Hutt Road	Placemakers	IND	WTN	19.4	Dec-19				
107 Carlton Gore Road	Kāinga Ora	OFF	AKL	44.5	Dec-19				
Stewart Dawson Corner	International Retailer	RET	WTN	30.0	Jul-20				
8-14 Willis Street	Statistics New Zealand	OFF	WTN	94.5	Apr-21				
TOTAL				188.4					
Green Developments  Standard Developments 									

Green Developments ■

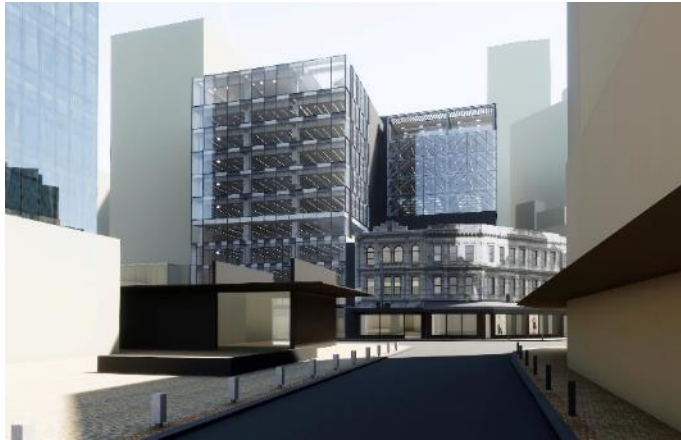
Standard Developments ■

- ▶ **8-14 Willis Street:** Substantially new 11 level, 12,300m² building targeting a 6 Green Star Built rating and 5 Star NABERSNZ energy efficiency rating. New 15 year lease with the Crown (Statistics New Zealand). Due for completion in April 2021.

1. Expected value on completion based on 'as if complete' valuations performed by independent valuers.

Green Projects Underway

8-14 Willis Street,
Wellington



- ▶ **Target completion:** April 2021
- ▶ **NLA / WALT:** 12,300m²/15 years
- ▶ **Tenant:** Statistics New Zealand
- ▶ **Green Star rating:** Targeting 6 Star Built
- ▶ **NABERSNZ rating:** Targeting 5 Star
- ▶ **Value¹:** \$94.5m

107 Carlton Gore Road,
Newmarket



- ▶ **Target completion:** December 2019
- ▶ **NLA / WALT:** 6,100m²/12 years
- ▶ **Tenant:** Housing Corporation of NZ
- ▶ **Green Star rating:** Targeting minimum 4 Star Built
- ▶ **NABERSNZ rating:** Targeting 4 Star
- ▶ **Value¹:** \$44.5m

1. Expected value on completion based on 'as if complete' valuations performed by independent valuers.

Case Study – Mighty Ape

5 STAR GREEN RATING

- ▶ 9,000m² of warehouse.
- ▶ 1,600m² of office across two levels.
- ▶ 116 onsite carparks.
- ▶ 7.3% IRR.

"This award is just the beginning for us. We will continue to develop new sustainable business practices with the goal of protecting our country and its environment for generations to come."

Alastair Burns, General Manager, Mighty Ape.



7WQ Leasing Update

BUILDING NOW 82% LEASED, STRONG INQUIRY FOR OTHER FLOORS

- **Levels 2 and 10: Department of Internal Affairs (DIA)** has entered into an initial 9-year lease for 4,130m². Lease commencement date 1 February 2020.
- **Level 3, 4 and 5: Kāinga Ora (formerly Housing New Zealand)** Kāinga Ora has entered into an initial 9-year, 3 months lease for 7,000m². Lease commencement date 1 March 2020.
- **Levels 6, 7 & 8:** Argosy recently concluded negotiations with the **Ministry of Housing and Urban Development (HUD)** for an initial 9-year, 3 months lease over 3,660m². The lease commences 1 March 2020.
- Following these negotiations, the building is now 82% leased.
- 7WQ's large floor plates are an attractive option in a Wellington office market short on inventory.

		<u>Lease Commence</u>
	Plant	
L12	Strong enquiry	
L11	Strong enquiry	
L10	DIA	1-Feb-20
L9	Strong enquiry	
L8	HUD	1-Mar-20
L7	HUD	1-Mar-20
L6	HUD	1-Mar-20
L5	Kāinga Ora (Crown)	1-Mar-20
L4	Kāinga Ora (Crown)	1-Mar-20
L3	Kāinga Ora (Crown)	1-Mar-20
L2	Department of Internal Affairs (DIA)	1-Feb-20
L1	NZ Post	31-Dec-25*
Ground	NZ Post (part) / Common	31-Dec-25*
Basement	Basement	

* NZ Post lease expires.

7WQ Reinstatement & Insurance Claim

PROGRESS BEING MADE

► **Reinstatement**

- Substantial progress has been made on the reinstatement and seismic works to the building.
- The reinstatement project is largely complete apart from some works to Level 12. These are expected to be completed this financial year.
- The seismic programme is also largely complete with all key milestones achieved. This project is also expected to be completed this financial year.

► **Insurance Claim**

- Claims for material damage (reinstatement works and claims assessment costs) undertaken have been submitted based on costs actually incurred. The total claimed from inception of the claim to 31 July 2019 is \$45.3 million. These costs relate primarily to urgent reinstatement works required to make damaged levels of the building available for reoccupation (estimated at \$49.5 million) and were not able to be agreed with insurers in advance. Further claims will be made in respect of reinstatement works as costs are incurred.
- Claims have been submitted to 31 July 2019 for business interruption costs (loss of rents, additional costs and claims preparation) totalling \$15.0 million. The main component of this is loss of rents (\$14.3 million) and no further claims in respect of loss of rents are expected.
- From inception of its claim to 30 September 2019 Argosy has received progress payments from insurers of \$23.4 million (after a \$4.9 million deductible) in relation to its interim claims. Of these, \$10.8 million has been allocated to reinstatement of earthquake damage, \$1.6 million to expense recoveries and \$11.0 million to loss of rents.

Revaluations

RENTAL GROWTH AND CAP RATE FIRING KEY DRIVERS

- ▶ Solid revaluation gain 3.1% above book value. Portfolio market yield¹ firmed 29bps.
- ▶ Regionally, Auckland was the biggest contributor of the revaluation gain at 92% and Industrial was the largest contributing sector, at 72%.

	30 Sep 19 Book Value \$m	30 Sep 19 Valuation \$m	Δ \$m	Δ %	Market Yield	
					30 Sep 19	31 Mar 19
Auckland	1,135.3	1,181.9	46.6	4.1%	6.17%	6.43%
Wellington	456.6	459.0	2.4	0.5%	6.96%	7.48%
Regional North Island & South Island	47.5	49.3	1.8	3.8%	7.35%	7.45%
Total	1,639.4	1,690.1	50.8	3.1%	6.36%	6.65%

	30 Sep 19 Book Value \$m	30 Sep 19 Valuation \$m	Δ \$m	Δ %	Market Yield	
					30 Sep 19	31 Mar 19
Industrial	750.2	786.8	36.6	4.9%	6.18%	6.46%
Office	668.8	682.1	13.3	2.0%	6.77%	7.14%
Retail	220.4	221.2	0.8	0.4%	5.92%	6.27%
Total	1,639.4	1,690.1	50.8	3.1%	6.36%	6.65%

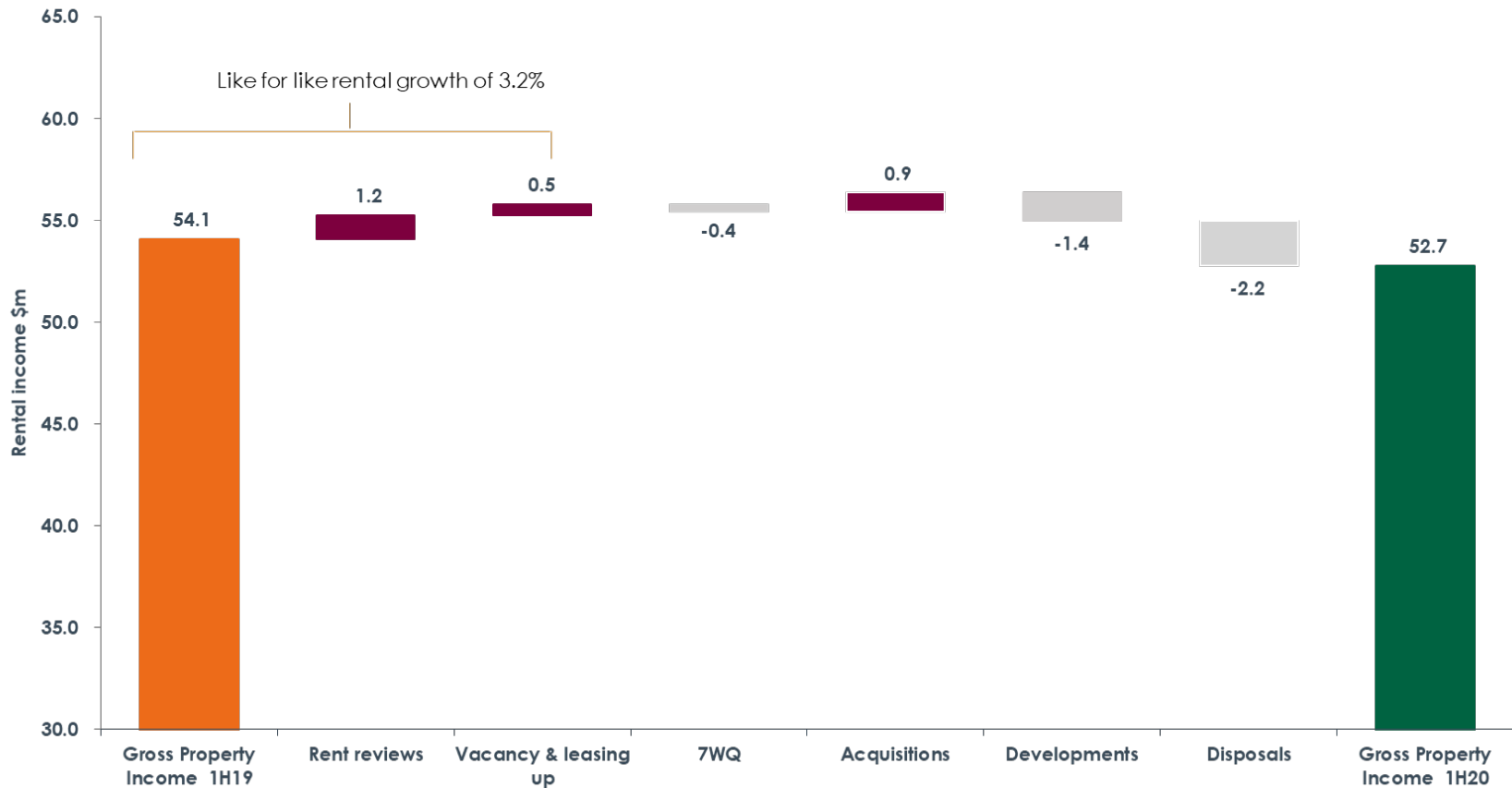
Note 1: Market Yields are excluding 7 Waterloo Quay, Stewart Dawson Corner, 8-14 Willis Street and 54-56 Jamaica Drive as the rents of these properties included in the desk top valuation were based on the completion of the planned remedial and redevelopment work required to be undertaken.
Due to rounding, numbers presented in this presentation may not add up exactly to the totals provided and percentages may not exactly reflect absolute figures.

Financials



Income Reconciliation

SOLID RENTAL GROWTH OFFSET BY DEVELOPMENTS AND DISPOSALS



Financial Performance

OPERATIONAL PERFORMANCE VERY SOLID

- ▶ Like-for-like rental growth of 3.2% during the period.
- ▶ Net property income up slightly with lower gross rental income offset by lower property expenses¹.
- ▶ Expenses up slightly due to additional resourcing costs across the business.
- ▶ Interest expense lower due to lower average rate and capitalisation of interest.

	1H20 \$m	1H19 \$m
Net property income	51.0	50.8
Administration expenses	(5.6)	(5.1)
Profit before financial income/(expenses), other gains/(losses) and tax	45.4	45.6
Interest expense	(11.1)	(12.2)
Gain/(loss) on derivatives	(3.6)	(1.5)
Revaluation gains	50.8	34.6
Realised gains/(losses) on disposal	(0.0)	2.9
Net: Insurance proceeds & earthquake expense	(0.2)	1.7
Profit before tax	81.3	71.2
Taxation expense	(4.4)	(4.5)
Profit after tax	76.9	66.8
Basic and diluted earnings per share (cents)	9.30	8.07

Note 1: \$1 million reclassified from property expenses to interest expense under NZ IFRS 16. This is the first time this standard has been adopted by the Company.

Distributable Income

INCREASE IN NET DISTRIBUTABLE INCOME PER SHARE

- ▶ After non cash adjustments, Gross Distributable Income was up \$0.9m or 2.5%.
- ▶ Gross distributable income per share was also up by 2.5%.

3.5%

Increase in Net Distributable
Income per share

	1H20 \$m	1H19 \$m
Profit before income tax	81.3	71.2
Adjusted for:		
Revaluations gains	(50.8)	(34.6)
Realised losses/(gains) on disposal	0.0	(2.9)
Derivative fair value loss/(gain)	3.6	1.5
Earthquake expense net of recoveries	0.2	(1.7)
Gross distributable income	34.3	33.4
Depreciation recovered	-	0.2
Current tax expense	(4.6)	(4.9)
Net distributable income	29.7	28.7
Weighted average number of ordinary shares (m)	827.1	827.0
Gross distributable income per share (cents)	4.14	4.04
Net distributable income per share (cents)	3.59	3.47

Investment Properties

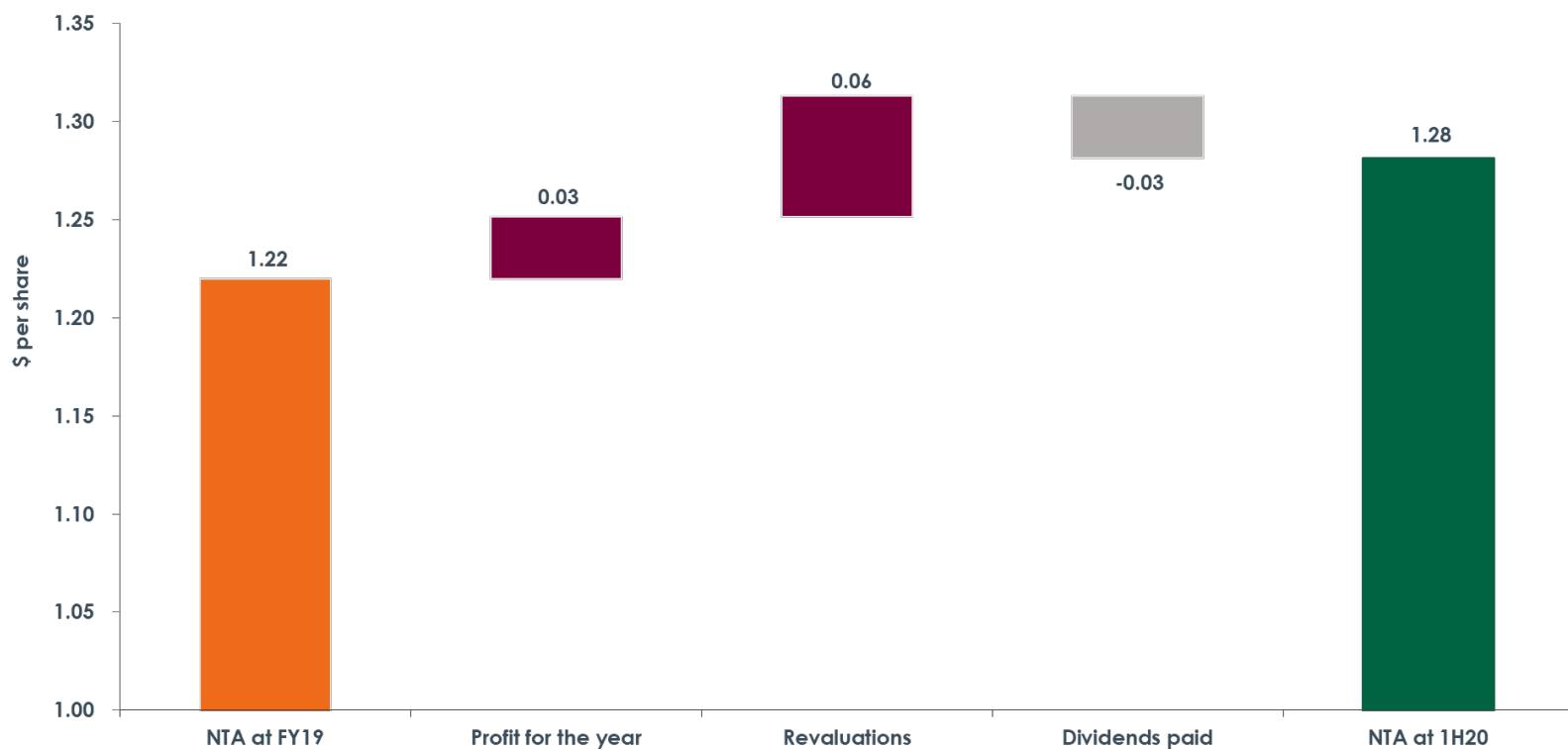
GROWTH DRIVEN BY DEVELOPMENTS AND REVALUATION GAINS

- ▶ Capitalised costs: Driven by large developments including 7WQ, Willis Street, Carlton Gore Rd, Stewart Dawson Corner, Hutt Road, 99 Khyber Pass.
- ▶ Acquisitions: 54 Jamaica Drive Wellington.
- ▶ Transfers: Albany Lifestyle Centre contracted for sale for \$89m, settles 27 March 2020.
- ▶ IFRS adjustments: In relation to the treatment of the ground lease at 39 Market Place, Auckland.



NTA per share reconciliation

GROWTH UNDERPINNED BY REVALUATION GAIN



Gearing

CAPITAL STRUCTURE WITHIN TARGET RANGE

- ▶ Current asset held for sale is Albany Lifestyle Centre (\$87.6m) which settles 27th March 2020.
- ▶ Target policy gearing range is between 30-40%.

	1H20 \$m	FY19 \$m
Investment properties*	1,690.1	1,667.0
Asset held for sale	87.6	0.0
Other assets	14.2	8.0
Total assets*	1,791.9	1,675.1
Fixed Rate Green Bonds	100.0	100.0
Bank debt (excl. capitalised borrowing costs)	548.9	496.2
Debt-to-total-assets ratio	36.2%	35.6%

36.2%

Debt to total assets ratio excluding
NZ IFRS 16 adjustment

Note: * Excludes NZ IFRS 16 adjustment.

Funding & Interest Rate Management

ATTRACTIVE ENVIRONMENT TO EXTEND TENOR & DIVERSIFY CAPITAL MIX

- ▶ In September 2019, Argosy extended its bank facilities, refinanced three tranches of existing debt and expanded its syndicate.
- ▶ Argosy's incumbent banking partners of ANZ Bank New Zealand Limited, Bank of New Zealand and The Hongkong and Shanghai Banking Corporation Limited was expanded to include Commonwealth Bank of Australia and Westpac New Zealand Limited.
- ▶ Post 30 September, Argosy issued a second \$100m 7 year senior secured Green Bond which was over-subscribed.
- ▶ The interest rate (coupon) was set at 2.90% reflecting a margin of 1.75% above the seven year swap rate.

	1H20	FY19
Weighted average duration of bank facility	3.6 years	2.7 years
Weighted average interest rate ¹	4.35%	4.75%
Interest Cover Ratio	3.1x	3.2x
% of fixed rate borrowings	49%	53%

4.3yrs

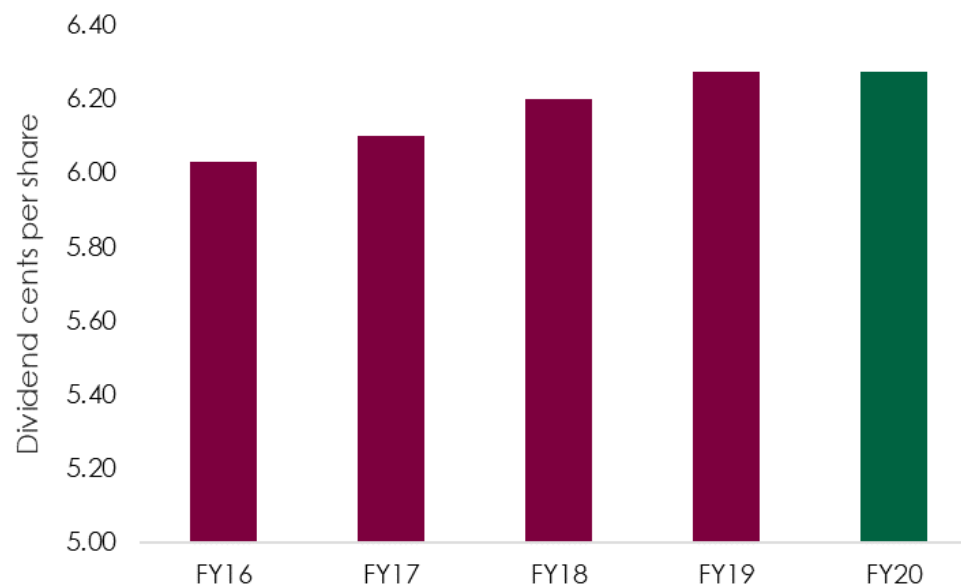
Weighted average facility term
after issuance of 2nd green bond in
October

1. Including margin and line fees.

Dividends

CONSISTENT, SUSTAINABLE DIVIDEND GROWTH

- ▶ A second quarter cash dividend of 1.56875 cents per share has been declared, with imputation credits of 0.26493 cents per share attached, and will be paid on 19 December 2019.
- ▶ FY20 dividend guidance of 6.275 cents per share remains unchanged and in line with our earlier guidance.
- ▶ The FY20 dividend reflects the Board's wish for shareholders to share in the continued strong results whilst allowing Argosy to maintain its momentum towards an AFFO based dividend policy over the medium terms.



6.275c

FY20 dividend guidance

Leasing Update



Leasing Success

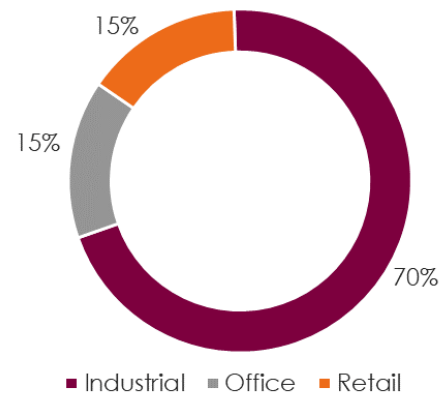
SOLID FIRST HALF LEASING, MORE TO COME

- ▶ 1H leasing of 47,800m² across the portfolio, or 9% of the portfolios total net lettable area. 17 transactions over the period, with 8 renewals, 3 extensions and 6 new leases.
- ▶ Notable leases over 1H include:
 - ▶ Extension by 3 years to Cardinal Logistics for 20,700m² and 17,700m² respectively (Auckland)
 - ▶ Renewal of 10 years to US Embassy for 1,300m² (Auckland)
 - ▶ New 15 year lease to Big Chill Distribution for 1,885m² (Wellington)
 - ▶ New 10 year lease to Oregon Group for 690m² (Auckland).



BIG CHILL
DISTRIBUTION
NATIONWIDE CHILLED & FROZEN TRANSPORT

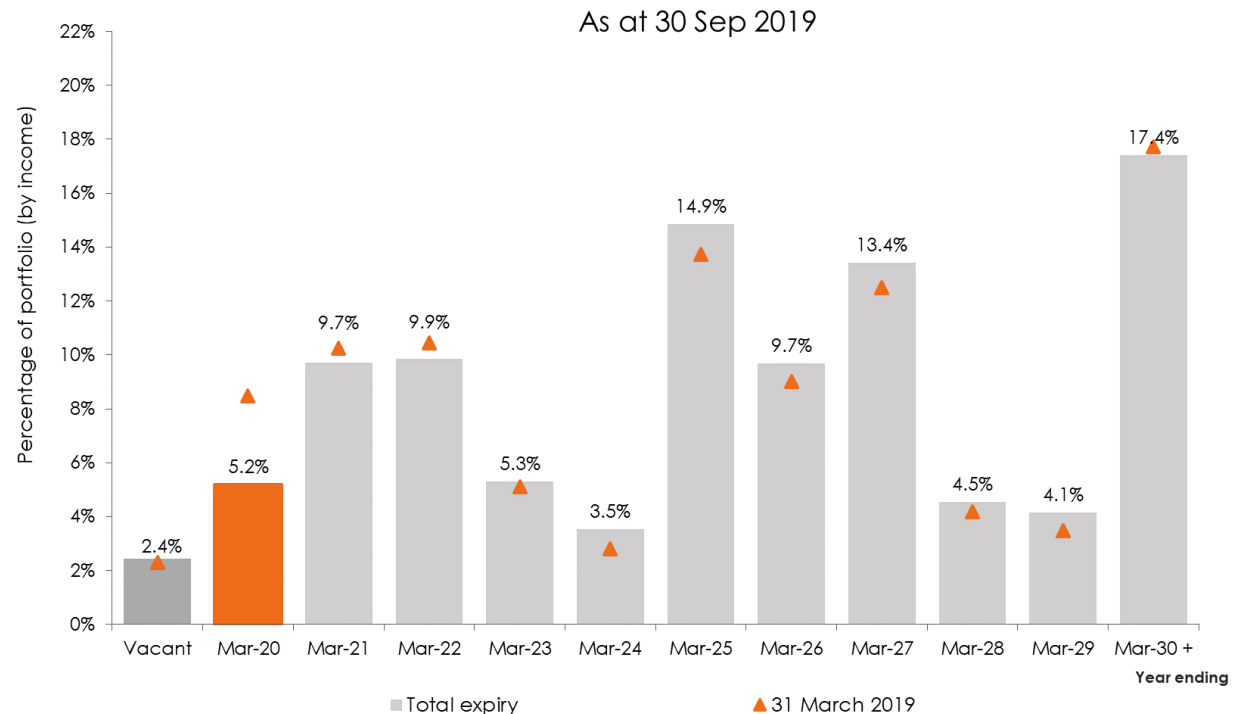
Leasing progress by face rents



Lease Expiry

NORMALISED PROFILE OVER THE MEDIUM TERM

- ▶ 5yr average income percentage expiring in any year ~7%.
- ▶ Largest single expiry over next 5 years is 3.7% being MBIE in 147 Lambton Quay (Wellington).
- ▶ Lease expiries to address over 2H include;
 - ▶ Digital Island 845m² (Auckland)
 - ▶ Steel & Tube 2,100m² (Wellington)
 - ▶ MBIE 147 Lambton Quay (Wellington)



Sector Summary



INDUSTRIAL

- ▶ Net absorption continues to drive additional supply.
- ▶ Limited land supply in Auckland and Wellington encourages non-traditional locations.
- ▶ Rental growth continues for good quality property.
- ▶ Vacancy remains very low, with constrained funding limiting speculative supply.



OFFICE

- ▶ Flexible working environments continue to drive a disconnect between employment growth and net absorption. This is expected to continue with recent transactions demonstrating a move to agile work environments.
- ▶ Rental growth impacted by new supply – softer in Auckland, reflected in higher incentives, and firmer in Wellington.
- ▶ The Wellington market continues to show strong demand, with low vacancy for good quality seismically sound space that is well located. There is a shortage of large floor plate/high quality stock with upward rental growth pressure as a result. Premium and Grade A vacancy is minimal.



RETAIL

- ▶ Equilibrium with on-line retailing is yet to show full effect.
- ▶ Structural change in retail property will show increased focus on showroom and semi industrial facilities.
- ▶ Impact of additional development will be felt in secondary locations.
- ▶ Large format, and entertainment retail expected to be most secure.

Focus and Outlook



2020 Focus

Create

Proactive delivery of sustainable growth.



- ▶ Continue transitioning Value Add properties to drive earnings and capital growth.
- ▶ Ensure projects are completed on time and on budget.
- ▶ Keep investigating strategic acquisitions (off market or contiguous).

Manage

Manage all elements of our business to deliver the right outcomes for all our stakeholders.



- ▶ Maintain high tenant retention rates and address key expiries / vacancies.
- ▶ Lease up the balance of 7 Waterloo Quay.
- ▶ Consider additional diversification of debt funding to increase tenor.
- ▶ Maintain transition towards AFFO based dividend policy.

Own

Own the right assets, with the right attributes in the right locations.



- ▶ Continue to invest in a diverse range of properties across sectors, locations and sizes.
- ▶ Maximise current attractive vendor market conditions.
- ▶ Investment activity focused on existing portfolio – with a focus on more green developments.

Appendices



Adjusted Funds From Operations (AFFO)

	1H20 \$m	1H19 \$m
Profit before income tax	81.3	71.2
Revaluation gains	(50.8)	(34.6)
Derivative fair value (gain)/loss	3.6	1.5
Realised losses/(gains) on disposal	0.0	(2.9)
Earthquake expense net of recoveries	0.2	(1.7)
Gross distributable income	34.3	33.4
Depreciation recovered	-	0.2
Current tax expense	(4.6)	(4.9)
Net distributable income	29.7	28.7
Amortisation of tenant incentives and leasing costs	1.7	2.0
Funds from operations (FFO)	31.4	30.7
Capitalisation of tenant incentives and leasing costs	(2.0)	(3.0)
Maintenance capital expenditure	(4.0)	(2.5)
Tax effected maintenance capital expenditure recovered	-	0.1
Adjusted funds from operations (AFFO)	25.4	25.3
Weighted average number of shares on issue (m)	827.1	827.0
AFFO per share (cents)	3.06	3.07
Dividends paid / payable in relation to period	3.14	3.13
Dividend payout ratio (to AFFO)	103%	102%

Note: Due to rounding, numbers presented in this presentation may not add up exactly to the totals provided and percentages may not exactly reflect absolute figures. AFFO is an alternative performance measure used to assist investors in assessing the Company's underlying performance and to determine income available for distribution. This reconciliation is based on guidelines for disclosing AFFO as provided by the Property Council of Australia.

Rent Reviews by Type, Sector & Location

Type	#	Previous Rent (000's)	% of rent reviewed	New rent (000's)	\$ Increase (000's)	% Increase	Annualised \$ Increase (000's)	% of Total Annualised Increase	Annualised % Increase
Total	50	21,135	100%	21,987	852	4.0%	632	100.0%	3.0%
By review type									
Fixed	33	12,532	59%	12,952	420	3.4%	420	67%	3.4%
Market	10	4,929	23%	5,239	310	6.3%	136	22%	2.8%
CPI	7	3,674	17%	3,796	122	3.3%	75	12%	2.0%
By sector									
Industrial	16	10,793	51%	11,225	432	4.0%	337	53%	3.1%
Office	19	5,084	24%	5,271	187	3.7%	143	23%	2.8%
Retail	15	5,259	25%	5,491	232	4.4%	152	24%	2.9%
By location									
Auckland	45	19,732	93%	20,552	820	4.2%	603	95%	3.1%
Wellington	5	1,403	7%	1,435	33	2.3%	29	5%	2.0%
Other	0	0	0%	0	0	0.0%	0	0%	0.0%

Note: Due to rounding, numbers presented in this presentation may not add up exactly to the totals provided and percentages may not exactly reflect absolute figures.

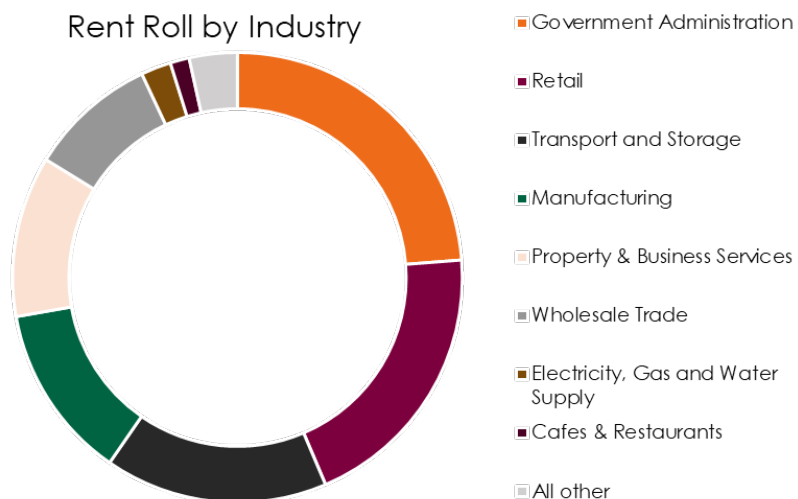
Rent Reviews – Auckland & Wellington

	#	Previous Rent (000's)	% of rent reviewed	New rent (000's)	\$ Increase (000's)	% Increase	Annualised \$ Increase (000's)	% of Total Annualised Increase	Annualised % Increase
Auckland									
Industrial	13	9,738	49%	10,144	406	4.2%	315	50%	3.2%
Office	17	4,736	24%	4,917	182	3.8%	137	22%	2.9%
Retail	15	5,259	27%	5,491	232	4.4%	152	24%	2.9%
	45	19,732	100%	20,552	820	4.2%	603	95%	3.1%
Wellington									
Industrial	3	1,055	75%	1,081	27	2.5%	23	4%	2.2%
Office	2	348	25%	354	6	1.7%	6	1%	1.7%
Retail	0	0	0%	0	0	0.0%	0	0%	0.0%
	5	1,403	100%	1,435	33	2.3%	29	5%	2.0%

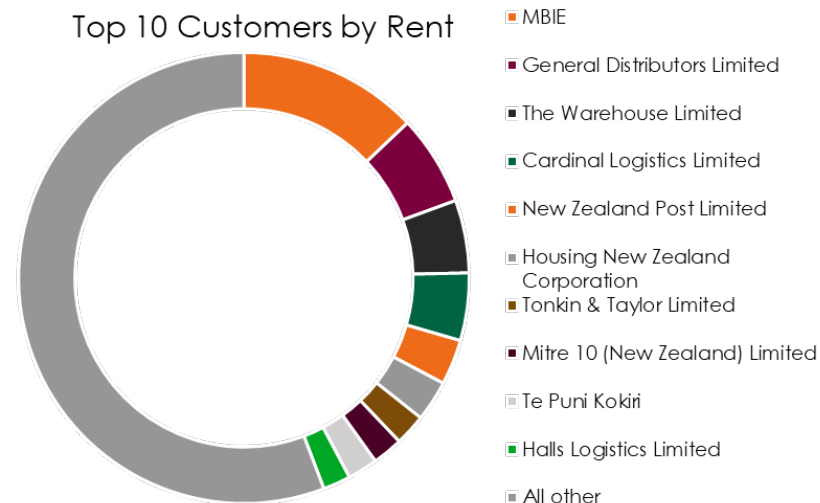
Portfolio Metrics

STRONG BREADTH AND DEPTH OF TENANTS AND SECTORS

Rent Roll by Industry



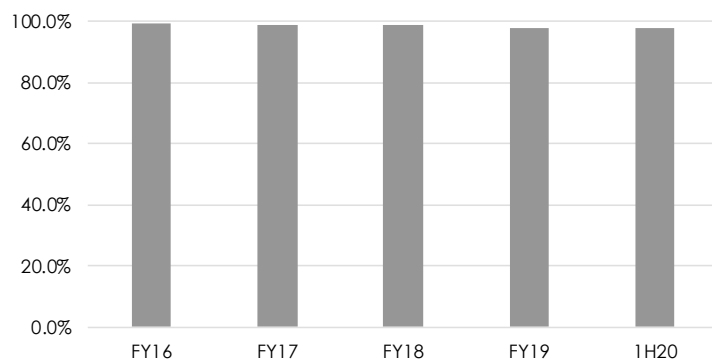
Top 10 Customers by Rent



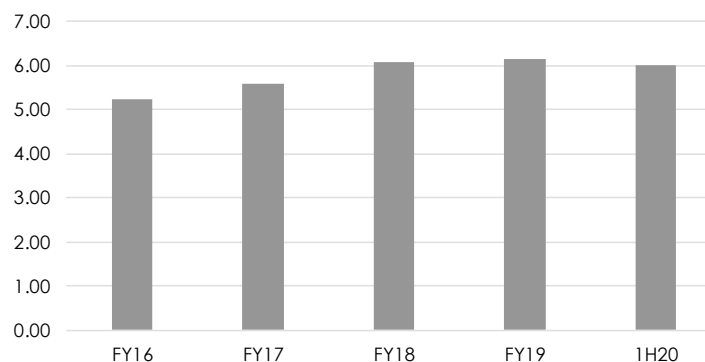
Portfolio Snapshot

IMPROVED PORTFOLIO QUALITY IS BEING REFLECTED IN OUR METRICS

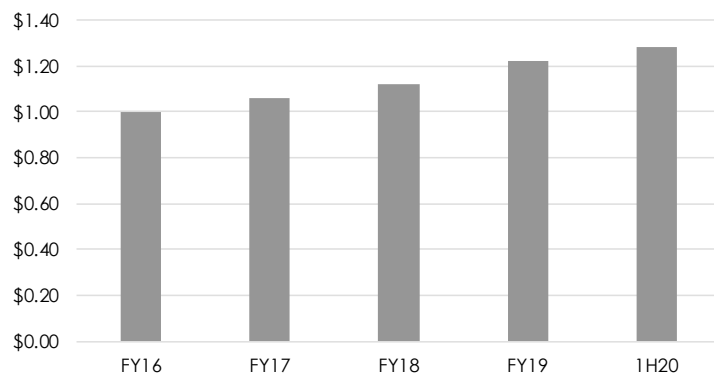
Occupancy



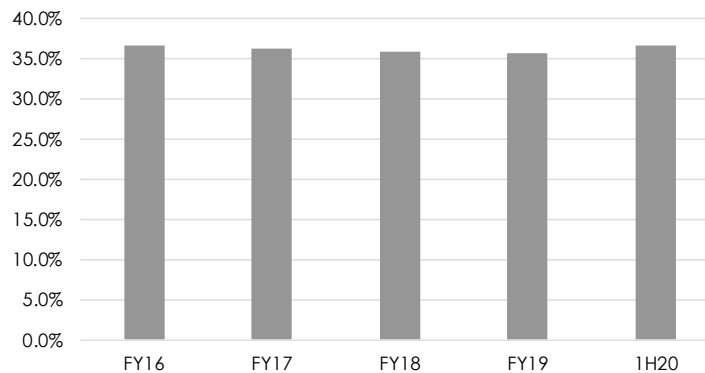
WALT (years)



Net Tangible Assets



Debt-to-total-assets



Portfolio Summary - Industrial

Property Address	Valuation \$000s	Weighted average lease term (years)	Net lettable area (m ²)	Vacant Space (m ²)	Contract Yield
Industrial					
Auckland					
90 - 104 Springs Road, East Tamaki	\$ 6,550	7.4	3,885	-	5.50%
8 Forge Way, Panmure	\$ 31,500	11.2	4,231	-	4.76%
10 Transport Place, East Tamaki	\$ 29,300	4.6	10,641	-	6.70%
1 Rothwell Avenue, Albany	\$ 30,200	10.8	12,683	-	5.47%
4 Henderson Place, Onehunga	\$ 28,700	11.8	10,841	-	5.49%
320 Ti Rakau Drive, East Tamaki	\$ 63,800	7.5	28,353	-	6.10%
1-3 Unity Drive, Albany	\$ 11,300	2.0	6,204	-	6.64%
5 Unity Drive, Albany	\$ 7,450	1.5	3,046	-	5.46%
80 Springs Road, East Tamaki	\$ 15,900	-	9,675	9,675	0.00%
211 Albany Highway, Albany	\$ 26,700	3.3	14,589	-	5.46%
12-16 Bell Avenue, Mt Wellington	\$ 25,700	1.3	14,809	-	5.85%
18-20 Bell Avenue, Mt Wellington	\$ 15,650	1.7	8,941	-	5.93%
32 Bell Avenue, Mt Wellington	\$ 12,500	0.6	8,139	-	6.18%
9 Ride Way, Albany	\$ 26,700	13.0	9,178	-	5.53%
80-120 Favona Road, Mangere	\$ 93,500	4.9	59,386	-	6.89%
19 Nesdale Avenue, Wiri	\$ 58,400	15.2	20,677	-	5.09%
2 Allens Road, East Tamaki	\$ 5,200	5.0	2,920	-	6.16%
12 Allens Road, East Tamaki	\$ 4,600	2.1	2,325	-	6.07%
106 Springs Road, East Tamaki	\$ 6,700	5.0	3,846	-	6.15%
5 Allens Road, East Tamaki	\$ 5,560	2.2	2,663	-	5.02%
960 Great South Road, Penrose	\$ 7,200	0.4	3,676	-	5.85%
17 Mayo Road, Wiri	\$ 29,100	7.3	13,351	-	5.30%
Cnr William Pickering Drive & Rothwell Ave	\$ 15,450	1.0	7,074	-	5.67%
15 Unity Drive, Albany	\$ 4,600	0.6	7,002	-	5.62%
240 Puhinui Road, Manukau	\$ 36,900	15.2	17,735	-	4.97%
Highgate Parkway, Silverdale	\$ 31,900	8.4	10,581	-	5.13%
133 Roscommon Road, Wiri	\$ 9,150	14.0	15,862	-	4.82%
Wellington					
180-202 Hutt Road, Kaiwharawhara	\$ 15,464	9.0	6,019	-	6.14%
Cnr Wakefield, Taranaki & Cable Streets	\$ 22,000	4.0	3,307	-	4.12%
147 Gracefield Road, Seaview	\$ 15,600	8.5	8,018	-	6.53%
19 Barnes Street, Seaview	\$ 13,450	8.9	6,857	-	7.62%
39 Randwick Road, Seaview	\$ 18,900	3.0	16,249	-	8.85%
68 Jamaica Drive, Grenada North	\$ 16,750	1.8	9,609	-	7.31%
54-56 Jamaica Drive, Wellington	\$ 6,088	15.7	860	-	0.00%
Other					
8 Foundry Drive, Woolston, Christchurch	\$ 15,750	10.3	7,668	-	6.98%
1478 Omaha Road, Hastings	\$ 10,500	7.8	8,514	-	7.17%
223 Kioreroa Road, Whangarei	\$ 12,100	2.4	7,797	-	9.73%
TOTAL	\$ 786,812	7.2	389,209	9,675	5.86%

Note: Total contract yield excludes
54-56 Jamaica Drive

Portfolio Summary - Office

Property Address	Valuation \$000s	Weighted average lease term (years)	Net lettable area (m ²)	Vacant Space (m ²)	Contract Yield
OFFICE					
Auckland					
99-107 Khyber Pass Road, Grafton	\$ 14,500	3.5	2,509	1,522	1.98%
101 Carlton Gore Road, Newmarket	\$ 27,000	1.1	4,821	-	6.69%
8 Nugent Street, Grafton	\$ 51,000	4.4	8,125	325	6.06%
39 Market Place, Viaduct Harbour	\$ 40,000	2.8	10,365	-	9.37%
105 Carlton Gore Road, Newmarket	\$ 31,500	1.7	5,312	-	7.12%
302 Great South Road, Greenlane	\$ 10,150	4.3	1,890	-	6.40%
308 Great South Road, Greenlane	\$ 7,450	0.9	1,568	-	6.78%
25 Nugent Street, Grafton	\$ 13,200	3.1	3,028	-	6.21%
107 Carlton Gore Road, Newmarket	\$ 39,303	12.4	6,061	-	6.50%
Citibank Centre, 23 Customs Street East	\$ 73,800	4.4	9,633	1,539	5.76%
82 Wyndham Street	\$ 45,800	6.2	6,012	-	5.83%
Wellington					
143 Lambton Quay	\$ 29,500	5.8	6,216	-	7.27%
147 Lambton Quay	\$ 35,400	1.1	8,539	134	8.85%
8-14 Willis Street	\$ 39,636	-	-	-	0.00%
7 Waterloo Quay	\$ 108,043	6.2	23,841	-	0.00%
15-21 Stout Street	\$ 115,850	6.8	20,709	-	6.18%
TOTAL	\$ 682,132	4.9	118,628	3,520	6.56%

Note: Total contract yield excludes 7 Waterloo Quay and 8-14 Willis Street

Portfolio Summary - Retail

Property Address	Valuation \$000s	Weighted average lease term (years)	Net lettable area (m ²)	Vacant Space (m ²)	Contract Yield
RETAIL					
Auckland					
Albany Mega Centre, Albany	\$ 122,000	4.7	25,155	-	6.27%
11 Coliseum Drive, Albany	\$ 27,700	5.5	8,637	-	4.99%
50 & 54-62 Cavendish Drive, Manukau	\$ 29,200	5.7	9,939	-	5.84%
252 Dairy Flat Highway, Albany	\$ 9,100	10.3	2,255	-	5.43%
Wellington					
Stewart Dawson Corner	\$ 22,297	-	-	-	0.00%
Other					
Cnr Taniwha & Paora Hapi Streets, Taupo	\$ 10,900	3.0	4,212	-	6.89%
TOTALS (excl property held for sale)	\$ 221,197	5.1	50,197	-	6.02% ¹
TOTALS (excl property held for sale)	\$ 1,690,141	6.0	558,033	13,195	6.13% ²

1. Excludes Stewart Dawson Corner

2. Excludes Stewart Dawson Corner, 8-14 Willis Street, 7 Waterloo Quay and 54-56 Jamaica Drive.

Disclaimer

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All values are expressed in New Zealand currency unless otherwise stated.

20 November 2019