



2019 annual meeting

20 June 2019

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address by chair

address by chief executive officer

questions

formal business

Unless otherwise stated, all information provided in this presentation is for the year ended and/or as at 31 March 2019.

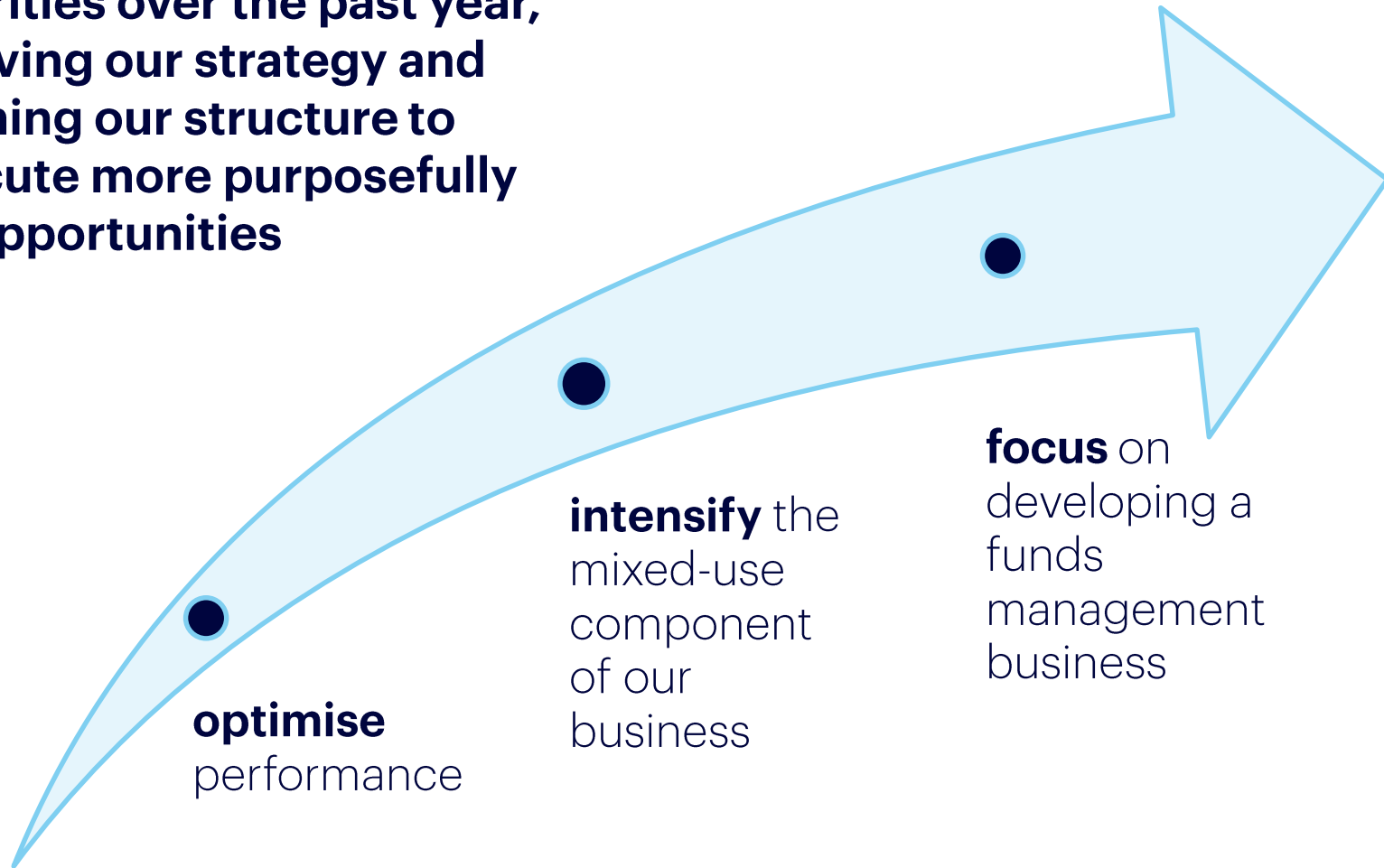
For further information, refer to our website **kp.co.nz** or NZX.com



our strategic focus

the three overarching pillars

we have refocused our priorities over the past year, evolving our strategy and aligning our structure to execute more purposefully on opportunities



mixed-use communities – the way forward

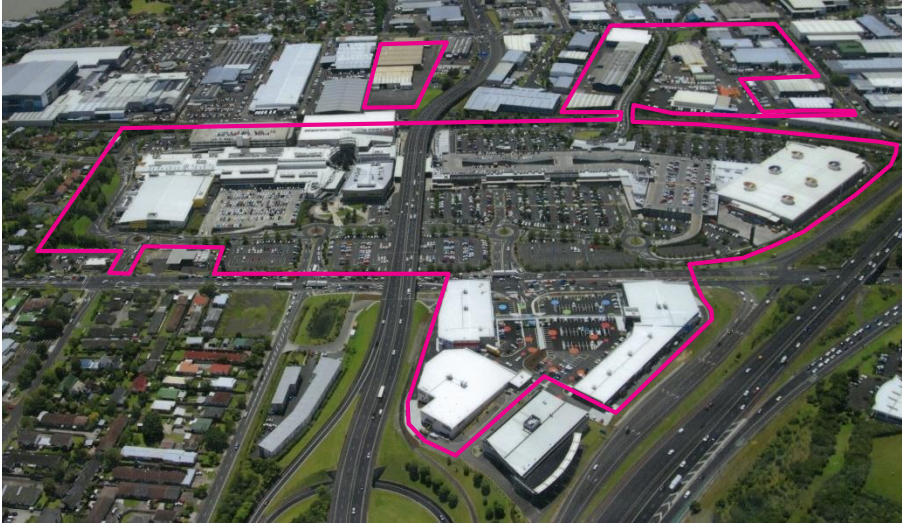
the ingredients that bring our communities to life



our mixed-use opportunities

Sylvia Park, Auckland

33 hectares



The Base, Hamilton (JV with Tainui Group Holdings)

30 hectares



LynnMall, Auckland

7 hectares



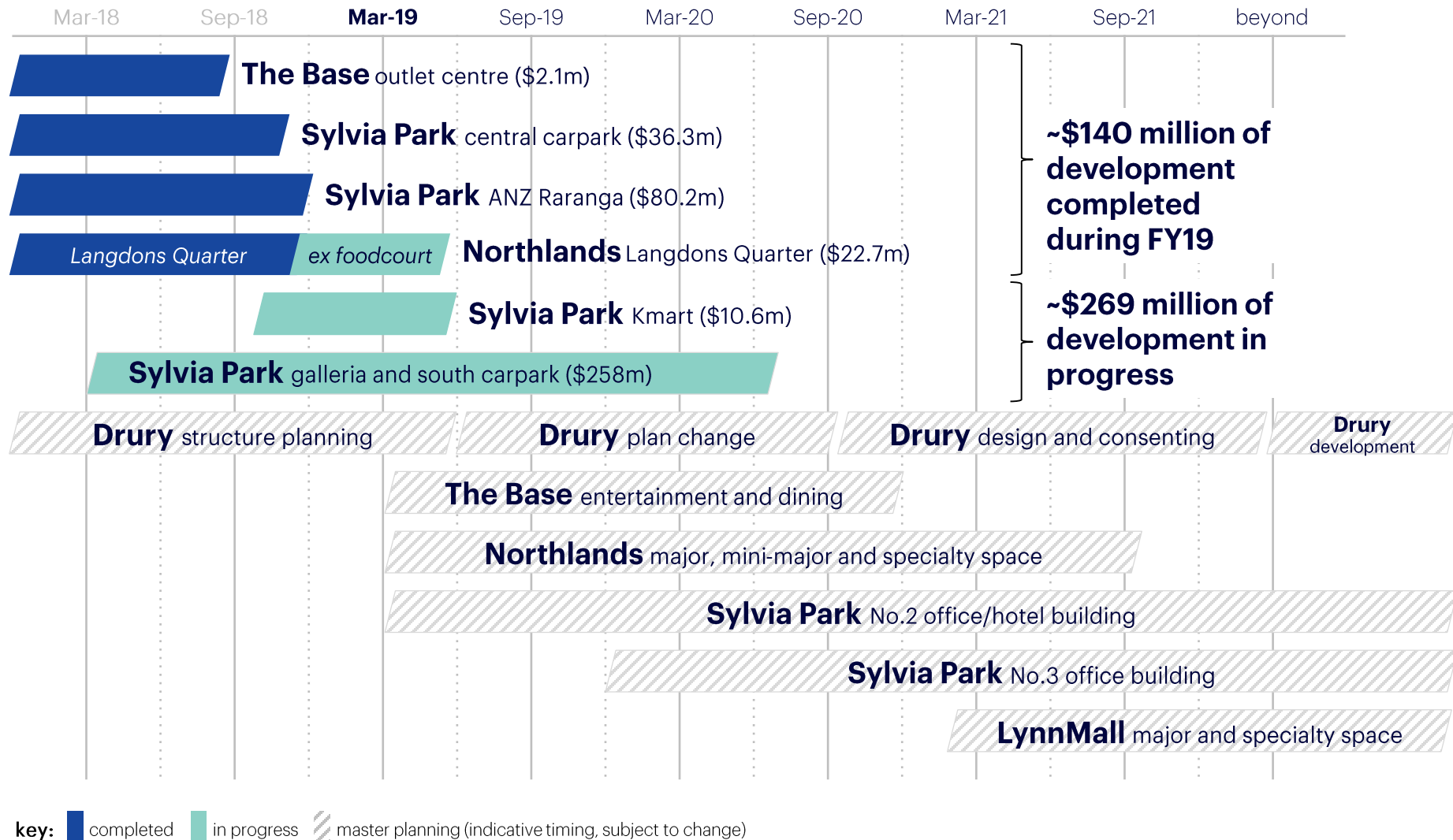
Drury, Auckland

51 hectares



**chief executive
officer's review**

development pipeline



Sylvia Park

centre plan



Sylvia Park

ANZ Raranga

- project status
completed Dec-18
- anchor tenants
ANZ
IAG
KiwiRail
Roche
- total project cost
\$80.2 million
- projected yield metrics
year 1: 5.6%
year 3: 7.5%



Sylvia Park

central carpark

- project status
completed Nov-18
- number of carparks
**590, including
seven EV charging
stations**
- total project cost
\$36.3 million



Sylvia Park

Kmart

- project status
in progress
- target completion
mid-2019
- projected cost
\$10.6 million



Photo credit: Kmart

Sylvia Park

galleria and south carpark

- project details
**Farmers and ~60
new retailers**
- project status
in progress
- target completion
mid-2020
- projected cost
\$258 million
- projected yield
metrics
year 1: 5.7%
year 3: 6.2%
- projected IRR
>10%



Artist's impression. Concept only. Subject to change.

Sylvia Park

galleria and south carpark progress photo



Northlands

Langdons Quarter

- project status
completed Nov-18
- project details
14 new and refreshed dining options
- total project cost
\$22.7 million
- projected yield metric
year 1: 6.0%



**our vision is to
create an exciting
mixed-use
community over the
next 20 years**

- structure plan expected to be ratified by Auckland Council 2019
- private plan change for re-zoning of the land is being prepared
- masterplanning is underway



Artist's impression. Concept only. Subject to change.

sound financial results

\$180.7m

net rental income

-\$11.4m -6.0%

\$106.9m

FFO

-\$4.4m -3.9%

\$138.1m

profit after tax

+\$18.0m +15.0%

portfolio repositioning through strategic asset sales and development activity is reflected in a short-term earnings impact

an improved profit after tax is primarily due to an increased fair value gain on investment properties, reflecting the quality of our portfolio

our balance sheet remains strong

\$3.2b

property assets

+\$155.4m +5.1%

property assets have increased as a result of acquisitions, development activity and revaluation gains, offset by the disposal of North City

31.0%

gearing

FY18: 29.7%

year-end gearing remains comfortably within our target band

\$1.43

net asset backing per share

FY18: \$1.40

we continue to be active in our capital management programme

4.80%

weighted average cost of debt

FY18: 4.99%

3.2 years

weighted average
term to maturity of debt

FY18: 3.6 years

during the financial year we

- **issued our fourth bond, raising \$100 million**
- **extended \$165 million of bank debt facilities**

post year-end we extended a
further \$166 million of bank debt facilities

our property portfolio continues to perform strongly

4.0%

rental growth from new
leasing and rent reviews

FY18: +3.5%

portfolio strength has been
maintained through intensive
asset management

99.3%

occupancy

FY18: 99.6%

5.2 years

weighted average lease expiry

FY18: 5.3 years

positive retail sales

	all centres (incl. large format centres)	shopping centres (excl. large format centres) ¹
total sales (billion)	\$1.70	\$1.53
total sales growth	+1.7%	+2.0%
like-for-like sales growth	+2.6%	+2.4%

Note 1 Mar-18 comparable data excludes large format centres and North City, which was sold during the year.

**key sales indicators,
including sales per
square metre, specialty
GOC and pedestrian
counts have all
improved**

sustainability – we're playing our part



climate change

- joined the Climate Leaders Coalition
- since 2012 (our audited base year for carbon reporting), Kiwi Property has reduced its carbon footprint by 47%



waste

- our water filling stations, installed as part of our 'Meet the Greens' campaign, have saved 87,000 plastic bottles



electric transport

- New Zealand's first shopping centre-based e-bike charging stations have been installed at LynnMall
- this adds to the 33 free-to-use electric vehicle charging stations at our centres and other e-bike charging stations incorporated within our office building end-of-trip facilities



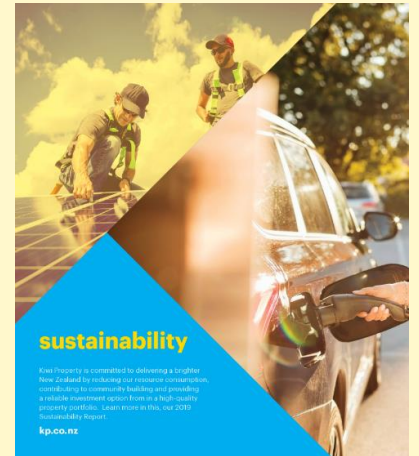
renewable energy

- our second solar installation is underway at Northlands with an expected completion date of June 2019



building efficiency

- all our office buildings have achieved a NABERSNZ rating of 4 stars (excellent) or better. The Aurora Centre achieved a 5.5 stars rating (market-leading)



Sustainability Report

- read more about our sustainability achievements in our 2019 Sustainability Report

we have a clear focus for FY20

optimise performance

transitional

- completion of transition to new executive structure

operational

- focus on new income opportunities
- grow rental income from existing portfolio

intensify the mixed-use component of our business

- progress/conclude our development activities at
 - Sylvia Park
 - The Base
 - Drury

focus on developing a funds management business

- actively look for opportunities

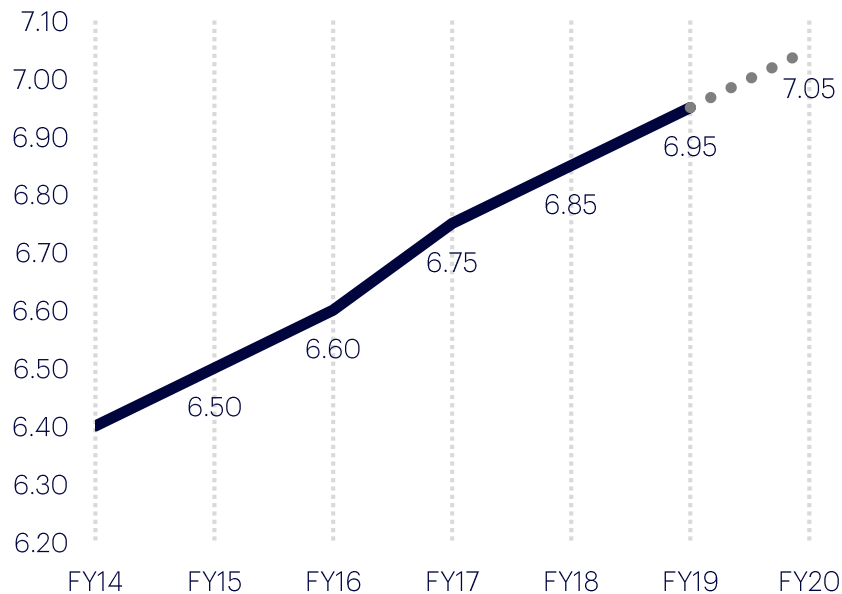
outlook and dividend guidance

FY20 cash dividend guidance

7.05

cents per share¹

cash dividend (cents per share)



Note 1 Subject to a continuation of reasonable economic conditions.

Kiwi Property is well positioned for growth

- strategic initiatives set
- executive structure aligned to strategy
- high-quality portfolio
- strong balance sheet
- pipeline of development opportunities
- exceptional team of committed people

questions

formal business

resolution 1 – re-election of director

explanatory information

- in accordance with Listing Rule 2.7.1, Mary Jane Daly will retire at this annual meeting and offers herself for re-election
- the board has determined that Mary Jane Daly will be an independent director for the purposes of the NZX Listing Rules if re-elected
- the Notice of Meeting contains information on what it means to be an independent director for the purposes of the NZX Listing Rules

resolution 1 – re-election of director

explanatory information

Mary Jane Daly

BCOM, MBA

date of first appointment

September 2014¹

date last re-elected

July 2016

other committees

Chair of the Audit and Risk Committee



Note 1 The date Mary Jane Daly was appointed to the board of the predecessor entity to Kiwi Property Group Limited.

resolution 1 – re-election of director

recommendation and rationale

the board¹ recommends that you vote in favour of the re-election of Mary Jane Daly

rationale

- the board is committed to ensuring that it possesses the appropriate mix of skills, knowledge, experience and diversity to discharge its role and responsibilities
- the board supports the re-election of Mary Jane Daly as it considers that she has the expertise to contribute to the overall skill set required by the board

Note 1 The board, other than Mary Jane Daly.

**That Mary Jane Daly be re-elected as a
director of the Company**

resolution 2 – auditor’s remuneration

explanatory information and recommendation

- the resolution sought is to authorise the directors to fix the remuneration of the auditor pursuant to Section 207(S)(a) of the Companies Act 1993

the board recommends that you vote in favour of this resolution

**That the directors be authorised to fix the
auditor's remuneration**

resolution 3 – amendment to the constitution of the company

explanatory information and recommendation

- the Company adopted the new NZX Listing Rules with effect from 1 April 2019
- amendments are required to the existing Constitution to ensure it meets the requirements of, and is consistent with, the new NZX Listing Rules
- amendments to the existing Constitution are proposed to update and clarify certain aspects of the Constitution
- the Notice of Meeting contains a summary of the amendments
- our legal advisors, Russell McVeagh have provided an opinion to NZX that confirms that the amendments comply with the NZX Listing Rules

**the board recommends that you vote in favour
of the special resolution**

resolution 3

That the Company amend its existing Constitution, in the manner marked up in the Constitution as presented to shareholders at the annual meeting

results of proxy voting

resolution 1: That Mary Jane Daly be re-elected as a director of the Company

proxy votes lodged	for		against		discretionary	
778,070,796	770,272,834	99.00%	1,886,724	0.24%	5,911,238	0.76%

resolution 2: That the directors be authorised to fix the auditor's remuneration

proxy votes lodged	for		against		discretionary	
778,096,940	771,042,250	99.09%	991,530	0.13%	6,063,160	0.78%

resolution 3: That the Company amend its existing Constitution, in the manner marked up in the Constitution as presented to shareholders at the annual meeting

proxy votes lodged	for		against		discretionary	
777,897,114	769,792,142	98.96%	1,731,500	0.22%	6,373,472	0.82%



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