

360 Capital

G r o u p



**2017 HALF YEAR
RESULTS PRESENTATION
ASX: TGP**

23 FEBRUARY 2017

Table of contents

1H2017 Results presentation

1	Financial Highlights
2	Buyback
3	Focus on Strategic Investment
4	Investment Strategy
5	FY17 Key Focuses and Outlook
6	Board and Key Management

1

Financial highlights

\$53.4m

Statutory Profit

↑ 594%

\$9.2m

Operating Profit

↑ 20.5%

Debt

Free,

c\$97m

Cash
(Post period)

93 cents

NTA

↑ 34.5%
(Post period)

24.1 cps

Statutory Profit

↑ 609%

4.1 cps

Operating Earnings

↑ 24.2%

\$109m

Further contracted
receivables from
CNI (post period)

3.25 cps

Distribution

↑ 4.0%

1

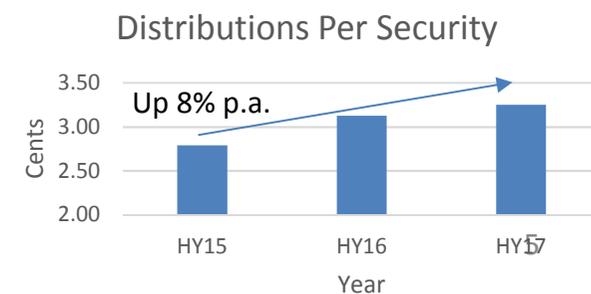
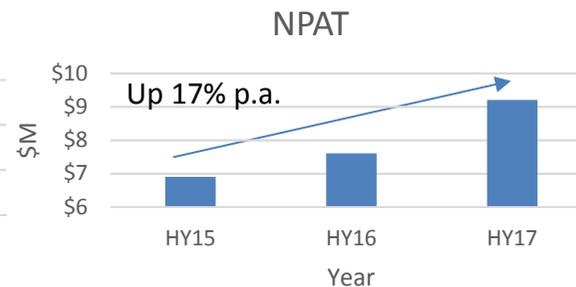
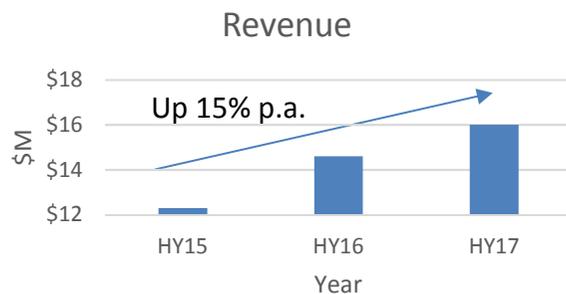
Key achievements

- Sale of Subiaco Square Shopping Centre for \$38.4m (20% premium) returning Group \$9.4m in cash plus exit fees
- Completed (settled post period) the sale of the majority of fund management business and co-investments to Centuria for \$290.7m
- Repaid all TGP Bonds (\$75m) in January 2017, TGP now debt free with approximately \$97m in cash
- Maintained 6.5 cps DPS for FY17 guidance
- Post period bought back 25.0m TGP securities (10.4% of issued capital)
- Consolidated management team and commenced rolling out new business initiatives

Profit and loss analysis

- FM fees up from full realisation of Retail Fund underwriting fees
- Operating expenses down due to staff reductions
- \$44.2m one-off and non-cash items, includes profit from sale of FM business offset by MTM and realisation of certain co-investments

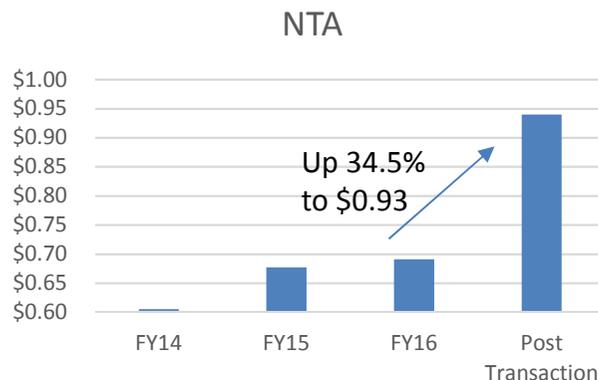
SEGMENT OPERATING PROFIT	HY15 (\$M)	HY16 (\$M)	HY17 (\$M)	CHANGE
Co-investment revenue	5.8	8.6	8.8	2.3%
Net property income/Other	3.5	1.2	-	n/a
Funds management revenue	3.0	4.8	7.2	50.0%
Total revenue	12.3	14.6	16.0	9.6%
Operating expenses	3.6	3.7	2.5	(32.4%)
Operating EBIT	8.7	10.9	13.5	23.9%
Net interest expense	1.7	2.9	2.9	-
Operating profit before tax	7.0	8.0	10.6	32.5%
Income tax expense	0.1	0.4	1.4	250%
Operating profit after tax	6.9	7.6	9.2	20.5%
One-off and non-cash items	15.0	0.1	44.2	-
Statutory profit after tax	21.9	7.7	53.4	594%
Statutory EPS	9.7c	3.4c	24.1c	609%
Operating EPS	3.1c	3.3c	4.1c	24.2%
DPS	2.7915c	3.125c	3.25c	4.0%



1

Balance sheet analysis and forecast

- Dec 2016 receivable includes proceeds from sale of FM platform to Centuria, settled 9 January 2017
- \$58.9m of unlisted funds under put and call contracts with Centuria
- \$50.0m vendor loan term less than 18 months, penalty if not repaid in 12 months
- Other liability includes \$21.6m tax liability on profit from sale of FM company
- NTA up 34.5%, c50% cash backed with further \$109m comprising loan and contracted unit sale agreements



Balance Sheet	30 Jun 16 (\$m) Audited	31 Dec 16 (\$m) Audited	Proforma Post Transaction and Buyback	Proforma Post Unlisted Investments
Cash	11.3	16.5	97.6	185.0
Receivables	4.6	237.2	0.3	0.3
Listed co-investments	146.8	9.7	9.7	9.7
Total core investments	162.7	263.4	107.6	195.0
360 Capital unlisted funds	77.6	63.5	63.5	4.5
Vendor Loan	-	-	50.0	-
Total non-core co-investments & seed capital	77.6	63.5	113.5	4.5
Other assets	14.1	1.4	1.4	1.4
Total assets	254.4	328.3	222.5	200.9
Corporate bond issue	76.8	78.0	-	-
Other	9.1	38.1	26.9	5.3
Total liabilities	85.9	116.1	26.9	5.3
Net assets	168.5	212.2	195.6	195.6
Securities on Issue	239.6	239.6	214.6	214.6
NAV (diluted) cps	74.8	92.8	93.2	93.2
NTA (diluted) cps	69.0	92.8	93.2	93.2

The Group currently has the following Investment assets:

1. Vendor loan to CNI– 5% p.a. interest rate, 18 month max term, secured by first ranking mortgage over CNI’s co-investment in Centuria Industrial REIT (c\$80m value)
2. Centuria Retail Fund – 16% interest, 7.5% distribution CNI guarantee (not subject to a put option)
3. Various Centuria unlisted funds (ex 360 unlisted funds)- CNI guaranteeing 7.5% distribution p.a., 2 year call option at \$58.9m, put option to CNI at \$58.9m after 2 years
4. 360 Capital Total Return Fund (ASX TOT) - \$9.7m- continue to be managed by TGP, 12% targeted total return
5. C\$97m Cash (post settlement and buyback)

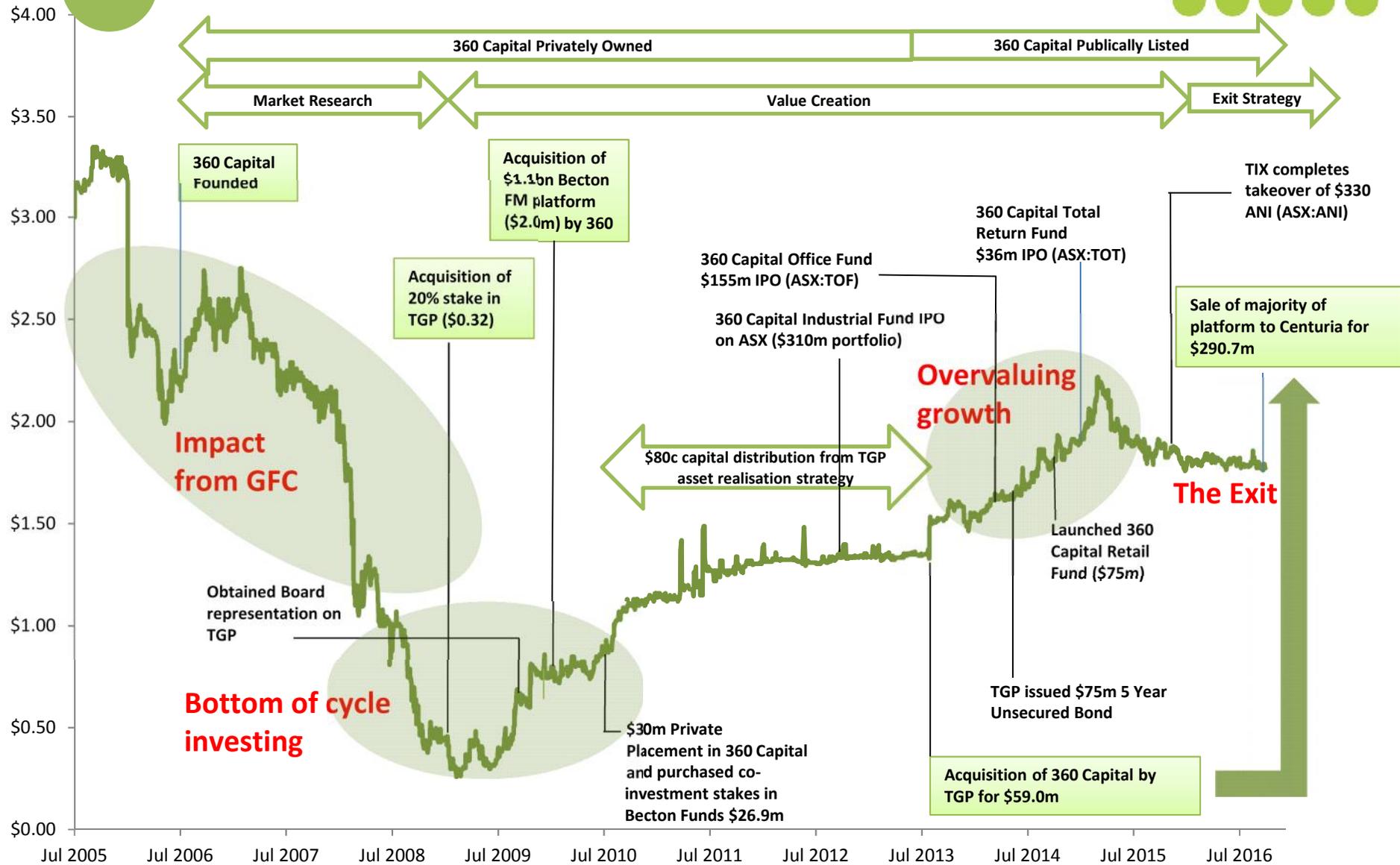
Invested capital and strategy:

1. \$50.0m loan, repayable within 18 months
2. \$5.6m, unlisted units, sell within 12 months and reinvest within 360 Capital funds
3. Monitor investment, put to CNI in 2 years if not called prior
4. TGP committed to grow TOT and will invest further capital into TOT as opportunities arise
5. Reinvest into 360 Capital’s business at an appropriate time and/or use for TGP capital for management initiatives

- Securityholders approved the Group to buyback up to 48.0m securities (approx. 20% of the issued capital) on 28 November 2016
- Commenced on market buyback 2 February 2017 purchasing 25.0m securities at 90 cps
- Further capacity of up to 23.0m securities available to be bought back over 12 month period
- Group assessing level of cash required to roll out business plan, timing of further cash from CNI and other opportunities before recommencing further buyback

3

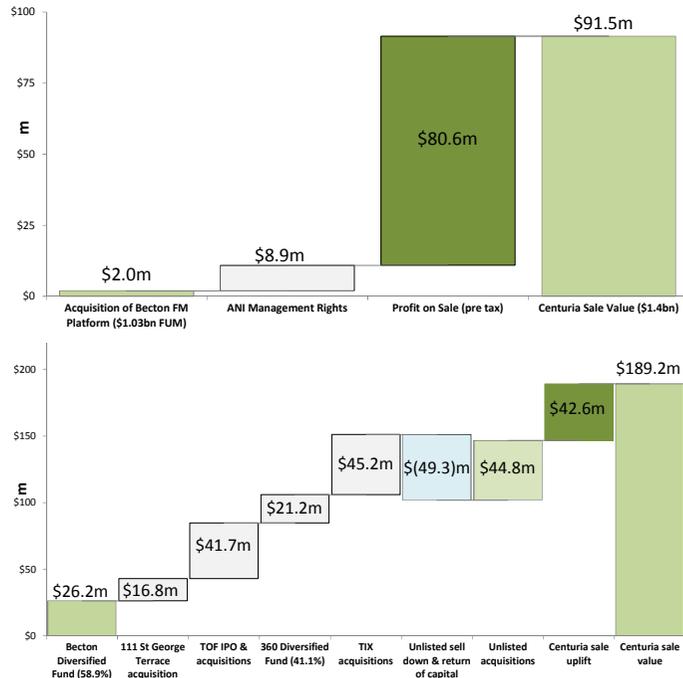
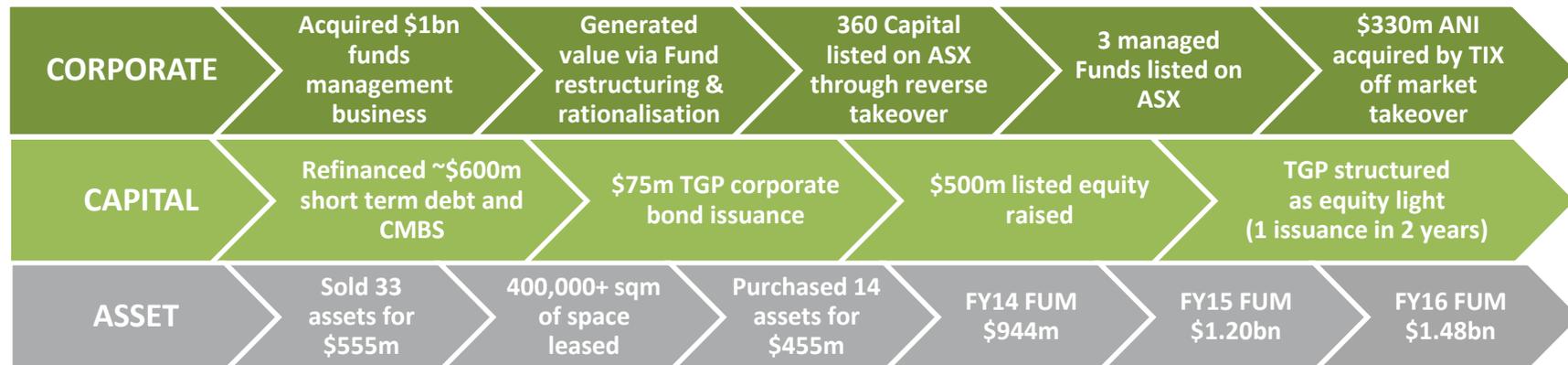
Focused on Strategic Investment Through Cycles



TGP Share price adjusted for the TGP Capital Distributions made between 2010 – 2013

2010- FM Rights (Control) acquired for \$2.0m

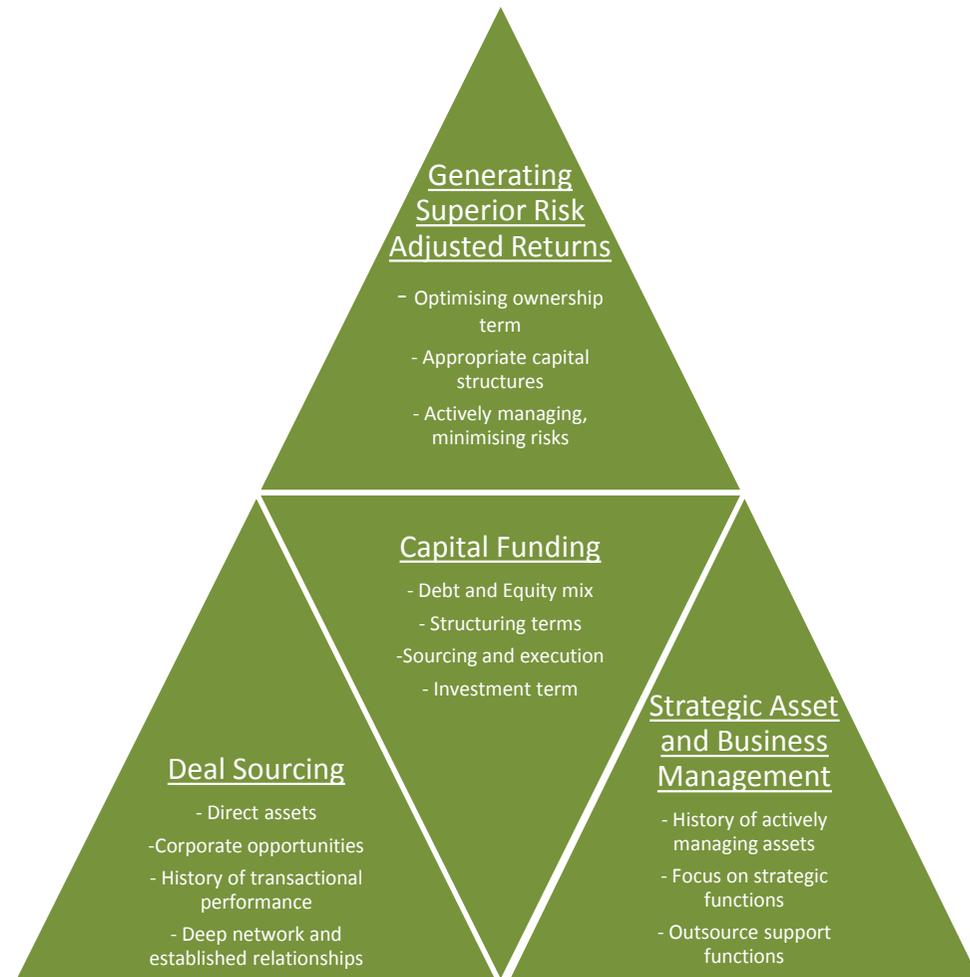
2016 – Platform and Co-investments sold for >\$300m

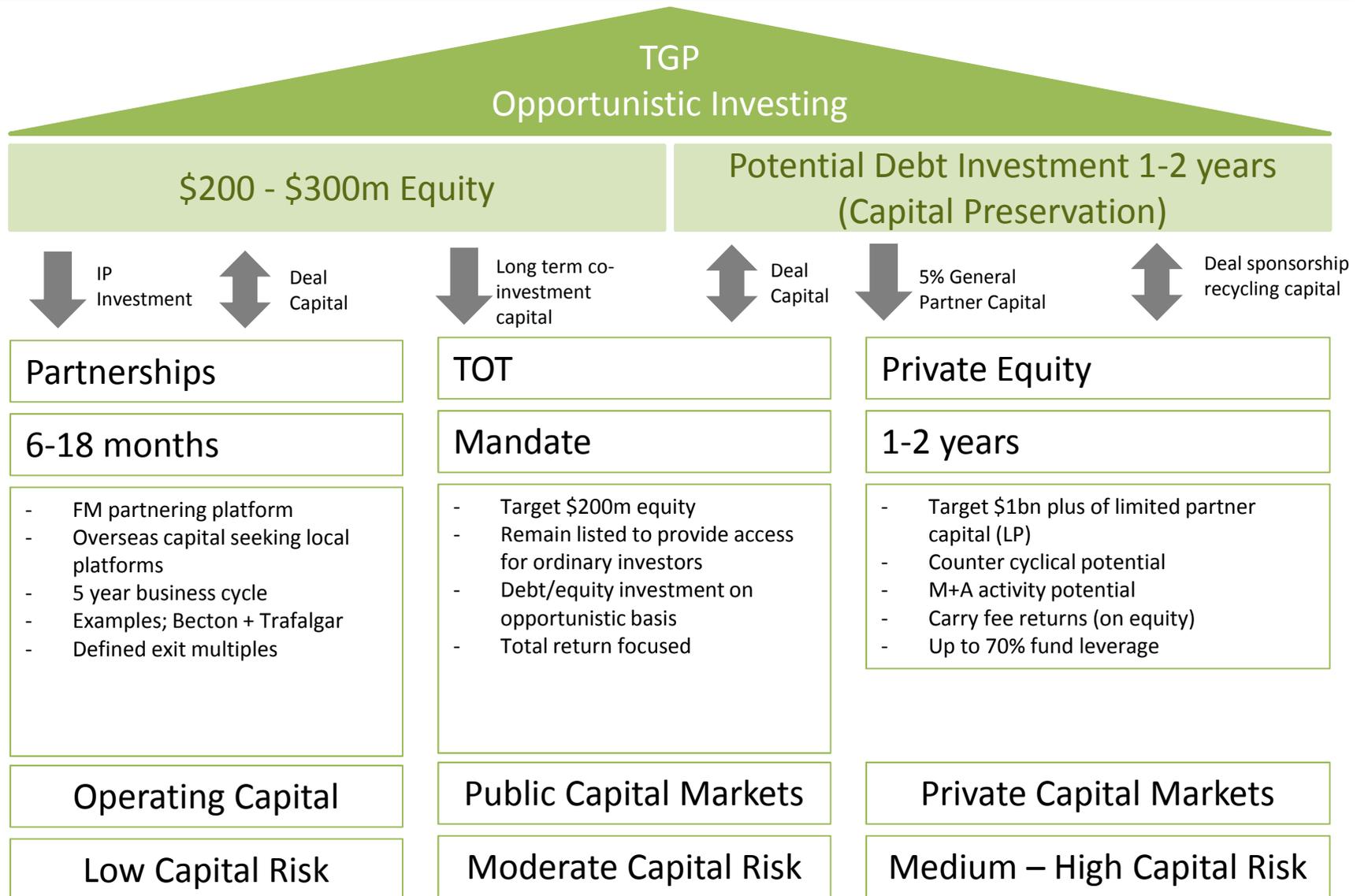


B|E|C|T|O|N

- In June 2010, Becton FM Business comes under attack due to poor performance
- 360 purchases Becton FM rights purchased for \$2.0m in Dec 2010, Co-investments for \$26.9m in June 2011
- 360 outlines rescue strategy to stakeholders in 2011
- 360 focuses on property, fund and capital issues to restore value for fund investors through 2010-2014
- Continued growing business in 2015- 2016
- 2016 sale of majority of business for \$290.7m to Centuria
 - Sells FM rights for \$91.5m Dec 2016 (\$80.6m 8.4x cost)
 - Sells co-investment for \$189.2m (\$42.6m above cost)

- Group invests only in Australian real estate
- Has deep relationships within the Australia real estate participants, brokers, financiers and investors
- Focused on strategic investing rather than micro investment management
- Outsources property management but actively manages its assets with detailed asset and business plans
- We invest based on property fundamentals
- Capital funding secondary decision to real estate investment decision
- Predominately bottom up mindset when assessing investment opportunities
- Sourcing opportunities mainly through direct assets but also prepared to take on corporate real estate opportunities
- Covering core, value add, opportunistic and special situations





Key Focus

- Communicate to securityholders TGP new business plan and commence marketing of the opportunity TGP has from its realisation strategy undertaken
- Restore value for TOT securityholders, grow TOT's capital base and maximise its 11.0% stake in Industria REIT (IDR)
- Continue discussions with overseas groups with view of concluding one or more JV's/ partners within 6 -18 months
- Commence structuring and marketing an unlisted private equity fund for potential counter cyclical opportunities in 1-2 years.
- Be patient with TGP's capital, continue to monitor opportunities, manage the exposures we have to CNI, look at growing revenue streams without using TGP's capital, and continue to be opportunistic in our approach to creating value for our investors

~5.4cforecast
operating EPS
(Revised post FM sale)**6.50c**DPS
(Remains Unchanged)



DAVID VAN AANHOLT, CHAIRMAN & INDEPENDENT DIRECTOR

David has over 25 years of experience in the property and funds management industry. Prior to establishing his own property group in 2007, David was the Chief Executive Officer (Asia Pacific) of the ASX listed Goodman Group (previously known as Macquarie Goodman). In that role David was responsible for Goodman's operations in Australia, New Zealand, Hong Kong and Singapore. David worked for Goodman for more than a decade and before joining them he was a Fund Manager at Paladin Australia Limited (acquired by Deutsche Bank) and an Associate Director of CDH Properties (acquired by KPMG).



TONY PITT, MANAGING DIRECTOR

Tony is a founding Director of 360 Capital and has worked in the property and property funds management industries for over 15 years.

As Managing Director, Tony is responsible for the performance of 360 Capital's various investments and funds, including the investment analysis, management, acquisitions and disposal and overall Group and investment strategy. In particular, this includes repositioning of the Group since December 2010 through the disposal of in excess of \$340 million in underlying Fund and Trust assets and the refinancing of approximately \$0.5 billion in debt.



ANDREW MOFFAT, INDEPENDENT NON EXECUTIVE DIRECTOR

Andrew has in excess of 20 years of corporate and investment banking experience, including serving as a director of Equity Capital markets and Advisory for BNP Paribas Equities (Australia) Limited. Andrew is the sole principal of Cowoso Capital Pty Ltd, a company providing corporate advisory services.

Andrew is also Chairman of Pacific Star Network Limited, a Director of Rubik Financial Limited and a Director of CCK Financial Solutions Limited. His past public company directorships include itX Group Limited and Infomedia Limited.



JOHN BALLHAUSEN, INDEPENDENT NON EXECUTIVE DIRECTOR

John is a financial services professional. He provides services to a number of organisations and is a Responsible Manager for several Australian Financial Services Licencees. John founded Rimcorp Property Limited and became its Managing Director. In 2008, Rimcorp was successfully sold with approximately \$100 million in funds under management spread over four registered property schemes.

Before 2002 John held the position of Chief Investment Officer with HIH Insurance, with responsibility for more than \$3 billion of funds across fixed interest, equities and property asset classes.



GRAHAM LENZNER, INDEPENDENT NON EXECUTIVE DIRECTOR

Graham has had a career spanning four decades, with particular emphasis on funds management and financial markets. Graham was an Executive Director of the Armstrong Jones Group for 12 years, the last four years as Joint Managing Director. Other previous roles include Finance and Deputy Managing Director of Aquila Steel, General Manager Finance and Investments of MMI Insurance Limited and Director Head of Equities with Schroder Darling Management Limited. Graham has served on the Board of a number of public and private companies. He is currently Chairman of Device Technologies Australia Pty Limited.

Key management team



TONY PITT, MANAGING DIRECTOR

Tony is a founding Director of 360 Capital and has worked in the property and property funds management industries for over 15 years.

As Managing Director, Tony is responsible for the performance of 360 Capital's various investments and funds, including the investment analysis, management, acquisitions and disposal and overall Group and investment strategy. In particular, this includes repositioning of the Group since December 2010 through the disposal of in excess of \$340 million in underlying Fund and Trust assets and the refinancing of approximately \$0.5 billion in debt.



BEN JAMES, CHIEF INVESTMENT OFFICER

Ben joined 360 Capital in 2010 and is responsible for all fund investment activities within the group. Ben has over 19 years' experience in Real Estate Funds Management and Investment across the office, retail, industrial, hotel and car park sectors.

Prior to joining 360 Capital, Ben was the Trust Manager of Mirvac Property Trust, the \$4.5 billion investment vehicle of the ASX listed Mirvac Group. He also held positions in property management and investment sales with Colliers International.



GLENN BUTTERWORTH, CHIEF FINANCIAL OFFICER

Glenn is responsible for all 360 Capital's financial management activities. Prior to joining 360 Capital, Glenn spent 11 years at Mirvac, most recently as Financial Controller of the Investment Division. Glenn was responsible for Mirvac Property Trust, listed and wholesale managed funds and partnership structures and has a wealth of transactional and financial management skills, gained from over 20 years' industry experience. Prior to Mirvac, Glenn held a number of senior finance roles including Financial Controller at McGrath Estate Agents. Glenn is a chartered accountant and commenced his career at Deloitte.



JAMES STOREY, FUND MANAGER, 360 CAPITAL TOTAL RETURN FUND

James has over 11 years' experience in property funds management including such areas as asset management, capital transactions, analytics and valuations. Prior to his current role, James previously held roles at Brookfield, Valad Property Group and worked for Ernst & Young within its Transaction Advisory Services team. James has a Bachelor of Business (Property Economics) from the University of Western Sydney and a graduate certificate of applied finance and investment. He is also a registered valuer and licensed real estate agent.



JENNIFER VERCOE, COMPANY SECRETARY

Jennifer has over 15 years' experience in finance and funds management within the property industry. Jennifer is the Company Secretary to 360 Capital Group and Financial Controller of TT Investments. Prior to this she held finance and funds management roles at Stockland, Valad Property Group and AMP Capital Investors.

Jennifer is a Chartered Accountant and has a Certificate in Applied Finance and Bachelors of Commerce and Business Administration from Macquarie University.



AINSLIE MCFARLAND, FINANCE MANAGER

Ainslie joined 360 Capital in June 2014 and is responsible for the finance function of the 360 Capital Group, in a role covering management and statutory reporting, compliance, treasury control and taxation. Ainslie has over 8 years' experience in investment and asset management. Previously at Mirvac for 4 years, Ainslie was part of the finance team responsible for the Mirvac Property Trust, and prior to this she worked for the prestigious asset management firm Harrods Estates in London. Ainslie is a qualified Chartered Accountant, holding a Bachelor of Commerce (Accounting & Finance) from the University of Wollongong and a Graduate Diploma of Chartered Accounting.

Disclaimer

This presentation has been prepared by 360 Capital Group, comprising 360 Capital Group Limited (ACN 113 569 136) and 360 Capital FM Limited (ACN 090 664 396, AFSL 221474) as responsible entity of the 360 Capital Investment Trust (ARSN 104 552 598) ('360 Capital' or the 'Group').

All information and statistics in this presentation are current as at 23 February 2017 unless otherwise specified. It contains selected summary information and does not purport to be all-inclusive or to contain all of the information that may be relevant, or which a prospective investor may require in evaluations for a possible investment in 360 Capital. It should be read in conjunction with 360 Capital's other periodic and continuous disclosure announcements which are available at www.360capital.com.au. The recipient acknowledges that circumstances may change and that this presentation may become outdated as a result. This presentation and the information in it are subject to change without notice and 360 Capital is not obliged to update this presentation.

This presentation is provided for general information purposes only. It is not a product disclosure statement, pathfinder document or any other disclosure document for the purposes of the Corporations Act and has not been, and is not required to be, lodged with the Australian Securities & Investments Commission. It should not be relied upon by the recipient in considering the merits of 360 Capital or the acquisition of securities in 360 Capital. Nothing in this presentation constitutes investment, legal, tax, accounting or other advice and it is not to be relied upon in substitution for the recipient's own exercise of independent judgment with regard to the operations, financial condition and prospects of 360 Capital.

The information contained in this presentation does not constitute financial product advice. Before making an investment decision, the recipient should consider its own financial situation, objectives and needs, and conduct its own independent investigation and assessment of the contents of this presentation, including obtaining investment, legal, tax, accounting and such other advice as it considers necessary or appropriate. This presentation has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs. It is not an invitation or offer to buy or sell, or a solicitation to invest in or refrain from investing in, securities in 360 Capital or any other investment product.

The information in this presentation has been obtained from and based on sources believed by 360 Capital to be reliable. To the maximum extent permitted by law, 360 Capital and its related bodies corporate make no representation or warranty, express or implied, as to the accuracy, completeness, timeliness or reliability of the contents of this presentation. To the maximum extent permitted by law, 360 Capital does not accept any liability (including, without limitation, any liability arising from fault or negligence) for any loss whatsoever arising from the use of this presentation or its contents or otherwise arising in connection with it.

This presentation may contain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters ('Forward Statements'). Forward Statements can generally be identified by the use of forward looking words such as "anticipate", "estimates", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions. Forward Statements including indications, guidance or outlook on future revenues, distributions or financial position and performance or return or growth in underlying investments are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No independent third party has reviewed the reasonableness of any such statements or assumptions. No member of 360 Capital represents or warrants that such Forward Statements will be achieved or will prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this presentation. Except as required by law or regulation, 360 Capital assumes no obligation to release updates or revisions to Forward Statements to reflect any changes.

All dollar values are in Australian dollars (\$) or A\$) unless stated otherwise. The recipient should note that this presentation contains pro forma financial information, including a pro forma balance sheet.