

28 February 2013

The Manager
Company Announcements
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

**RNY Property Trust (ASX:RNY) Reports Full-Year Results for
the Period Ended 31 December 2012**

Distributable Earnings of A\$6.56 million on Consolidated Net Profit of A\$52.6 million;

RNY Australia Management Limited (RAML) as responsible entity of RNY Property Trust (the Trust) reported a consolidated net profit after tax of A\$52.6 million or A\$0.1997 per unit for the period ended 31 December 2012. Adjusting for the impact from minority interests, certain non-cash items, including a one-time, A\$49.0 million gain on the extinguishment of debt, and foreign exchange gain or loss, the Trust reported adjusted net profit after tax⁽¹⁾ of A\$4.05 million, or A\$0.0154 per unit and distributable earnings of A\$6.56 million, or A\$0.0249 per unit.

Highlights & Summary Portfolio Performance

- Reported leasing activity of 344,897 square feet on 59 transactions (10.4% of the total square feet in the portfolio);
- Occupancy at period end of 80.2%, down from 80.8% at 30 June 2012 (80.5% at 31 December 2011);
- Year-over-year same property NOI increased 5.6%, mainly due to expiration of tenant's free rent incentives, along with expense savings;
- Achieved a renewal rate of 73.8% for the period ended 31 December 2012;
- Successfully completed the refinancing of one of the two matured mortgage loans;
- New US\$123 million Senior Mortgage and US\$36 million Mezzanine Loan were obtained to pay off prior mortgage of US\$196.1 million, resulting in principal forgiveness of approximately US\$37.1 million of debt, which increases NTA from US\$0.29 (A\$0.28) at 31 December 2011 to US\$0.45 (A\$0.43) per unit at period end;
- The Trust's share of the increase in the valuation of the portfolio over the past 6 months is US\$6.9 million:

Revaluation Summary: (all amounts are in US\$000's)

Region	31 Dec	30 Jun	Change from 30 June 2012		31 Dec	Change from 31 Dec 2011	
	2012	2012	US\$	%	2011	US\$	%
Total Long Island	138,938	136,163	2,775	2.0%	143,100	(4,163)	-2.9%
Total New Jersey	57,038	56,700	338	0.6%	57,675	(638)	-1.1%
Total Westchester	87,225	83,850	3,375	4.0%	82,875	4,350	5.2%
Total Connecticut	61,425	60,975	450	0.7%	59,700	1,725	2.9%
Total Portfolio	<u>344,625</u>	<u>337,688</u>	<u>6,938</u>	<u>2.1%</u>	<u>343,350</u>	<u>1,275</u>	<u>0.4%</u>

Note: Represents RNY's 75% interest, excluding 1155 Railroad Avenue (which was sold in August 2012)

As a result of the above, the average per square foot value of the portfolio increased to US\$139 with an average terminal cap rate of 8.20% used to value the portfolio.

As previously announced, the Trust has suspended distributions to unitholders in order to strengthen its capital position, increase liquidity, and reduce debt.

In an unrelated administrative manner, the indirect corporate ownership of RAML (the Responsible Entity of the Trust) was transferred from an affiliate of RXR controlled solely by Messrs Rechler, Maturo and Barnett (the 3 executive directors of RAML) to another affiliate of RXR which is also controlled by Messrs Rechler, Maturo and Barnett. Such transfer will have no impact on the operations or governance of RAML or RNY.

The Trust is managed by RAML, an Australian licensed responsible entity which is an affiliate of RXR. Other affiliates of RXR serve as property manager, leasing agent, asset manager, and construction manager and provide other services to the properties in the Trust portfolio. RXR is one of the New York Tri-State area's leading real estate companies, specializing in the acquisition, leasing, financing, property and asset management, design and development, and construction of commercial properties.

Notes:

- (1) Adjusted Trust NPAT (A-NPAT) is a non-IFRS figure that, in the opinion of the Board of Directors, provides a more appropriate representation of the operating performance of the underlying portfolio. For a detailed reconciliation between the consolidated net profit after tax and A-NPAT, please see slide page 3 of the RNY Investor Presentation filed with the ASX on 28 February 2013 (such document may be viewed at www.nypt.com.au or www.asx.com.au).

Certain statement herein relate to the Trust's future performance ("forward looking statements"). Although RAML believes such statements are based on reasonable assumptions, forward-looking statements are not guarantees of results and no assurance can be given that the expected results will be delivered. Such forward-looking statements are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those expected. Among those risks, trends and uncertainties are the general economic climate, including the conditions affecting industries in which principal tenants compete; financial condition of tenants; changes in the supply of and demand for office properties in the New York Tri-State area; changes in interest rate levels and changes in credit ratings and changes in the cost of and access to capital.

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