

Investa Office Fund Half Year 2015 Results Presentation

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IOF

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Highlights

Investa continues to deliver

Financial

- > Net profit \$99.5 million (up 78%)
- > FFO 14.2 cpu (up 3%) and DPU 9.55 cpu (up 3%)
- > Full year guidance upgraded from 27.3 cpu to 27.5 cpu – 3.8% growth on FY14
- > NTA up 7 cents to \$3.42

Portfolio

- > Another active period of leasing, with 30,000 sqm leased – including 11,400 sqm in Brisbane – de-risking the outlook
- > Progressing well with value-add refurbishments totalling \$40 million
- > Exchanged contracts on final offshore asset for €54.9 million and completed sale of 628 Bourke Street Melbourne at 14% premium to book value

Capital management

- > Completed bank debt refinancing of \$398 million
- > Maintain long weighted average debt duration of 5.4 years
- > Low weighted average cost of debt – 4.2%

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Financial Metrics

	31 Dec 2014	31 Dec 2013	Change
Net Profit (statutory)	\$99.5m	\$56.0m	78%
Funds From Operations (FFO)	\$87.3m	\$84.5m	3%
FFO per unit	14.2c	13.8c	3%
Distributions per unit	9.55c	9.25c	3%
	31 Dec 2014	30 Jun 2014	Change
Gearing (look-through)	30.7%	32.0%	(1.3%)
Net Tangible Assets (NTA) per unit	\$3.42	\$3.35	2.1%

- > Net profit up \$99.5 million – up 78% on prior corresponding period (pcp), largely due to prior period loss on sale of Dutch Office Fund
- > FFO increased 3% to \$87.3 million
- > Position paper received from the ATO focussing on foreign exchange losses and swap contract termination costs claimed in FY09. An independent review has been requested.

Morgan Stanley's intentions for Investa Property Group

- > Investa Property Group is ultimately owned by funds controlled by Morgan Stanley Real Estate Investing (Morgan Stanley)
- > Morgan Stanley have announced they are commencing a process to sell Investa Property Group (IPG):
 - IPG comprises two business units – Investa Office and Investa Land
 - Investa Office incorporates Investa Property Trust (IPT) and Investa Office Management (IOM), the management entity that provides asset and property management to over \$8.9 billion of commercial office assets including IOF, ICPF, IPT and private mandates

INVESTA PROPERTY GROUP

INVESTA OFFICE MANAGEMENT PLATFORM
\$9bn

INVESTA LAND
\$3bn end value

IOF

AUM: A\$3.1bn
23 assets

ICPF

AUM: A\$2.9bn
15 assets

IPT

AUM: A\$2.3bn
13 assets

Private Mandate

AUM: A\$0.5bn
3 assets

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Morgan Stanley's intentions for Investa Property Group

- > An Independent Board Committee (IBC), comprised solely of the independent Directors and chaired by Deborah Page (IOF independent Chairman) has been established
- > The IBC had discussions with Morgan Stanley in relation to acquiring IOM:
 - Threshold terms sought by Morgan Stanley could not provide IOF with deal certainty and was not in the best interests of unitholders
- > IOF has the following rights:
 - A right to negotiate the acquisition of 50% of IOM when IOF's Australian assets reach \$3.5bn
 - Pre-emptive over 100% of IOM should Morgan Stanley elect to sell IOM
 - Pre-emptive over Investa's 25% interest in 126 Phillip Street
- > Pre-emptive rights will only be triggered in certain circumstances
- > Any related party transaction would require unitholder approval

INVESTA LISTED FUNDS MANAGEMENT LIMITED (ILFML)

Independent Directors and IBC Members

Deborah Page

Peter Dodd

Peter Rowe

Scott MacDonald

Jonathan
Callaghan

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Asset Management

Proactively adding value



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Affordable product attracting the strongest leasing demand

- > High quality assets with affordable accommodation <\$900psm have outperformed, with strong leasing results achieved at:
 - Piccadilly – 3,100 sqm
 - 6 O'Connell Street – 1,800 sqm
 - North Sydney – 11,300 sqm
- > Improving levels of activity in Brisbane – with 11,400 sqm of leasing agreed including:
 - 4,900 sqm at 239 George Street – 92% occupied
 - 4,000sqm at 295 Ann Street ahead of 30 June 2015
 - QR break over 4,900sqm – maintaining occupancy at 93% in FY16
- > Completed lease-up of retail at 567 Collins Street – increasing the pre-commitment level to 78%

6 O'Connell Street, Sydney



239 George Street, Brisbane



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Strong valuation growth in Sydney and Melbourne

- > Valuations completed across 11 assets (60% portfolio by value), recording \$12.6 million of net uplifts above prior book values
- > Uplifts of \$58 million (+4.6%) in Sydney and Melbourne – driven by higher rents and cap rate compression
- > Valuation uplifts have been offset by declines totalling \$45 million (-8.5%) in Brisbane and Perth, where challenging leasing markets have impacted carrying values

Material valuation movements

	Valuation movement	Key Driver/s
Piccadilly Complex, Sydney	↑ \$16m (+9%)	Leased up all vacancy from acquisition
242 Exhibition Street, Melbourne	↑ \$11m (+5%)	Cap rate compression following transactional activity
126 Phillip Street, Sydney	↑ \$9m (+4%)	De-risked expiries and reduced vacancy to 3%
66 St Georges Terrace, Perth	↓ -\$12m (-13%)	Impacted by declining rents and increasing incentives
295 Ann Street, Brisbane	↓ -\$13m (-11%)	Break exercised by major tenant over 4 floors; lower rents and higher incentives adopted

Australian portfolio overview

- > Net property income increased 12% to \$95.8 million:
 - Boosted by full period contributions from Piccadilly and 6 O'Connell Street
- > Like-for-like NPI growth impacted by vacancy at 140 Creek Street, Brisbane
- > Tenant retention remains high at 75%
- > Occupancy down on pcp – but flat on 30 June 2014 at 93%
- > Average incentive 19%:
 - Excluding effective deals 26%

Key Metrics	31 Dec 2014	31 Dec 2013
Net Property Income (NPI)	\$95.8m	\$85.4m
Like-for-like NPI growth	(2.6%)	0.4%
Tenant retention (by income)	75%	82%
Occupancy (by income)	93%	96%
Weighted average lease expiry	4.9yrs	5.0yrs
Face rent renewal growth	3.0%	1.6%
Average passing face rent	\$581psm	\$551psm
Number of investments	22	21

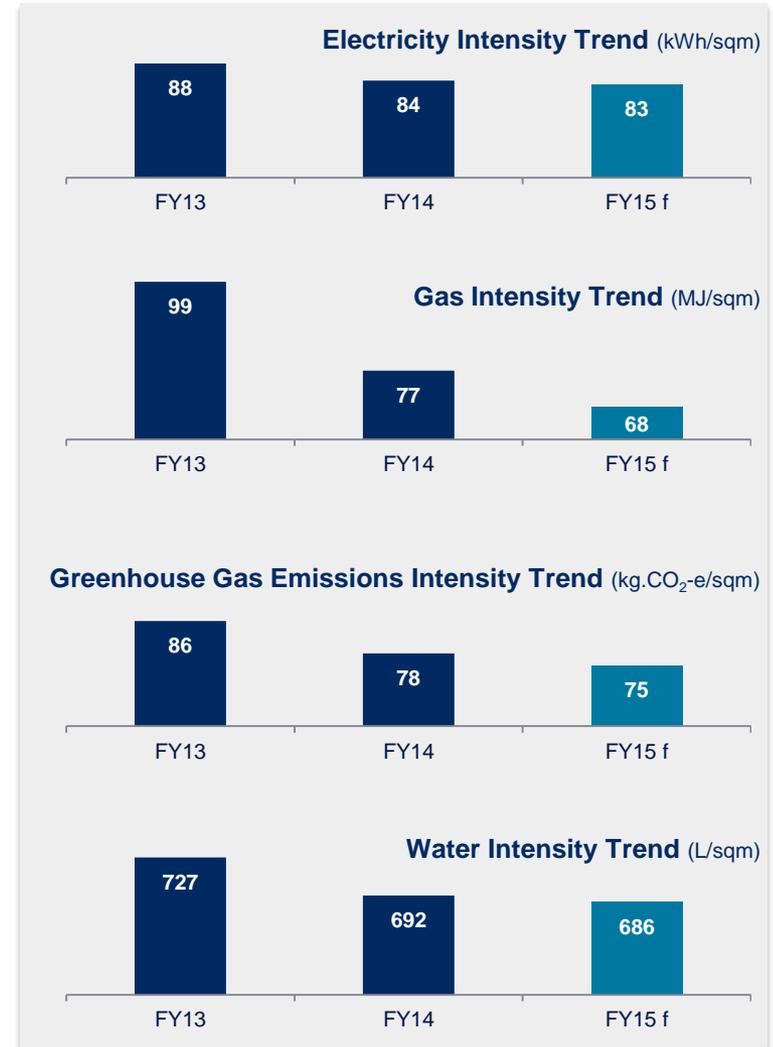
Major lease expiries

- > Brisbane remains our major focus:
 - Refurbishment complete at 140 Creek Street – creating high quality and affordable A-grade product – leased first floor, gaining momentum
 - 4,000 sqm agreed at 295 Ann Street, reducing forecast vacancy from 8,500 sqm to 4,500 sqm
 - De-risked major 2,600 sqm expiry at 239 George Street – leased ahead of October 2015 expiry
- > All major vacancies and expiries re-leased in Sydney including Piccadilly and 99 Walker Street
- > Development at 151 Clarence Street - on schedule to begin construction 2H16

Property	Location	Tenant	Area (sqm)	Expiry
Vacant				
140 Creek St	Brisbane		10,774	REFURBISHED
15 Adelaide St	Brisbane		3,725	
295 Ann St	Brisbane		1,643	PART - LEASED
FY15				
Piccadilly	Sydney	Various	1,994	PART - LEASED
10-20 Bond St	Sydney	Origin Energy	4,661	LEASED ¹⁴
99 Walker St	North Sydney	AAMI	4,602	LEASED ⁵
295 Ann St	Brisbane	Queensland Rail	2,910	PART - LEASED
FY16				
239 George St	Brisbane	DPW	2,619	LEASED ⁵
126 Phillip St	Sydney	Deutsche	10,108	LEASED ⁵
151 Clarence St	Sydney	Westpac	7,483	DEVELOPMENT
151 Clarence St	Sydney	Telstra	3,089	DEVELOPMENT
140 Creek St	Brisbane	DTMR / DPW	8,819	Jun '16
FY17				
383 La Trobe St	Melbourne	AFP	9,679	IN DISCUSSIONS

Continued improvements achieving favourable operating performance

- > Maintaining leadership in global environmental issues:
 - Named in top quartile of sustainable funds globally and GRESB GreenStar 2014
 - One of only 6 ASX entities on the CDP 2014 Global A-List Climate Performance Leadership Index
- > Improved average NABERS Energy ratings to 4.3 stars:
 - Boosted by Mort Street, Canberra – now 5 star NABERS Energy and Water (up from 3.5 and 4 stars)
- > Ongoing improvements across portfolio:
 - 111 Pacific Highway, North Sydney outperforming with reductions in electricity and water (↓13%) and emissions (↓17%)
 - 105 Miller Street, North Sydney electricity consumption (↓7%)



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Portfolio Management

Continued portfolio transformation

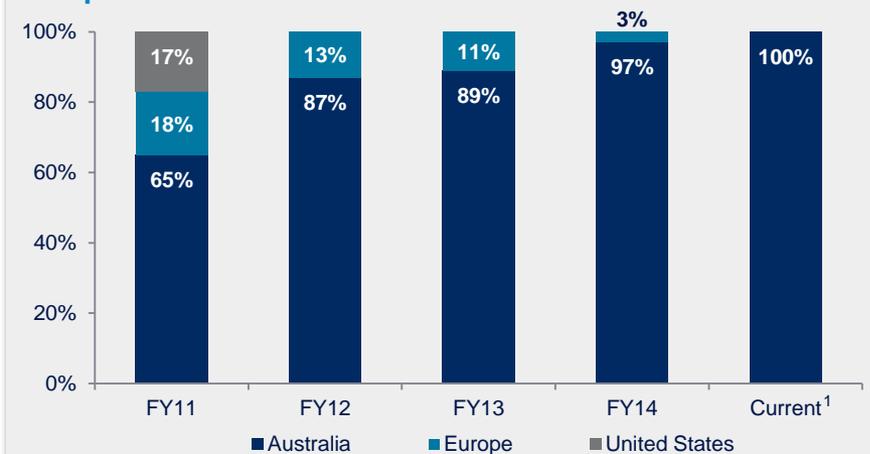


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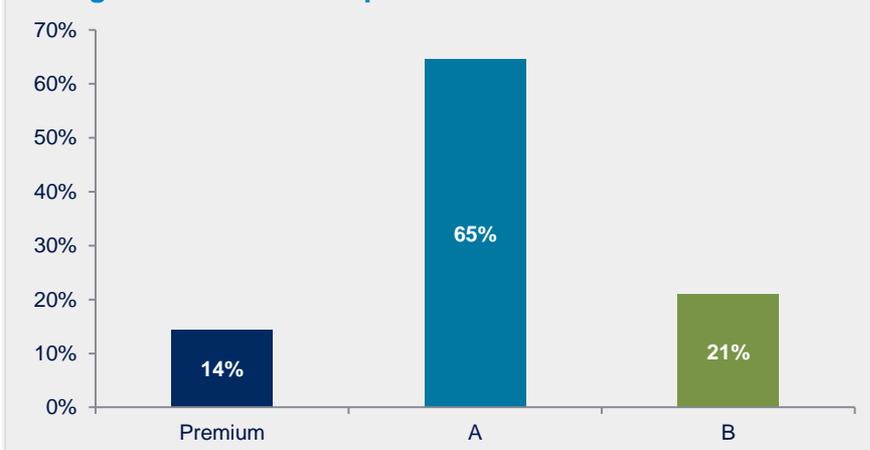
Delivered on strategy to become 100% Australian focused

- > Completing an orderly sale of offshore assets - contracts exchanged to sell Bastion Tower for €54.9 million:
 - Scheduled to complete in March 2015
- > Since taking over management in 2011, Investa has sold over \$830 million of offshore real estate
- > Improved portfolio quality by acquiring \$1.2 billion of high quality Australian assets:
 - Premium asset acquired at 126 Phillip Street, Sydney - and nearing completion of 567 Collins Street, Melbourne
 - Acquired four A-grade assets across multiple markets
 - Re-allocated B-grade exposure from Melbourne to Sydney – the market positioned to benefit most from stock withdrawals

Disciplined exit from offshore markets



Strengthened Australian portfolio²



1. Excludes Bastion Tower, Brussels

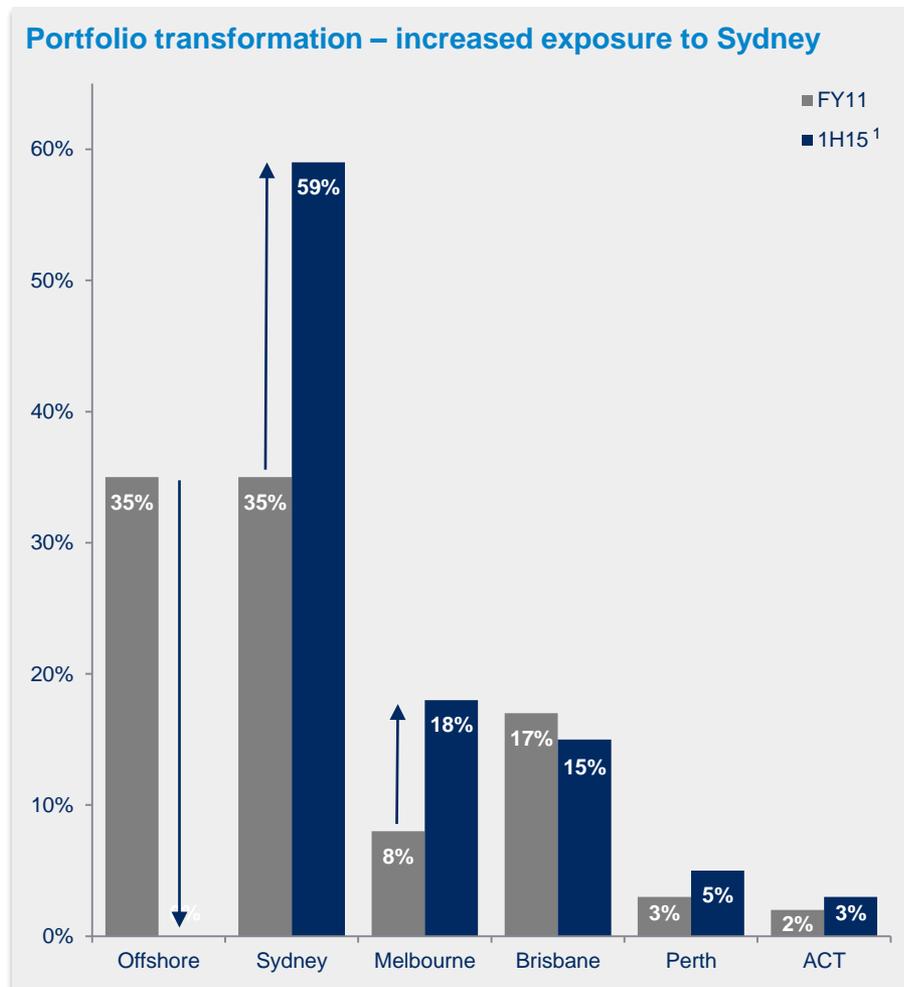
2. Includes 567 Collins Street, Melbourne at completion

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Portfolio concentrated in major markets of Sydney and Melbourne

- > Price discipline maintained whilst upgrading the portfolio and targeting assets with high risk-adjusted returns:
 - Acquired at attractive capital values psm
 - Leasing results largely ahead of underwriting
- > Considerably increased exposure to our preferred market - Sydney:
 - Acquired assets with affordable rents and flexible floorplates
 - Well positioned to benefit from increasing tenant demand and rising rents
- > Sydney exposure to increase further through development of 151 Clarence Street



1. Includes 567 Collins Street, Melbourne at completion and excludes Bastion Tower, Brussels

Unlocking value at Piccadilly

- > Acquired in March 2014 at a 6.9% initial and 7.1% cap rate:
 - Revalued at December 2014 at \$206.3 million – a 9% upward valuation movement
- > Attracted by the location, flexible floor plate and affordable rents – and ability to add value through leasing:
 - Leveraged Investa's platform to lease 11% of the Tower – all the vacancy from acquisition
 - Successfully re-priced rents to crystallise reversion
- > Former ICAC floors being refurbished and available from March 2015 – with lease enquiry encouraging
- > Partnership with Stockland generating strong results – with the retail now 100% leased or under offer



Capital Management

Reducing costs and risks



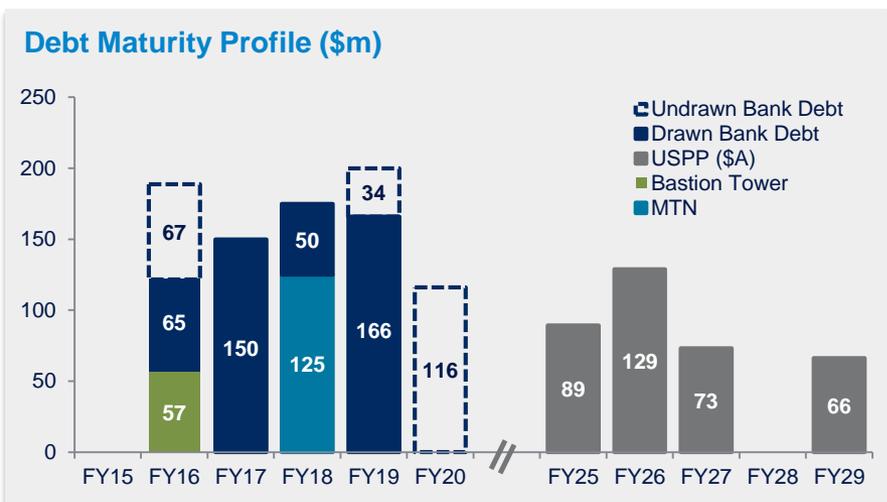
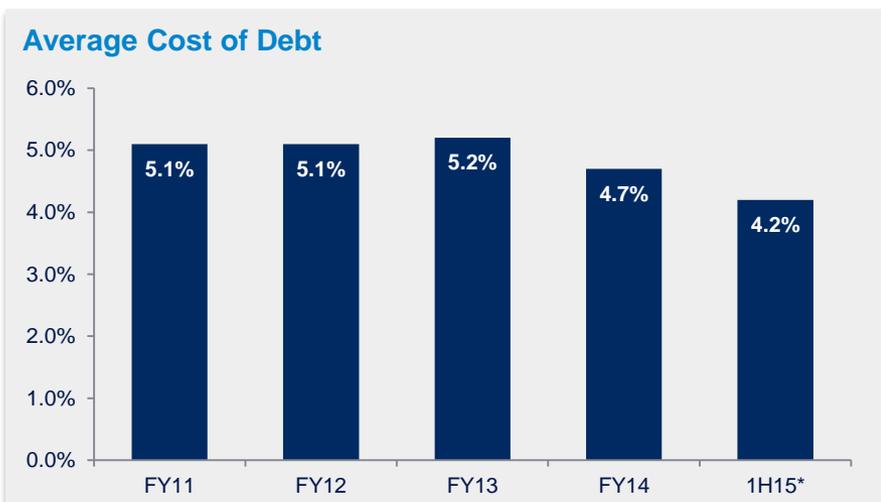
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Capital management metrics remain very strong

Long debt maturity and low debt costs

- > Lower debt and gearing following sale of 628 Bourke Street, Melbourne
- > Long weighted average debt maturity of 5.4 years and low weighted average cost of debt of 4.2%:
 - Expect FY15 average debt cost ~4%
- > Bias towards floating rates (~35% hedged) will provide interest cost tailwind into FY16

Key Indicators	31 Dec 2014	30 Jun 2014
Drawn debt	\$971m	\$1,019m
Gearing (look-through)	30.7%	32.0%
Weighted average debt cost	4.2%	4.7%
Weighted average debt maturity	5.4yrs	5.8yrs
Interest rate hedging	35%	35%
Interest cover ratio (look-through)	4.6x	4.9x
S & P credit rating	BBB+	BBB+

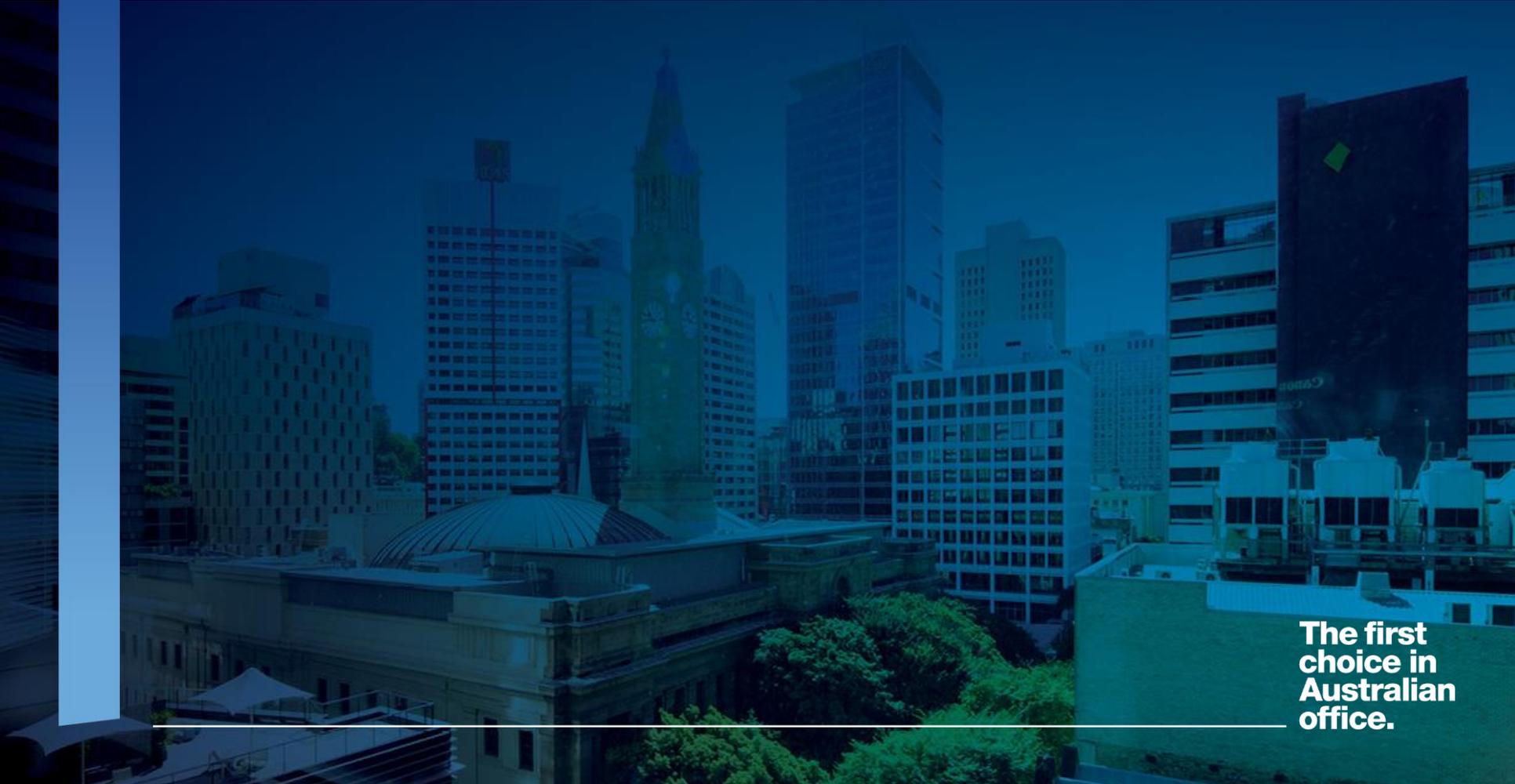


* Calculated on the 12 months to 31 December 2014

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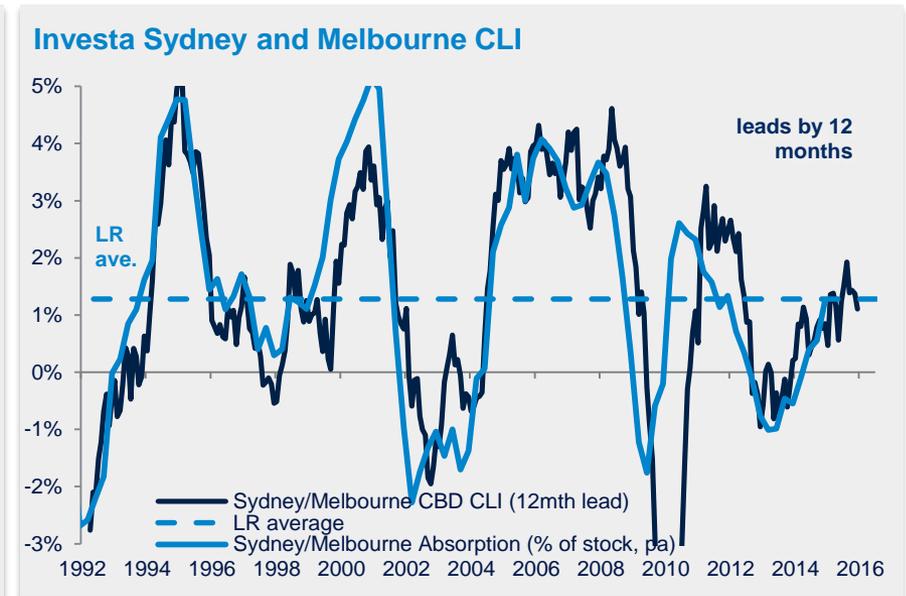
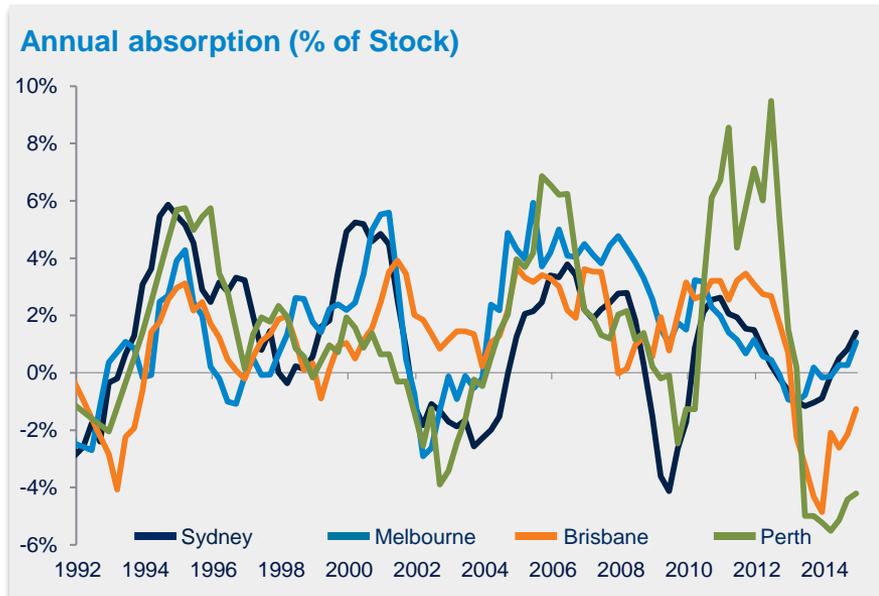
Market Outlook



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Demand reflecting divergent business conditions

- > Sydney and Melbourne are reporting absorption above long run averages, as forecast by Investa's composite leading indicator:
 - Strongest annual absorption since 2011 in Sydney
 - Melbourne also improving, but lagging Sydney by 3 – 6 months
- > Stabilised demand in Brisbane following government and mining contraction cycle
- > Perth has been weaker than expected, albeit the rate of contraction is slowing



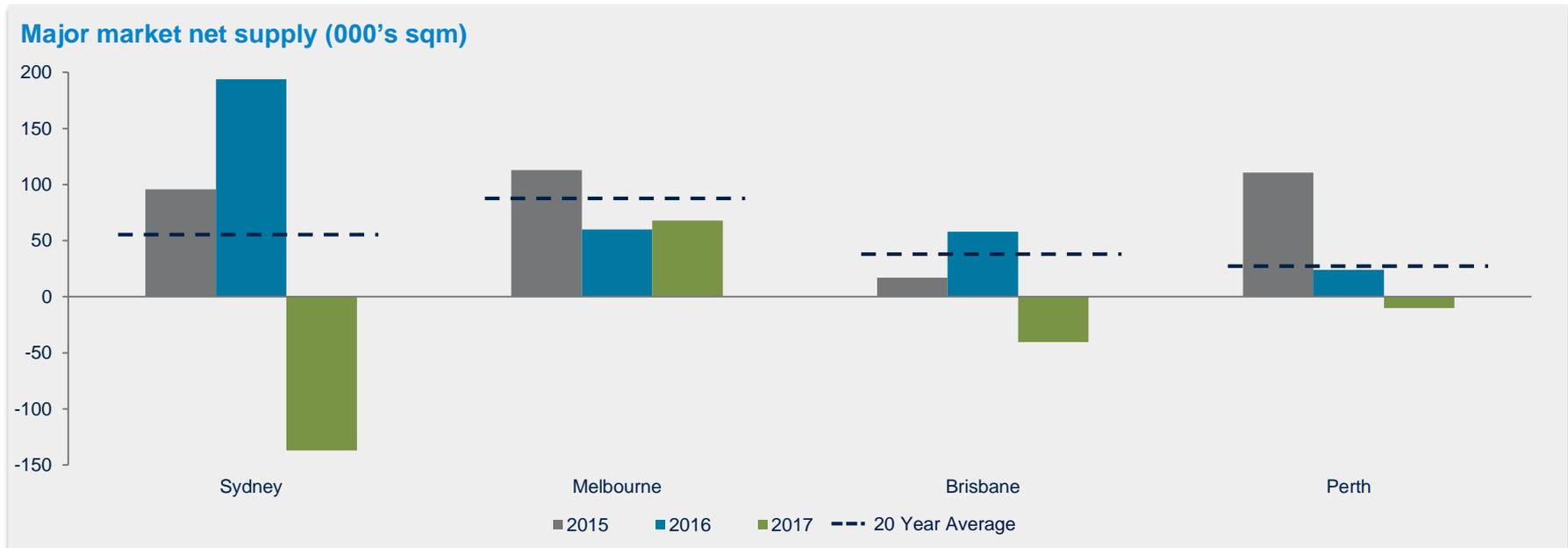
Source: JLL Research, ANZ, Westpac MI, MSCI, NAB, ASX, ISM and Investa Research (forecasts and model)

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Supply outlook

- > Supply broadly in-line with long term averages in Sydney and Melbourne:
 - Medium-term Sydney supply will be significantly offset by withdrawals
- > Brisbane and Perth to remain challenging with near-term supply:
 - Brisbane impact likely to be reduced by withdrawals for government projects and increasing conversions to alternative use
 - Perth supply 70% pre-committed, largely by tenants currently in fringe markets



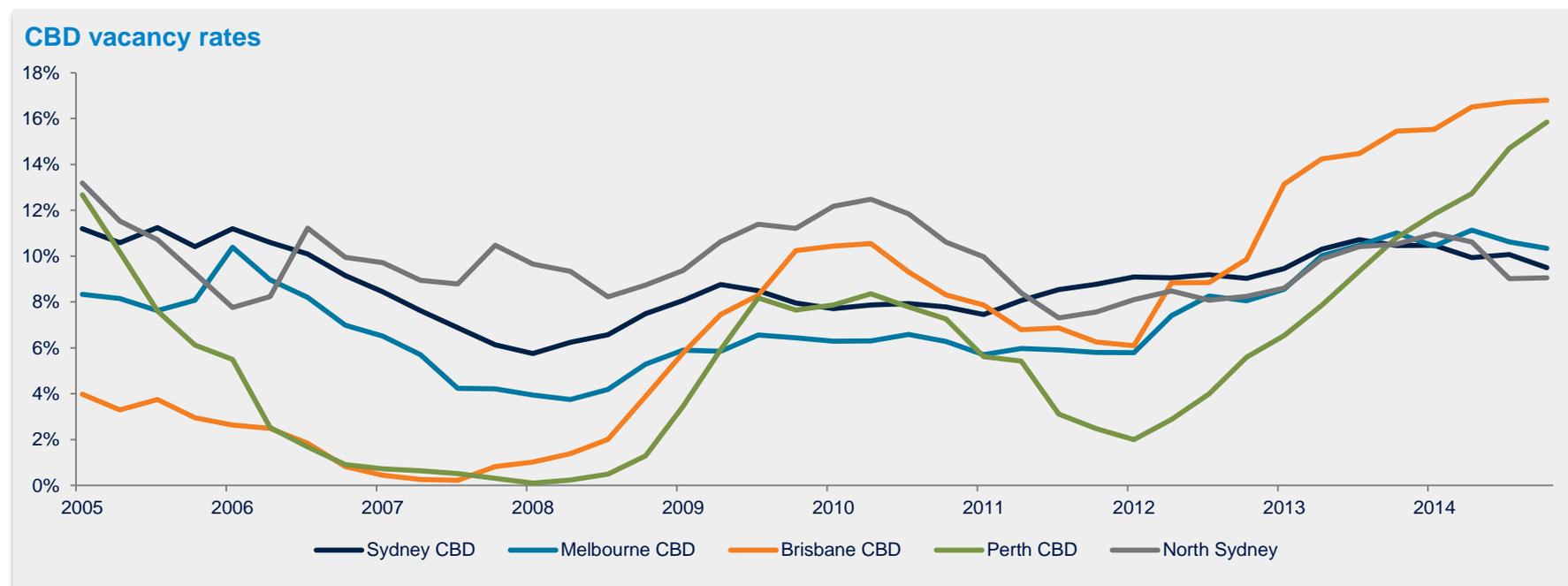
Source: JLL Research and Investa Research – average net supply is 20 year average calculated on a % of stock basis

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Vacancy forecast to reflect divergent markets

- > Sydney vacancy likely to compress further – especially in B grade where vacancy could reduce to 5%
- > Supply threats in Melbourne to subdue rental growth
- > Withdrawals in Brisbane combined with broader demand from healthcare, education and property and business services will lessen the impact of new supply – especially in the government /mid-town precincts where vacancy is 9%
- > Perth vacancy likely to peak in 2015 at around 20%



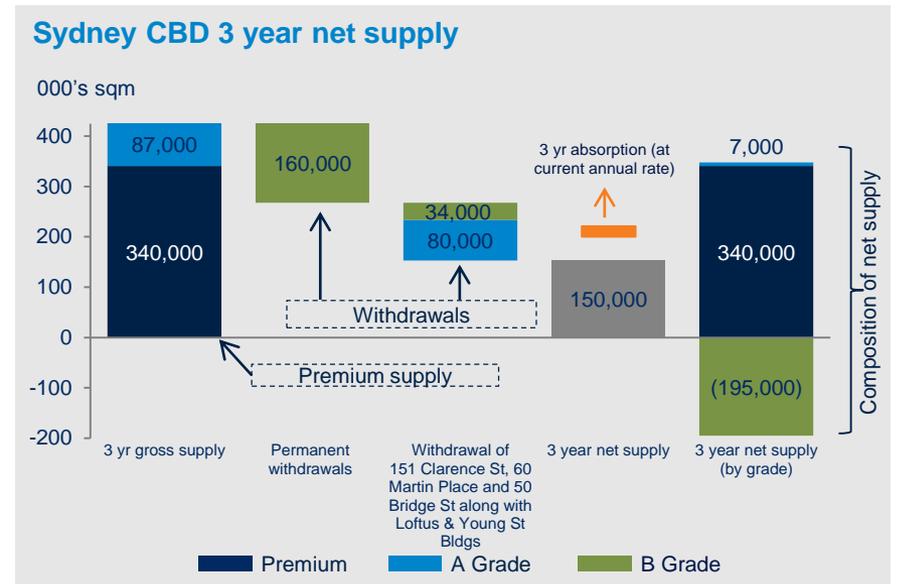
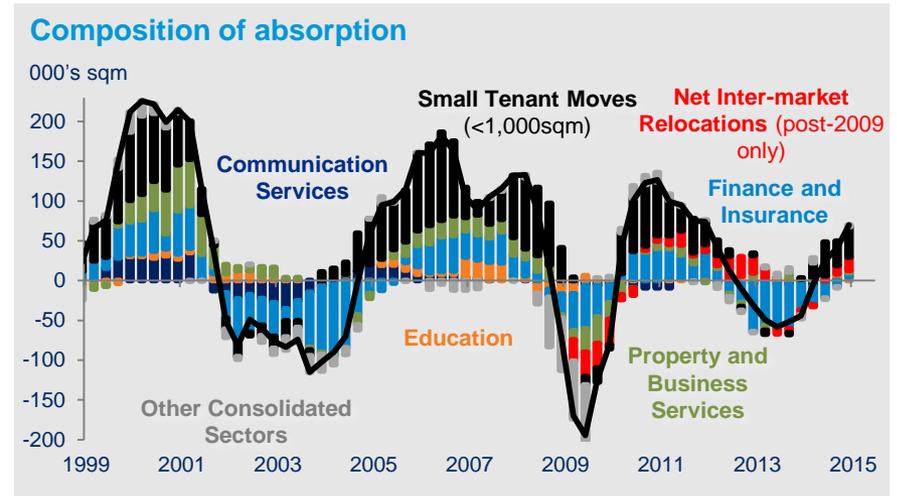
Source: JLL Research and Investa Research

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Structural factors boosting Sydney's recovery

- > Small tenants – ~40% of the market – are underpinning recovery:
 - Led by business services, finance and insurance
- > We expect tenant relocations from fringe markets to continue
- > The impact from withdrawals has become more certain during the period – with the pipeline firming:
 - 14 assets have been acquired by residential/hotel developers for alternative use
 - Reducing options for B grade users seeking medium-term accommodation
- > Temporary withdrawals for 2 – 4 year refurbishments or redevelopments may reduce vacancy below 5%



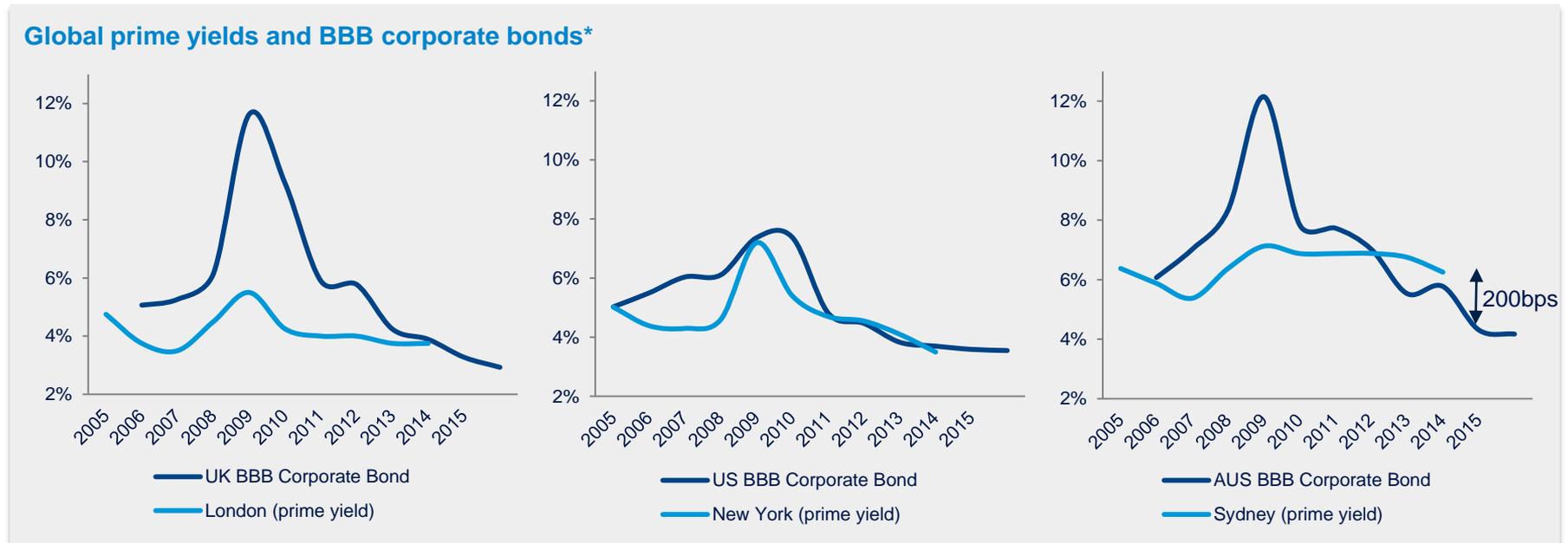
Source: JLL Research and Investa Research (forecasts)

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Global hunt for yield to drive cap rates lower

- > Record low interest rates globally have intensified investor thirst for yield
- > Globally BBB corporate bonds largely traded above prime yields until ~2011, when they converged and have traded broadly in line with prime yields
- > Australian yields have lagged global yields – but are now aligning
- > Australian BBB corporate bond yields have retracted, and remain ~200bps wide of prime yields:
 - We expect this gap to close through further cap rate compression

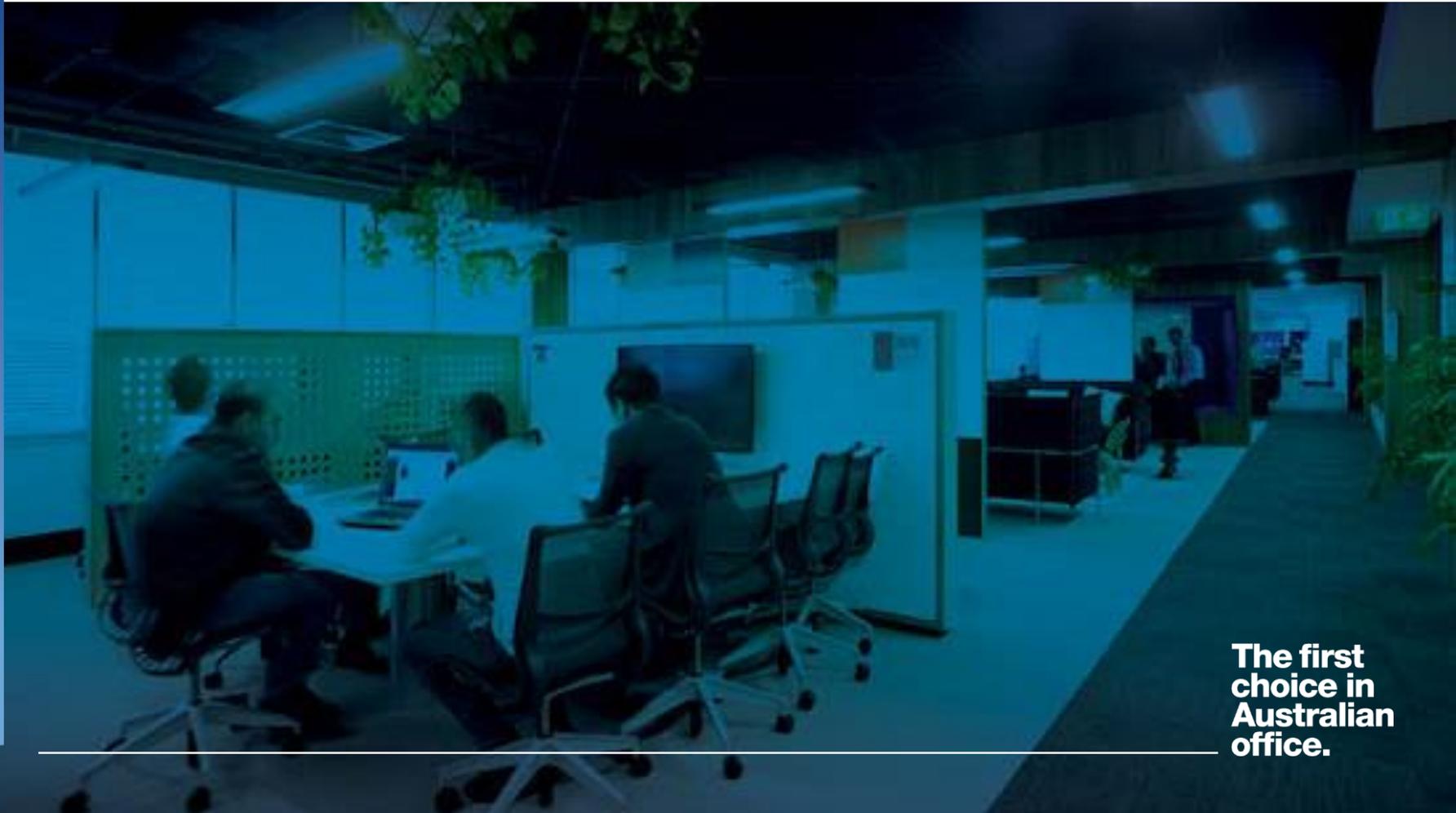


* BBB Corporate Bond data advanced 1 year
 Source: RBA, S&P, BoA Merrill Lynch, Federal Reserve of St. Louis, JLL Research and Investa Research

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Summary and Outlook



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Continuing to leverage our competitive advantage

Ongoing pro-active management

- > Dedicated focus on leasing continues to de-risk our expiry position:
 - FY15 income largely secured
- > Actively pursuing opportunities to acquire and recycle assets

Market conditions

- > Asset values to continue to rise in Sydney and Melbourne with improved leasing conditions and strong capital flows
- > Intensive management continuing in Brisbane and Perth to preserve value in challenging markets
- > Long dated cash flows on passive assets to remain highly sought-after by investors

Outlook

- > Guidance upgraded from 27.3 cpu to 27.5 cpu FFO (3.8% growth on FY14)
- > Distribution upgraded in line with FFO – increasing from 19.1 cpu to 19.25 cpu (70% of FFO)
- > Subject to prevailing market conditions

Lease expiries at risk (% total income)



Questions and Answers



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For any questions please contact us

Should you have any questions regarding the Fund, please call Investor Relations on +61 300 130 231 or email: investorrelations@investa.com.au

If you have any questions about your unitholding, distribution statements or any change of details, please call the unitholder information line on +61 300 851 394.

More information about the Fund can be accessed and downloaded at investa.com.au/IOF

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Appendices

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1. Exchange rate assumptions: period end 31 December 2014 AUD: EUR 0.6746

Appendix 1

Reconciliation of statutory profit to Property Council FFO

Property Council FFO for the half year is calculated as follows:	31 Dec 2014 (A\$m)	Cents per unit	31 Dec 2013 (A\$m)	Cents per unit
Statutory profit attributable to unitholders	99.5	16.2	56.0	9.1
Adjusted for:				
Net (gain)/loss on change in fair value in:				
Investments	(9.8)	(1.6)	6.5	1.1
Derivatives	(65.2)	(10.6)	(5.2)	(0.8)
Net foreign exchange loss	51.1	8.3	10.6	1.7
Amortisation of incentives	13.1	2.1	10.5	1.7
Straight lining of lease revenue	(2.6)	(0.4)	0.8	0.1
Other (primarily European exit costs, derivative termination costs and tax)	1.2	0.2	5.3	0.9
Property Council FFO¹	87.3	14.2	84.5	13.8

1. The Responsible Entity considers the non-AAS measure, Funds From Operation (FFO), an important indicator of underlying performance of IOF. To calculate FFO, net profit attributable to unitholders is adjusted to exclude unrealised gains or losses, certain non-cash items such as the amortisation of tenant incentives, fair value gains or losses on investments and other unrealised or one-off items. IOF's FFO calculation is based on Property Council of Australia definition of FFO. Refer to the Annual Financial Report for the complete definition.

Appendix 2

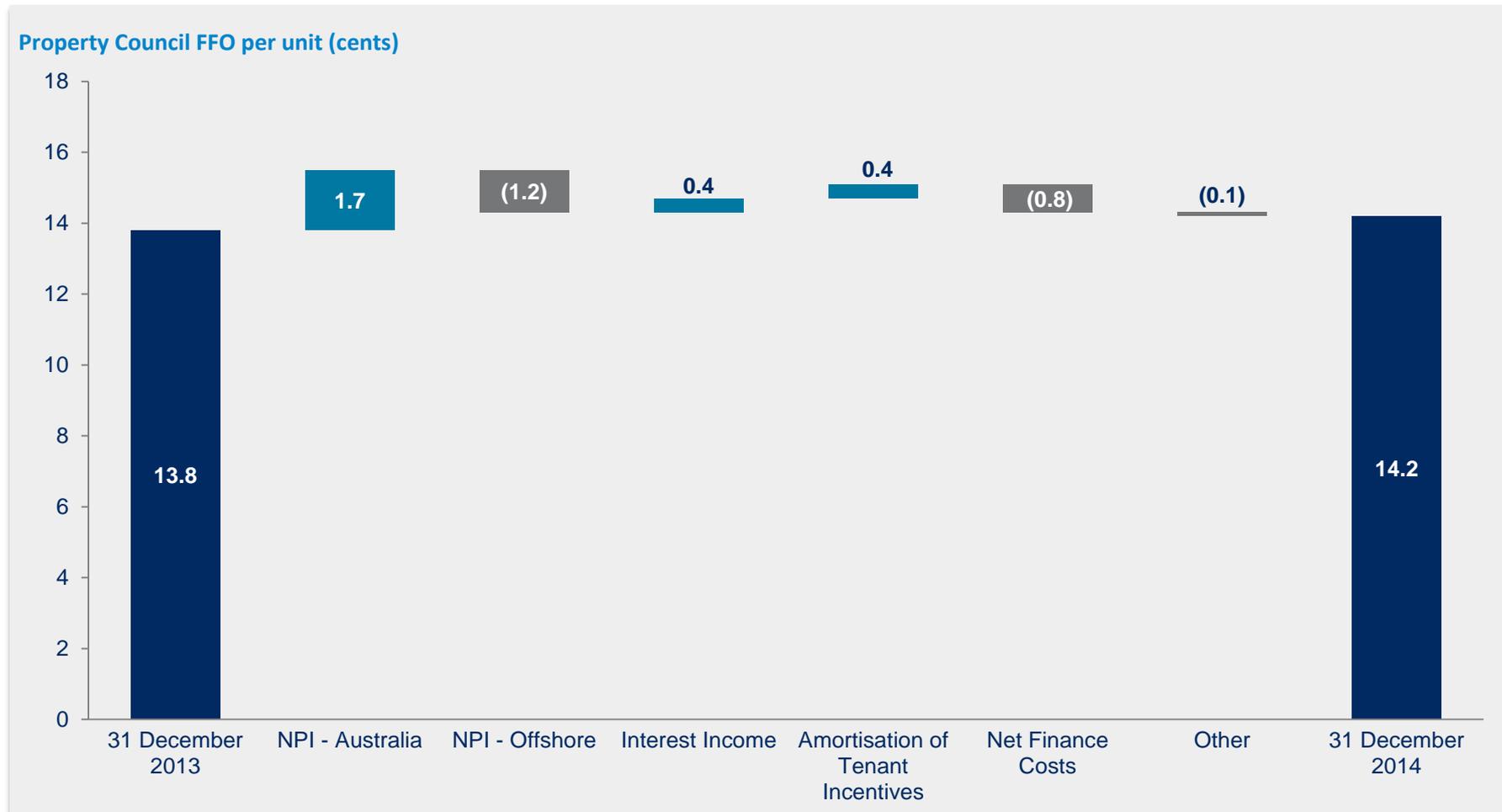
Property Council FFO (look-through)

	31 Dec 2014 (A\$m)	31 Dec 2013 (A\$m)
Australia	95.8	85.4
Europe ¹	1.6	9.2
Segment result	97.4	94.6
Interest income	4.4	1.8
Finance costs	(20.0)	(15.3)
Responsible Entity's fees	(5.4)	(5.0)
Net foreign exchange gain	-	1.4
Foreign asset management fees	(0.2)	(0.2)
Other expenses	(1.9)	(1.5)
Current income tax expense	-	(1.5)
Operating earnings	74.3	74.3
Amortisation of tenant incentives	13.0	10.2
Property Council FFO	87.3	84.5

1. Local currency NPI equals: €1.1m as at 31 December 2014 and €6.4m as at 31 December 2013

Appendix 3

Property Council FFO waterfall



Appendix 4

Balance sheet

	31 Dec 2014 (A\$m)	30 Jun 2014 (A\$m)
Property investments	2,424.9	2,395.5
Equity accounted investments	499.1	476.4
Derivatives	63.9	6.5
Assets classified as held for sale	23.1	171.4
Cash	14.3	12.3
Other	125.2	80.4
Total assets	3,150.5	3,142.5
Borrowings	947.7	944.2
Derivatives	11.4	19.2
Liabilities directly associated with assets classified as held for sale	-	25.7
Distributions payable	58.6	56.8
Other	32.6	38.2
Total liabilities	1,050.3	1,084.1
Net assets	2,100.2	2,058.4
Units on issue (thousands)	614,047	614,047
NTA per unit (A\$)	3.42	3.35

Appendix 5

Property Council FFO and AFFO

	31 Dec 2014 (A\$m)	31 Dec 2013 (A\$m)
Property Council FFO	87.3	84.5
Less: maintenance capex and incentives incurred during the period	(20.1)	(15.8)
AFFO ¹	67.2	68.7
Property Council FFO per unit	14.2c	13.8c
AFFO per unit	10.9c	11.2c
Distributions per unit	9.55c	9.25c
Payout ratio (% of Property Council FFO)	67.3%	67.0%
Payout ratio (% of AFFO)	87.6%	82.6%

1. Adjusted FFO ("AFFO") is calculated by adjusting Property Council FFO for other non-cash and other items such as maintenance capex, incentives paid during the period, and other one-off items

Appendix 6

Debt facilities (look-through)

Facility Type	Currency	Facility Limits (A\$m)	Drawn (A\$m)	Undrawn (A\$m)	Maturity Date
Corporate Facility:					
Bank Debt	AUD	132.0	65.0	67.0	Jun-16
Bank Debt	AUD	150.0	150.0	-	Aug-16
Bank Debt	AUD	50.0	50.0	-	Jun-18
Bank Debt	AUD	66.0	66.0	-	Jul-18
Bank Debt	AUD	84.0	50.0	34.0	Aug-18
Bank Debt	AUD	50.0	50.0	-	Jun-19
Bank Debt	AUD	50.0	-	50.0	Jul-19
Bank Debt	AUD	66.0	-	66.0	Aug-19
Secured facilities:					
Bastion Tower (50%) ¹	EUR	56.7	56.7	-	Oct-15
Medium Term Note:					
MTN	AUD	125.0	125.0	-	Nov-17
USPP ²	USD	89.3	89.3	-	Apr-25
USPP ²	USD	128.9	128.9	-	Aug-25
USPP ²	USD	73.3	73.3	-	Apr-27
USPP ²	USD	66.4	66.4	-	Apr-29
Total/Weighted average		1,187.6	970.6	217.0	5.4 years

1. Converted at the EUR foreign exchange rate prevalent at the period end of 0.6746

2. Facility limit and drawn amount based on the AUD leg of the cross currency swap used to hedge the USPP

Appendix 7

Gearing (look-through)

	31 Dec 2014 (A\$m)
Gearing – statutory	30.1%
Total assets (headline)	3,150.5
Less: equity accounted investments (242 Exhibition St, 126 Phillip St, 567 Collins St)	(499.1)
Less: assets classified as held for sale (Bastion Tower)	(21.3)
Add: share of equity accounted investments (242 Exhibition St, 126 Phillip St, 567 Collins St)	607.6
Add: share of assets classified as held for sale (Bastion Tower)	80.8
Less: receivables and payables to equity accounted investments (Bastion Tower, 567 Collins St)	(110.0)
Less: foreign currency hedge asset balance	(57.6)
Look-through assets	3,150.9
Total debt (headline)	947.7
Add: share of debt for assets classified as held for sale (Bastion Tower)	56.7
Less: USPPs debt translated at prevailing spot foreign exchange rate	(396.2)
Add: USPPs debt based on AUD leg of the cross currency swap used to hedge the USPPs	357.9
Look-through debt	966.1
Look-through gearing	30.7%

Appendix 8

Balance sheet hedging and debt covenants

	Australia (A\$m)	Europe (A\$m)	Total (A\$m)
Total look-through assets	3,116.9	91.6	3,208.5
Look-through debt	909.4	56.7	966.1
Other liabilities	140.9	1.3	142.2
Total look-through liabilities	1,050.3	58.0	1,108.3
Unitholders' interest	2,066.6	33.6	2,100.2
Balance sheet hedging (TL/TA)	33.7%	63.3%	34.5%

	Actual	Covenant
Bank Debt, Medium Term Notes and USPP:		
Total liability (look-through liabilities/look-through assets)	34.5%	50.0%
Actual interest cover	4.6x	2.5x
Bastion Tower property level debt		
Loan to value actual ¹ (based on last testing period – Dec 14)	70.7%	65.0%
Debt service coverage (based on last testing period – Dec 14)	4.4x	1.1x

1. Sufficient headroom and liquidity to cure Bastion Loan to Value covenant if required

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Appendix 9

Interest and income hedging profile

Forecast hedge profile	FY15 ¹	FY16	FY17	FY18	FY19
Weighted average interest rate derivatives					
AUD interest rate derivatives (fixed)	\$354.1m	\$367.3m	\$440.2m	\$174.2m	-
AUD fixed rate derivatives	3.2%	3.4%	3.2%	3.7%	-
Euro FX forwards					
EUR hedged	€2.7m	-	-	-	-
EUR / AUD average rate	0.49	-	-	-	-

1. Forecast hedge profile for 2H15

Appendix 10

Portfolio snapshot

	Total Portfolio 31 Dec 2014	Total Portfolio 30 Jun 2014
Occupancy (by income)	93%	92%
Retention	75%	68%
Weighted average lease expiry (WALE)	5.0yrs	5.0yrs
Like-for-like NPI growth (local currency)	(2.6%)	(1.1%)
Over/(under) renting – face rents	2.1%	(1.1%)
Portfolio NLA ¹ (sqm)	402,777	427,813
No. of property investments ²	23	24
Book value (A\$m)	3,112.3	3,134.9

1. Weighted for ownership

2. Includes 567 Collins Street, Melbourne

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Appendix 11

Portfolio overview¹



1. Excludes Bastion Tower, Brussels – contracts exchanged, forecast settlement March 2015

2. Includes 567 Collins Street, Melbourne at 31 December 2014

Appendix 12

Portfolio book values¹

Property	Location	Book Value (A\$m)	% Change in Book Value ²	Cap Rate (%)	Discount Rate (%)
126 Phillip St (25%)	NSW	198.8	4.5%	5.75	7.75
Piccadilly Complex (50%)	NSW	206.3	8.5%	6.77	8.17
6 O'Connell St	NSW	135.2		7.50	8.50
10-20 Bond St (50%)	NSW	193.8	3.9%	6.50	8.13
388 George St (50%)	NSW	210.0	1.2%	7.00	8.25
347 Kent St	NSW	272.5	4.8%	6.88	8.13
151 Clarence St	NSW	83.9		-	-
99 Walker St	NSW	149.4		7.25	9.00
105-151 Miller St	NSW	193.1		7.50	9.00
111 Pacific Hwy	NSW	139.8		7.75	9.25
567 Collins St (50%) ³	VIC	162.3		-	-
242 Exhibition St (50%)	VIC	245.0	4.7%	6.50	8.00
383 La Trobe St	VIC	53.8		8.25	8.75
800 Toorak Rd (50%)	VIC	95.6		7.25	9.00
239 George St	QLD	120.0	(3.4%)	8.25	9.00
15 Adelaide St	QLD	50.4		8.75	9.25
140 Creek St	QLD	165.5	(9.2%)	8.00	9.00
295 Ann St	QLD	100.7	(11.4%)	8.00	8.75
232 Adelaide St	QLD	17.0	3.0%	8.25	9.00
66 St Georges Tce	WA	82.0	(12.8%)	8.00	9.25
836 Wellington St	WA	77.5		8.50	10.50
16-18 Mort St	ACT	78.4		7.00	8.75
Total		3,031.0		7.21⁴	8.58⁴

1. Excludes Bastion Tower, Brussels

2. Represents change in book value resulting from external valuations as at 31 December 2014

3. The property at 567 Collins St, Melbourne is an investment property under construction with an anticipated practical completion date in July 2015

4. Excludes 567 Collins Street, Melbourne and 151 Clarence Street, Sydney

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Appendix 13

Book values by CBD

	Book Value (A\$m)	Book Value (A\$/sqm) ^{1,2}	Average Passing Face Rent (A\$/sqm) ²	Weighted Average Lease Expiry (yrs) ²	Weighted Average Cap Rate (%) ²
Sydney	1,300.5	11,088	728.9	4.1	6.27
North Sydney	482.3	7,427	497.5	6.2	7.50
Melbourne	556.7	6,204	379.6	7.1	6.92
Brisbane	453.6	5,117	618.4	4.1	8.16
Perth	159.5	6,813	560.5	3.4	8.24
Canberra	78.4	5,541	397.4	11.1	7.00
Total/Average	3,031.0	7,414	581.1	4.9	7.21

1. Book value/sqm is weighted by IOF's share of NLA. This was previously calculated based on 100% NLA

2. Excludes 567 Collins Street, Melbourne

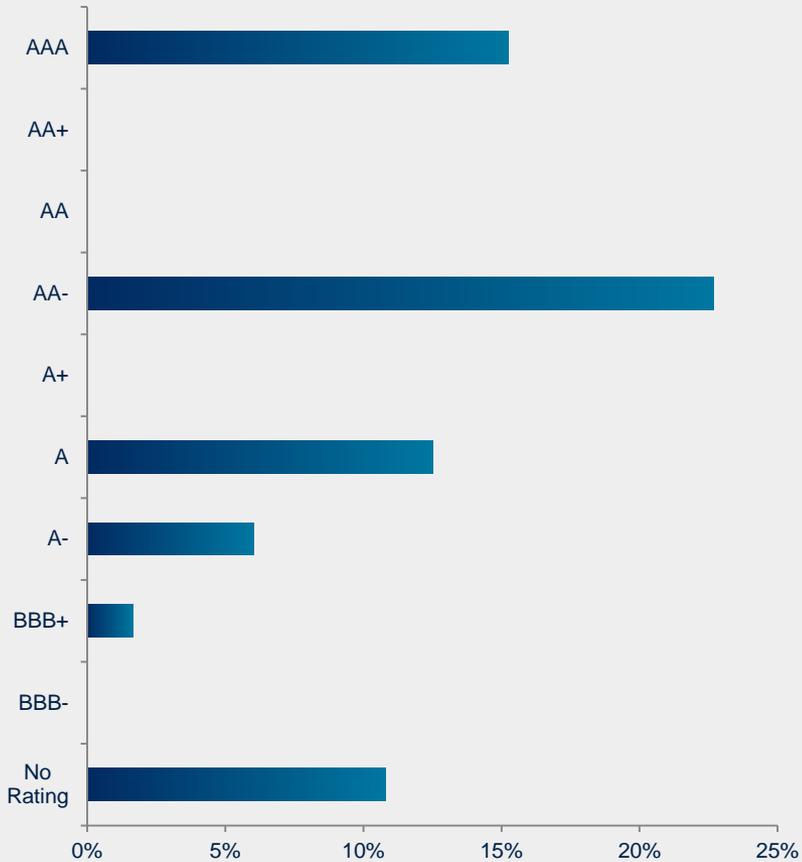
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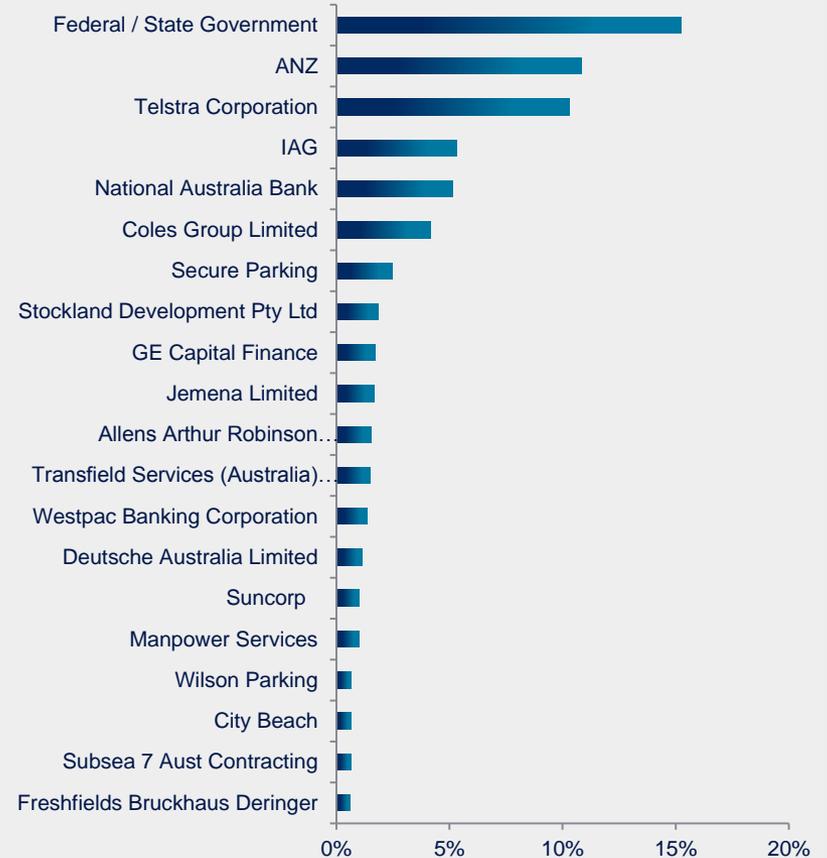
Appendix 14

Tenant profile

IOF Credit Ratings of Top 20 Tenants



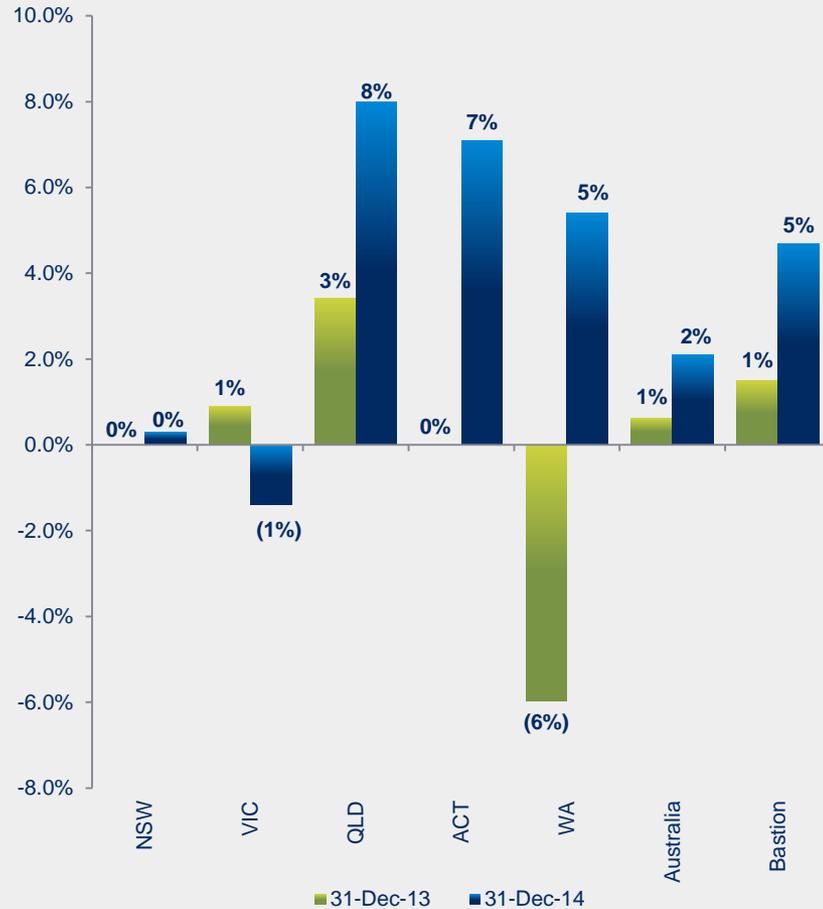
Top 20 Tenants



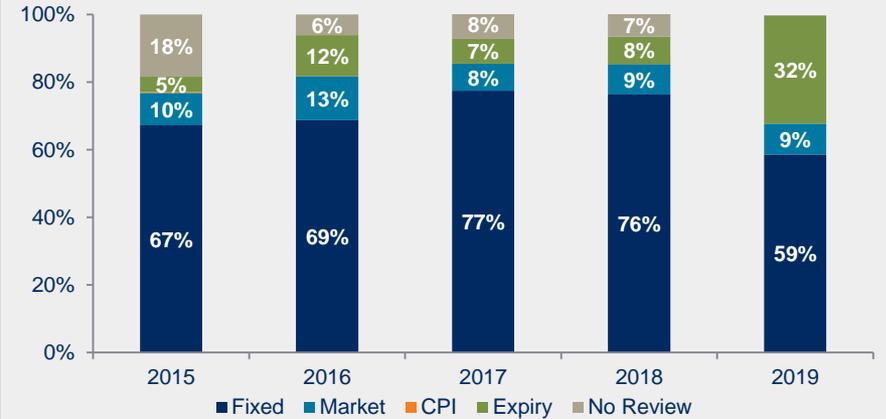
Appendix 15

Portfolio leasing metrics

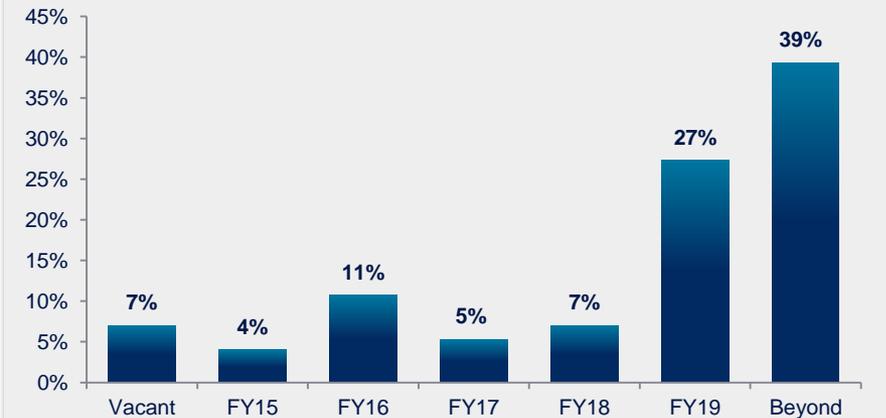
Total portfolio over/(under) renting



Australian rent review profile (by area)



Lease expiry profile (by income)



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