Precinct Properties
Interim Results
2022

Agenda

Precinct Properties New Zealand Limited
Scott Pritchard, CEO
George Crawford, Deputy CEO
Richard Hilder, CFO
Note: All $ are in NZD

Highlights

Establishment of new Investment Partnership

- Partnership with Singapore sovereign wealth fund GIC
- Partnership will conditionally acquire five assets from Precinct's existing portfolio totalling around $590m, with the ability to grow to around $1.0b

Financial Performance

- **NPI of $61.1m**, up 1.5% on pcp
- Comprehensive income after tax of **$40.7m** (1H21: $167.9m)
- **3.22 cps AFFO** representing a payout ratio of 104%
- **6.70 cps** dividend guidance representing a 3.1% increase y-o-y

Capital Management

- **Balance sheet capacity, gearing of 31.8%**
  - Reduces to around 20% following establishment of partnership
- **New $300m bank debt facility secured during the period**

Operational Performance

- **98%** portfolio occupancy, WALT of **7.5 years**
- Over 21,000m² leasing secured in the period
- Wynyard Quarter Stage 3 commenced
- Completed redevelopment of 30 Waring Taylor Street

Next stage in Precinct's strategic evolution

Enabling our business to grow:

- Internalisation of Precinct's management last year
- An internalised structure offers the opportunity to establish a third party capital platform and diversify our capital sources
- Capital recycled will allow us to execute Precinct's development pipeline with the opportunity to extend participation in more market opportunities
- By utilising third party capital, Precinct can further leverage its market position and capability and drive higher returns from its capital

Evolution

Precinct's strategy has evolved from a passive, externally managed trust to an internally managed real estate investment company focused on developing and owning world class real estate for itself and its partners.

1997
AMP NZ Office Trust (ANZO) listed on the NZX

2010
ANZO corporatised and renamed to Precinct (PCT)

2012
New strategy established – active management focus

2014
$1b development pipeline established

2015-2020
PCT wholly funded developments transforming investment portfolio

2021
PCT was internalised

2021
Strategy review – Third Party Capital identified

2022
Investment Partnership with GIC established

2022+
Drive higher returns from our capital by utilising partnerships and PCT's capabilities

Strategy progress

Operational excellence

- Strong demand for prime inner city office space (21,000m^2)
- Precinct continues to demonstrate resilience in its operating performance despite impact of prolonged lockdowns with active leasing achieved in the first half
- Balance sheet capacity strengthened
- Precinct received a 2021 Global Real Estate Sustainability Benchmark (GRESB) score of 82 (Global average: 73)
- Establishment of dedicated Board ESG Committee

Developing the future

- Opened Generator’s first Wellington site at 30 Waring Taylor Street
- Bowen Campus Stage 2 progressing well with 96% pre-leasing secured
- Deloitte Centre project advancing – 91% committed
- Commenced first two buildings at Wynyard Quarter Stage 3

Empowering people

- Supporting our people through various levels of lockdowns in Auckland and Wellington
- Generator becoming Rainbow Tick certified consistent with Precinct

Investment Partnership

Investment Partnership

Overview

- The Partnership will initially acquire five assets from Precinct's existing portfolio totalling around $590m
    - Ability for the fund to grow to ~$1.0b
- The Partnership will target stable, secure low risk returns through investment in well-leased, premium grade real estate
- Precinct Properties Management Limited (PPML), a new subsidiary of PPNZ, will act as investment manager:
    - Market fee arrangement in place for the funds and property management of the assets
    - Proceeds from the asset sales of the seed portfolio will initially repay bank debt and provide funding for future growth
- Precinct will retain an ongoing 24.9% minority interest in the partnership

Benefits

- Supports advancement of Precinct's long-term strategy
    - Enables Precinct to participate in a broader set of opportunities, both on and off balance sheet
- Increases Precinct's liquidity and strengthens its balance sheet, provides diversification of capital sources
    - Expected to enhance earnings to deliver further long-term value to Precinct's shareholders

Investment Partnership

Impacts

- Initial proceeds from the partnership, net of Precinct's cornerstone, will be used to repay ~$500m of bank facility
- Gearing as at 31 December will reduce from 31.8% to ~20%
- Recycling capital from lower yielding assets and investing in opportunities that drive higher returns
- Investigating a stapled structure to provide flexibility for Precinct to execute its strategy while retaining PIE status.

Portfolio Impacts

Precinct Investment Portfolio	Current PCT Portfolio	Residual PCT Portfolio
WALT	7.5 years	6.6 years
Occupancy	98%	98%
Portfolio weighting to Auckland (value)	71%	77%
NLA (m^2)	268,424 m^2	216,642 m^2
Investment Portfolio Value ($m)	$3,098.4 m	$2,665.0 m

Initial Portfolio:

- 12 Madden Street
- 10 Madden Street
- Mayfair House
- Charles Ferguson Building
- Defence House

*Residual PCT portfolio includes Precinct's cornerstone interest in PIP assets.
** The disposals to the partnership remain conditional at this stage on the completion of due diligence, Overseas Investment Office approval and certain subdivision consents in the Initial Portfolio. We continue to progress these items and will provide a further update in due course.

Key Themes

Key themes

Occupier trends

- Clear preference for quality office space in good locations as occupiers continue to focus on attracting and retaining staff
- Precinct clients have indicated a definite intention to return to the office
- Strong demand remains for Precinct assets post-Covid with elevated leasing activity over the past 12 months

Construction costs

- Supply chain constraints, material shortages and high demand driving significant cost escalation
- Elevated programme and cost risk due to labour shortages and disruptions (e.g. self-isolation)
- Quality of the main contractor and main subtrades is critical

Inflation

- Current elevated inflation expected to put pressure on interest rates and operating costs
- A passive management approach will be adversely impacted through increase in costs
- Active management provides exposure to capturing upside within an inflationary environment

City centres

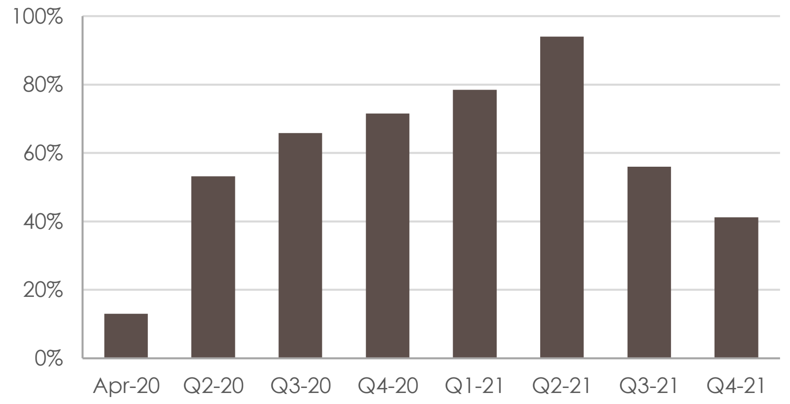
- City centres expected to be impacted over the short term due to government restrictions discouraging occupiers from returning to office
- Remain confident city centres will continue to thrive over the long-term

Occupier trends

Work from office impacted

- Major corporates have directed staff to work from home during Omicron
- Severe impact for retail and hospitality activity during this time due to lack of footfall
- Expectation that office occupation will return strongly

Physical building occupancy*

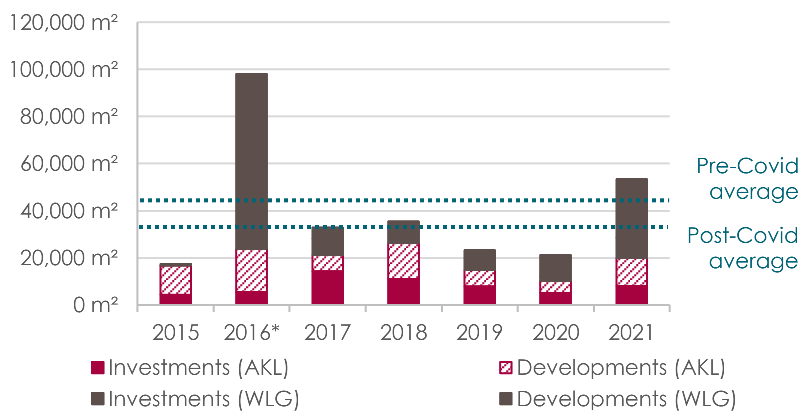


* Based on total waste as % of 2018-19 average (AON Centre / Jarden House)

Leasing resilience despite pandemic impacts

- Leasing activity over the past 12 months is the second highest in Precinct's history
- Uplift in leasing during 2021 with occupiers taking a long-term view and securing future accommodation
- Office demand and growth in economic rents bodes well for market rental growth once market normalises

PCT portfolio office leasing (new leases only)



* WAP2 Government bulk leasing

Construction costs

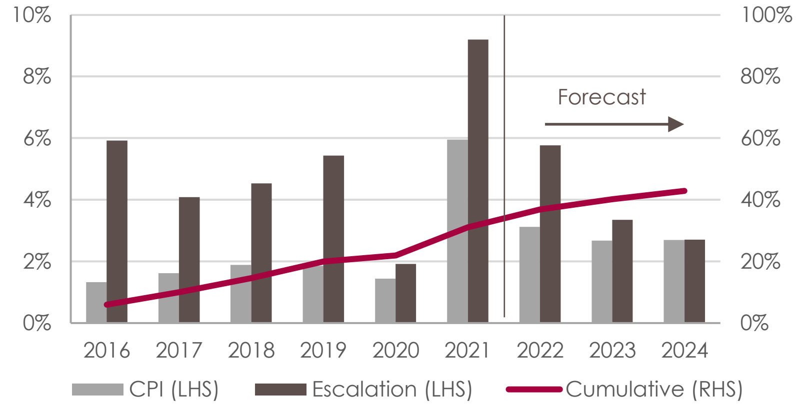
Construction market operating under pressure

- Supply chain disruptions, material shortages and generally high demand culminated in ~9% cost escalation in 2021
- Current immigration policies significantly reduces access to labour
- Both residential and non-residential activity expected to remain strong into 2022
    - Continued investment from public (infrastructure / education) and private (industrial / office) sectors
- Potential programme and cost risks persist due to ongoing pandemic-related disruptions

Economic rents set to underpin market rent growth

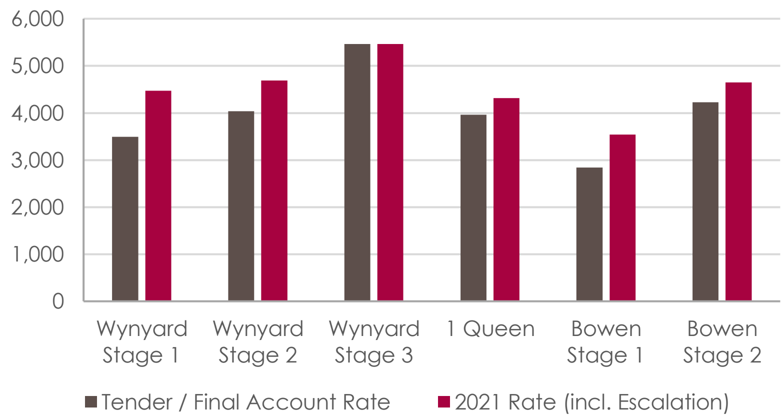
- Cost escalation anticipated to track above CPI over short to medium term
    - Coupled with increasing holding costs, high economic rents should serve to reduce new supply and underpin market rental growth for existing assets

Non-residential construction cost escalation



Source: Rider Levett Bucknall, RBNZ. Westpac (CPI forecasts)

Office construction cost benchmarking ($ psm)



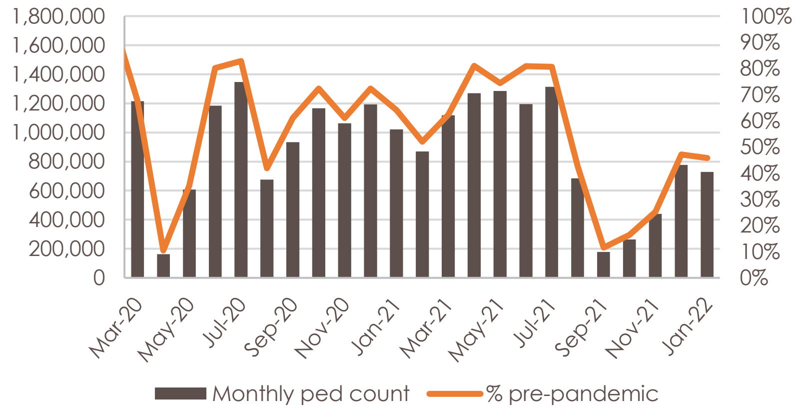
Source: Rider Levett Bucknall

City centres

Auckland – recovering post-Delta

- Delta variant lockdown led to similar fall in foot count compared to the first lockdown in 2020
- Easing of restrictions from Alert Level 4 & 3 to the Covid-19 Protection Framework traffic light system led to early signs of footfall returning
  - Waterfront footfall (as % of pre-pandemic comparable period) rose from 25% in Nov-21 to ~47% in Dec-21
- Omicron outbreak now impacting footfall once again

Auckland CBD waterfront monthly pedestrian count

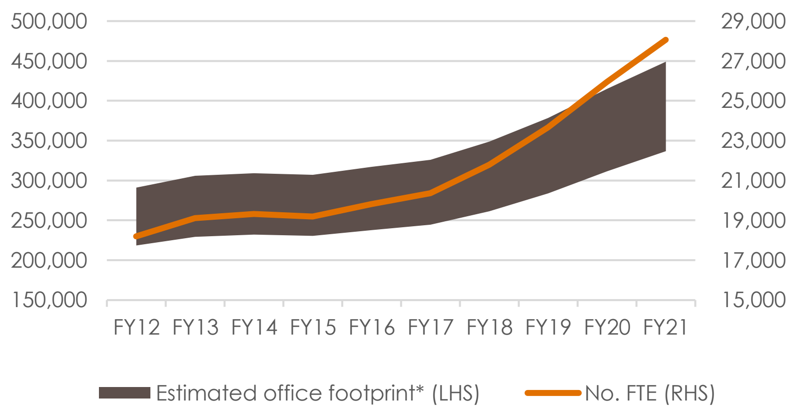


Source: Heart of the City

Wellington – public service growth persists

- Public service sector grew by 2,113 FTE or 8.1% over the last financial year (2020: 9.6%)
  - Implied office demand[1] of circa 25,400m² to 33,800m²
  - Total growth of 38% in government employees since 2017, equating to a CAGR of 8.3% p.a.

Wellington public sector employment



Source: Public Service Commission

[1] Assumes density of between 1:12m² and 1:16m²

Section 1

Financial results & capital management

Financial performance

For the 6 months ended ($m)	Unaudited six months ended 31 December 2021	Unaudited six months ended 31 December 2020	Δ
Operating income before indirect expenses	**$62.0 m**	**$62.5 m**	**($0.5 m)**
Management expenses	($5.5 m)	($9.0 m)	$3.5 m
Net interest expense	($11.0 m)	($10.7 m)	($0.3 m)
Operating income before income tax	**$45.5 m**	**$42.8 m**	**$2.7 m**
Unrealised net gain / (loss) in value of investment and development properties		$148.5 m	($148.5 m)
Unrealised net gain / (loss) on financial instruments	$8.9 m	($22.4 m)	$31.3 m
Other non-operating expenses	($4.7 m)	($5.1 m)	$0.4 m
Net profit before taxation	**$49.7 m**	**$163.8 m**	**($114.1 m)**
Current tax expense	$3.3 m	$6.5 m	($3.2 m)
Deferred tax (expense) / benefit	($10.8 m)	($7.1 m)	($3.7 m)
Net profit after income tax attributable to equity holders	**$42.2 m**	**$163.2 m**	**($121.0 m)**
Other comprehensive income / (expense)	($1.5 m)	$4.7 m	($6.2 m)
Total comprehensive income after tax attributable to equity holders	**$40.7 m**	**$167.9 m**	**($127.2 m)**

$40.7m

Total comprehensive income after tax with the difference relating to the prior period revaluation

$3.5m

Reduction in management expenses reflecting the benefit of internalisation

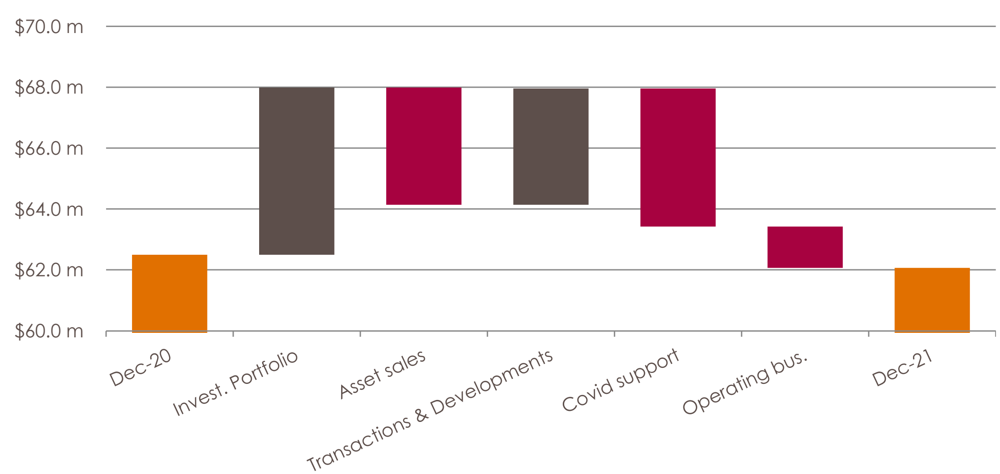
Precinct

Operating income

- Positive growth in like-for-like net property income (NPI) of 1.5% for the period
- Strong outcome given the impacts from Covid on the portfolio:
  - Rental support provided to retailers totalling $4.2m
  - Contractual office rental abatements totalling $1.3m
  - Further disruption on the operating businesses due to alert level restrictions
- Support for retailers and hospitality operators ongoing with these industries continuing to be the most affected by the current alert levels
- Adjusting for the impacts of Covid, NPI was up 8.9%

For the 6 months ended $m	Unaudited six months ended 31 December 2021	Unaudited six months ended 31 December 2020	Δ
Auckland	$40.9	$35.7	$5.2
Wellington	$19.0	$18.7	$0.3
Investment portfolio	**$59.9**	**$54.4**	**$5.5**
Transactions and Developments	$6.8	$6.8	($0.0)
Subtotal	**$66.7**	**$61.2**	**$5.5**
COVID-19 Impact	($5.5)	($1.0)	($4.5)
Total net property income	**$61.1**	**$60.2**	**$0.9**
Generator[1]	$2.2	$3.1	($0.9)
CBHL	($1.3)	($0.8)	($0.5)
Operating income before indirect expenses	**$62.0**	**$62.5**	**($0.5)**

Operating income reconciliation



1 – Generator operating income of $2.2m excludes rent expense of $3.0m due to IFRS 16 resulting in an EBITDA loss of ($0.8m) (2020: ($0.4m)).

FFO and AFFO

AFFO
3.22 cps

- Operating performance measured by funds from operations (FFO) per share fell by around 15%
- ~104% AFFO pay-out ratio
- Lower level of incentive and maintenance work reflecting quality of the portfolio

	Unaudited six months ended 31 December 2021	Unaudited six months ended 31 December 2020
Operating income before indirect expenses (as per FS)	**$62.0 m**	**$62.5 m**
Management expenses	($5.5 m)	($9.0 m)
Net interest expense	($11.0 m)	($10.7 m)
Operating profit before tax (as per FS)	**$45.5 m**	**$42.8 m**
Current tax expense	$3.3 m	$6.5 m
Operating profit after tax	**$48.8 m**	**$49.3 m**
Adjusted for:		
Amortisations of incentives and leasing costs	$7.4 m	$6.3 m
Straight-line rents	($2.1 m)	($1.7 m)
IFRS 16 rent expense[1]	($3.0 m)	($3.5 m)
Share-based payments scheme	$0.6 m	-
One off costs: CBHL and Project Initialisation (FY21)[2]	$0.7 m	$0.4 m
Funds from Operations (FFO)	**$52.3 m**	**$50.8 m**
FFO per weighted security	**3.41 cps**	**3.87 cps**
Dividend payout ratio to FFO	98%	84%
Adjusted Funds From Operations		
Maintenance capex	($0.9 m)	($2.7 m)
Investment portfolio - Incentives and leasing fees	($2.0 m)	($4.3 m)
Adjusted Funds From Operations (AFFO)	**$49.4 m**	**$43.8 m**
AFFO per weighted security	**3.22 cps**	**3.34 cps**
Dividend paid in financial year	**3.35 cps**	**3.25 cps**
Dividend payout ratio to AFFO	104%	97%
Retained Earnings	($2.0 m)	$1.1 m

1 - Generator rent expense is excluded from operating profit due to IFRS 16
2 – CBHL relates to the closure of Saxon & Parole and Liqourette. Project initialisation (FY21) associated with unsuccessful acquisition of 4-10 Mayoral drive

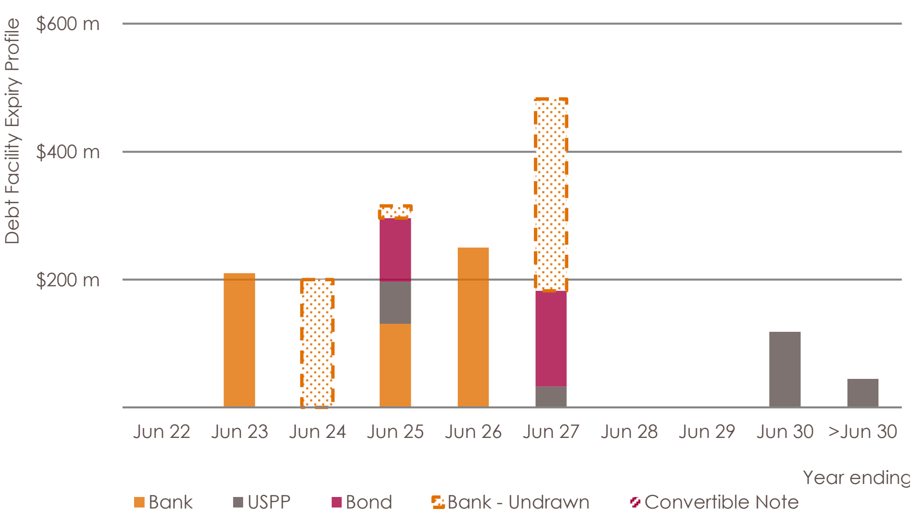
Capital management

Balance sheet repositioned

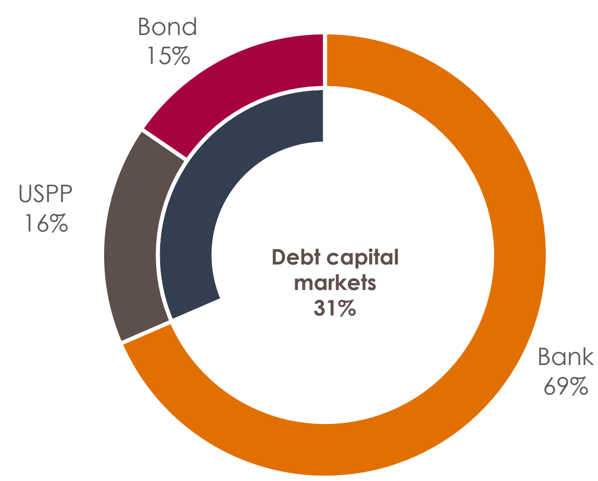
- New $300m bank debt facility secured following maturity of PCTHA and PCT010 notes
  - Providing liquidity of $500m
- Establishment of investment partnership:
  - Reduces bank borrowings by ~$500m
  - Reduces gearing from 31.8% to ~20%
  - Provides significant funding capacity for future opportunities
- Weighted average interest cost of 3.5%
  - Hedging increasing to +80% post establishment of investment partnership

Key metrics	31 Dec 2021	30 Jun 2021
Debt drawn ($m)	$1,102	$1,053
Gearing - banking covenant (%)	31.8	28.2
Weighted average term to expiry (years)	3.9	3.5
Weighted average debt cost (incl. fees) (%)	3.5	3.4
% of debt hedged (%)	54	54
Interest coverage ratio (previous 12 months)	2.5 x	2.4 x
Total debt facilities ($m)	$1,621	$1,596

Debt facility expiry profile



Funding diversity



ESG update

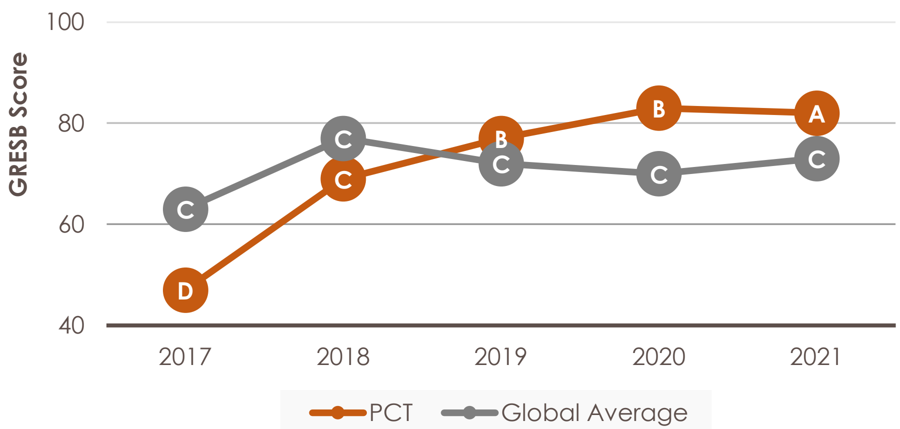
Improved our key performance measures, GRESB, to 82 (Global average: 73)

- GRESB is the most relevant ESG measure for real estate entities
- $2.3b of green assets
- Establishment of dedicated Board ESG Committee
- Development offsetting of embodied carbon
- Intention to further improve targets following sustainability success

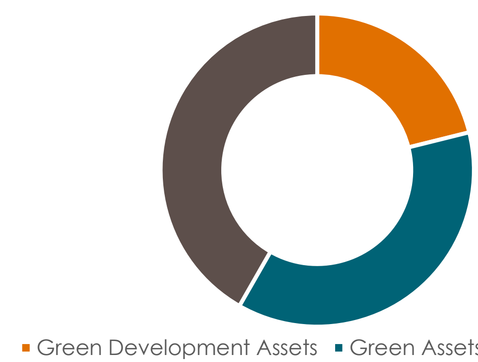
ESG Progress

Last reported	2020	2021	TCFD Target
GRESB Score Global Average	83 70	82 73	-
GRESB Public Disclosure Global Average	B C	A C	-
GRESB Ranking	Top 25%	Top 33%	Top 25%
MSCI ESG rating	BBB	BBB	-
CDP	B-	B	A
TCFD	Yes	Yes	-
NABERSNZ	93%	92%	100% > 3 star
Green star	52%	53%	>50% 4 star

GRESB Score and Disclosure Rating

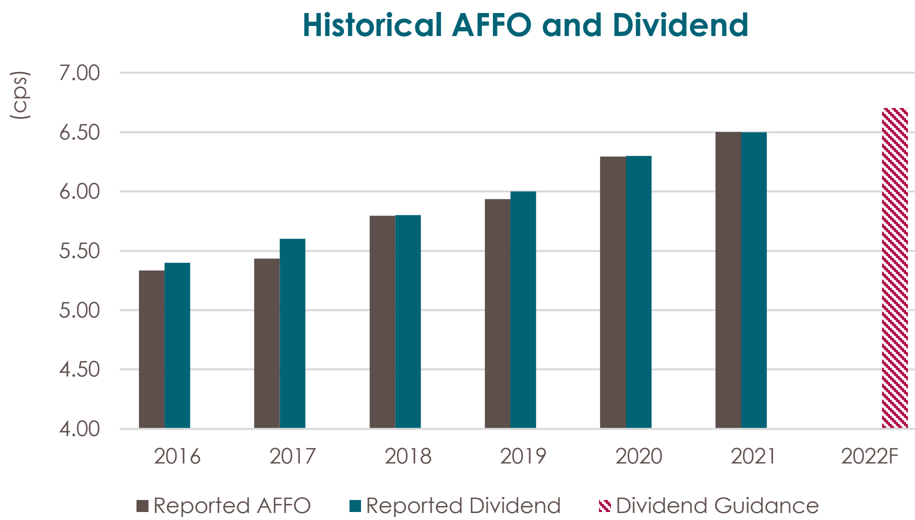


Green office assets* as at Dec 2021



*Green assets defined as per sustainable debt framework (minimum 5 star Greenstar or 4 star NABERSNZ)

FY22 guidance



6.70 cps

FY22 dividend guidance

Focus shifted towards the next stage in Precinct's strategic evolution

AFFO and dividend expected to grow due to:

- Premium quality investment portfolio benefitting from high occupancy levels, long WALT, quality occupiers and exposure to structured reviews
- Ability to participate in opportunities to drive higher returns from our capital by accessing third party capital
- Active development pipeline with further commitments available driving growth with an average yield on cost of 6.0%
- Investment Partnership initially earnings neutral and accretive when re-invested

Section 2

Our markets

Our city centre markets

Prime office (Auckland)

- Sentiment remains positive with occupiers taking a long-term view and progressing renewal and/or relocation plans despite on-going pandemic-related restrictions
- Flight to quality continues to be a prevailing theme with diverging vacancy and rental performance between grades and locations
- Flex space enquiries remain strong, indicating long-term demand outweighing short-term impacts

Prime office (Wellington)

- Prevailing imbalance between persistent lack of stock and ongoing demand for quality space from both corporate and Government occupiers
- Upward pressure on office rentals underpinned by strong demand and high economic rentals
- Flex space performance very strong with Generator's first Wellington site trading ahead of expectations

Prime retail

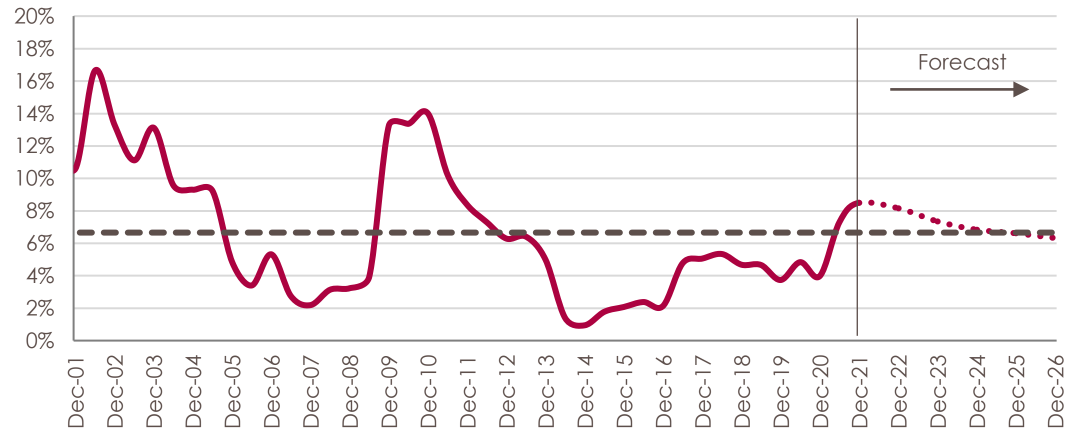
- The Auckland city centre retail sector was, and continues to be, impacted by the Aug-21 lockdown and the subsequent, prolonged restricted trading conditions caused by the Delta and Omicron outbreaks
- Notwithstanding, interest remains from multi-national retailers, most notably in high profile sites nearest to the waterfront

Precinct

Auckland city centre office

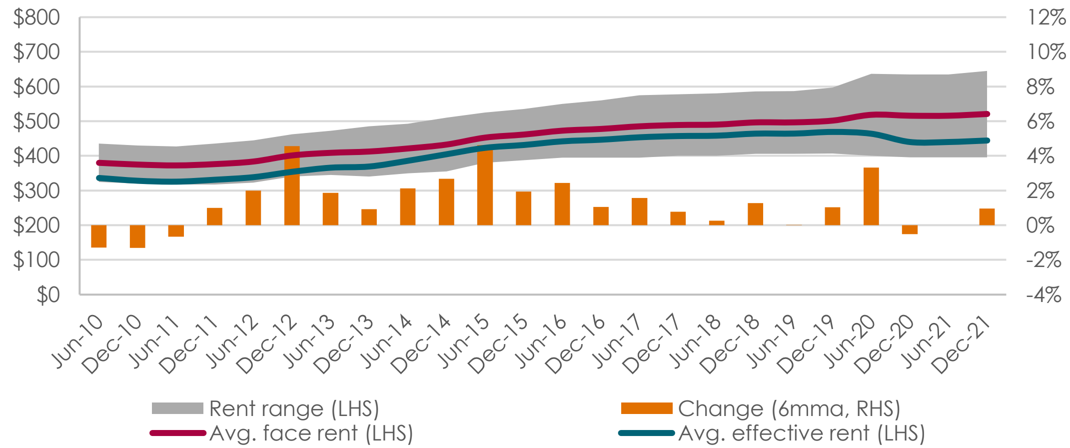
- Sentiment remains positive with occupiers taking a long term view and securing their future premises
  - +11,000m^2 prime grade net absorption in the half year to Dec-21 (Jun-21: -4,800m^2)
- Flight to quality remains a prevailing trend
  - Vacancies continue to be unevenly spread through building grades/location
  - CBD waterfront* prime vacancy estimated at 3.0% (Jun-21: 3.8%)
  - +1.0% uplift in prime rentals in the half year to Dec-21 vs. a -2.9% fall in secondary rentals

Auckland prime vacancy



Source: JLL Real Estate Intelligence Service

Prime net rental range and growth



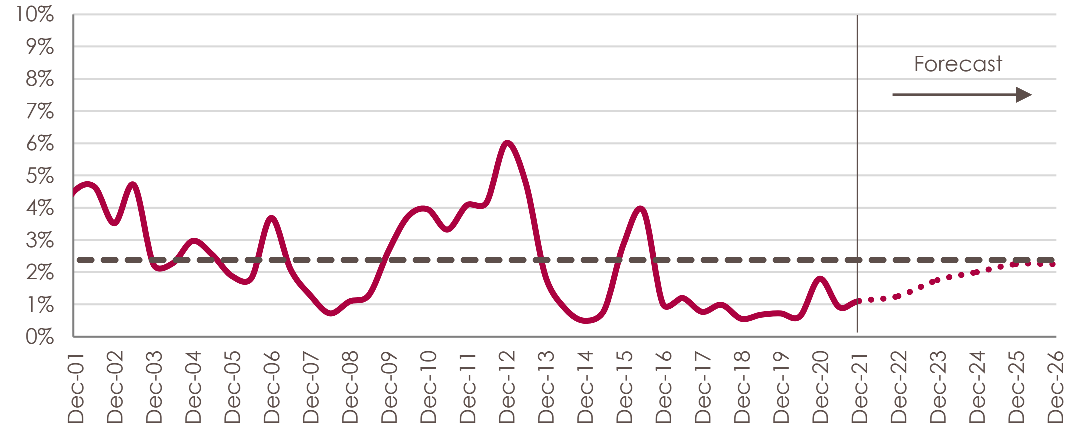
Source: JLL Real Estate Intelligence Service

* Estimate based on Commercial Bay and Britomart precinct vacancy data

Wellington city centre office

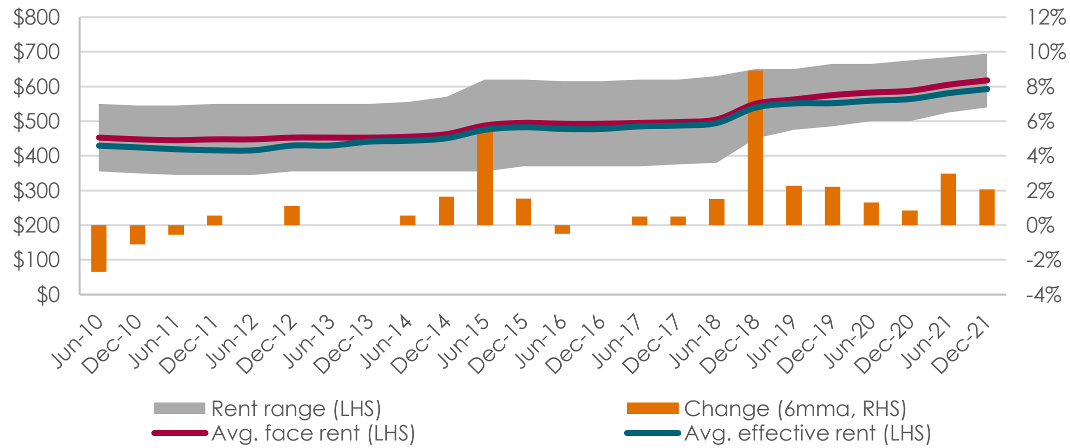
- Wellington continues to outperform, underpinned by demand/supply imbalances
  - Prime vacancy rates continue to be, and forecast to remain, below long-term average
  - Government precinct remains fully occupied with zero prime vacancy reported for Thorndon
- Upward pressure on rentals expected to continue
  - Prime rentals increased 2.1% in the half year to Dec-21 resulting in a y-o-y increase of 5.1%

Wellington prime vacancy



Source: JLL Real Estate Intelligence Service

Prime gross rental range and growth



Source: JLL Real Estate Intelligence Service

Section 3

Operations

Portfolio activity

Key leasing update

- Strong activity continues with over 21,000m^2 leasing completed and solid rental growth achieved in the period
  - 5,500m^2 of new leases secured in the period. Achieved average contract rents 10.9% above previous contract
  - 7,500m^2 of extensions and renewals completed 5.6% up on previous contract rents
  - 8,000m^2 of development leasing
- Evident that premium quality, well-located assets continue to attract strong interest from the occupier market

7.5 years
Weighted average lease term

98%
Portfolio Occupancy

+21,000m^2
Total leasing (including developments)

10.9%
Growth in contract rentals on new leases

- **12.8%** **Auckland growth**
- **7.2%** **Wellington leasing growth**

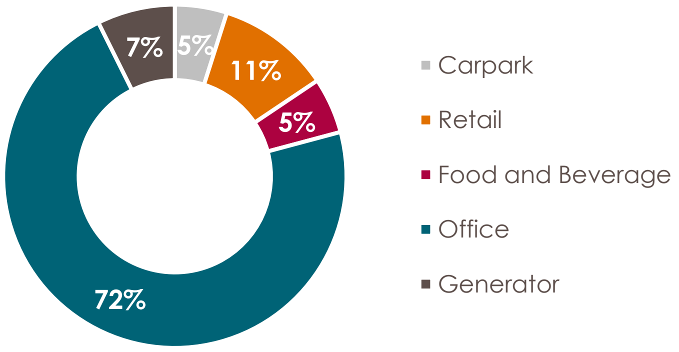
Precinct

Earnings quality

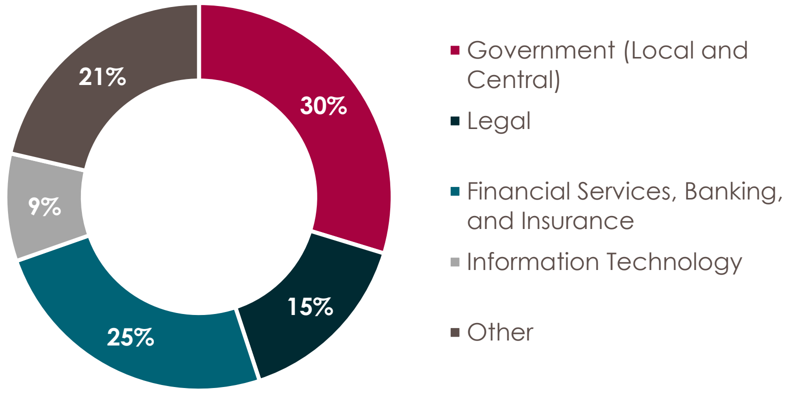
Precinct's well-located buildings, high occupancy, quality client base, and long WALT gives confidence that our strategy will continue to deliver

- Just **3.7%** of portfolio by income is subject to expiry over the next 12 months
- Precinct portfolio's exposure to **structured rent reviews** provides secure cashflow
  - **75%** of portfolio subject to review event in 2022 of which **5%** are market rent reviews

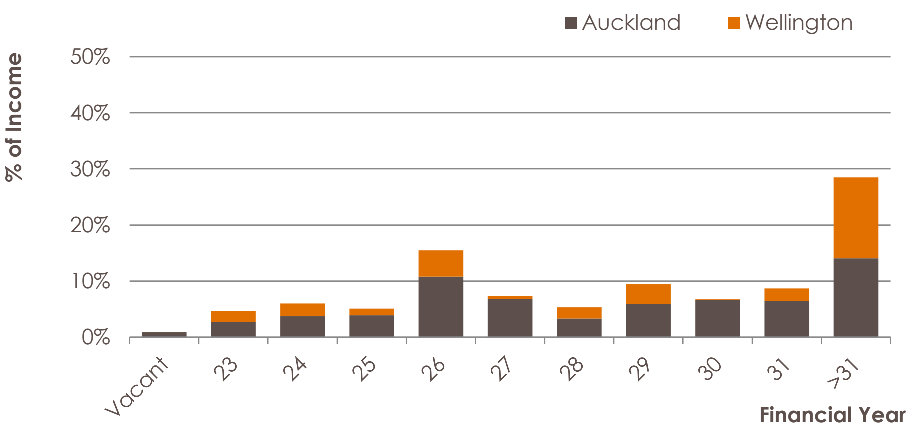
Gross revenue by asset class



Office Revenue by Industry



Office lease expiry profile



Section 4

Developments

Committed developments

Development	TPC	NLA	% Let	WALT (Let)	Jun-22	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24
40 Bowen	$90 m	9,800 m²	91%	10 years						
44 Bowen	$106 m	11,500 m²	100%	13 years						
Willis Lane (Retail)	$34 m	2,800 m²	72%	10 years						
Bowen House	$155 m	14,300 m²	100%	15 years						
Deloitte Centre	$312 m	14,200 m² (plus hotel)	91%	19 years*						
124 Halsey	$157 m	11,400 m²	-	-						
Total	**$854 m**	**64,000 m²**	**79%**	**16 years***						

$1.0b
Total value on completion

79%
Pre-committed (incl. 124 Halsey)

20%
Forecast blended return on cost

6.0%
Forecast blended yield on cost (fully let)


Artist Impression - 124 Halsey & Flowers Building

* Based on committed leasing and includes contribution from 20-year hotel management agreement at 1 Queen Street

40 & 44 Bowen (Bowen Campus Stage 2)

- Significant progress to date with minimal disruptions despite August 2021 Delta variant outbreak
  - **40 Bowen** – superstructure complete with façade install nearing completion and services installation underway on all floors
  - **44 Bowen** – superstructure advancing with steel frame installed to Level 7 and façade install to commence in the second half
- Leasing activity nearing completion with only two part floors remaining at 40 Bowen Street (96% pre-committed overall)

30%
Forecast return on cost

6.5%
Forecast yield on cost

Artist Impression - Atrium Lobby

Deloitte Centre (1 Queen Street)

- Construction continues to progress well and remains on track to complete in 2023 despite the extended Alert Level 4 lockdown during the first half
    - **Commercial** – 14,200m^2 premium grade office (including two levels of private office suites) and supporting F&B/retail amenities to complete Q4-2023
    - **Hotel** – 139-room InterContinental hotel to complete in Q3-2023 with opening targeted for the summer trade

22%

Forecast return on cost (stabilised)

6.2%

Forecast yield on cost (stabilised)

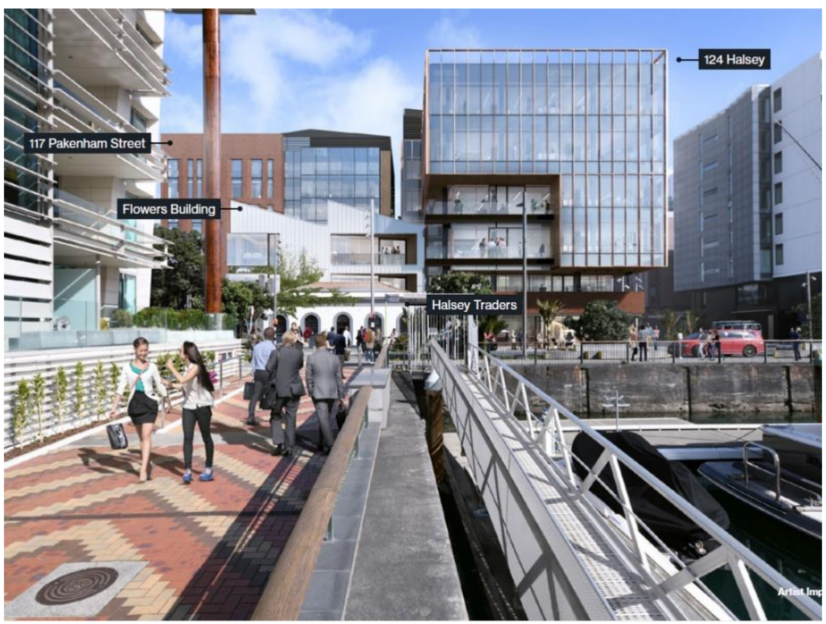
Artist Impression - Rooftop Bar

Wynyard Stage 3

- Final stage of the Wynyard Quarter Innovation Precinct masterplan (total ~20,000m^2 across three buildings)
  - Committed to 124 Halsey and Flowers Building (combined ~11,400m^2) in Dec-21 with FPLS contract awarded to Hawkins
  - Decision to proceed with remaining building (117 Pakenham) dependent on leasing progress
- Ground works commenced Jan-22 with construction programmed to complete late 2024

15%
Forecast return on cost

~5.75%
Forecast yield on cost



Other developments

Bowen House (committed)

- LT McGuinness advancing refurbishment and seismic upgrade works
- ATL in place to Parliamentary Service with a new 15-year term on completion of works in mid 2023

Willis Lane (committed)

- Major refurbishment of the former Taste on Willis foodcourt (basement of AON Centre – Wellington)
- Secured ATL with a major anchor tenant for ~2,000m^2
- Leasing of remaining tenancies to commence in the next half

Freyberg Building (uncommitted)

- Repositioning opportunity (~15,000m^2 NLA) adjacent to the new National Archives building on Aitken Street
- Design underway and anticipated to complete end of 2022

Section 5

Outlook

Outlook

- Despite uncertainty ahead due to Omicron variant, **Precinct portfolio remains in a strong position**
  - 98% portfolio occupancy with structured rent reviews and long WALT
  - Continue to leverage the quality and resilience of our portfolio and our people
  - Clear preference for quality real estate in the markets we invest in
- Establishing a third party platform and diversifying capital sources will enable continued growth and take advantage of future opportunities in the market as they arise
- Look to further extend our participation in opportunities and drive higher returns from capital

No change to Precinct's full year FY22 dividend guidance of 6.70 cps to be paid, representing a 3.1% year-on-year growth to our shareholders

FY22 may see our dividend payout ratio modestly exceed 100% of AFFO due to the support that Precinct has offered to those occupiers who need it

Appendices

App 1: Operating income

For the 6 months ended $m	Unaudited six months ended 31 December 2021	Unaudited six months ended 31 December 2020	Δ
AON Centre - AKL	$5.3	$5.7	($0.4)
HSBC Tower	$8.6	$9.0	($0.4)
PWC Tower	$12.8	$7.7	$5.2
Commercial Bay Retail	$7.8	$7.2	$0.5
Jarden House	$2.9	$2.7	$0.2
Mason Brothers	$1.2	$1.2	$0.0
12 Madden Street	$2.3	$2.3	$0.0
Auckland total	**$40.9**	**$35.7**	**$5.2**
NTT Tower	$3.9	$3.4	$0.5
AON Centre - WGN	$5.6	$5.3	$0.3
Bowen Campus	$6.4	$6.9	($0.5)
No.1 The Terrace	$3.1	$3.1	($0.0)
Wellington total	**$19.0**	**$18.7**	**$0.3**
Investment portfolio	**$59.9**	**$54.4**	**$5.5**
Transactions and Developments			
1 Queen Street	$0.0	$1.3	($1.3)
Mayfair House	$1.9	$1.6	$0.3
Bowen Annex	$0.4	-	$0.4
204 Quay Street	$0.7	-	$0.7
10 Madden Street	$2.5	$0.0	$2.5
ANZ Centre	-	$3.9	($3.9)
30 Waring Taylor	$0.1	$0.0	$0.1
Freyberg Building	$1.2	-	$1.2
Subtotal	**$66.7**	**$61.2**	**$5.5**
COVID-19 Impact	($5.5)	($1.0)	($4.5)
Total net property income	**$61.1**	**$60.2**	**$0.9**
Generator	$2.2	$3.1	($0.9)
CBHL	($1.3)	($0.8)	($0.5)
Operating income before indirect expenses	**$62.0**	**$62.5**	**($0.5)**

App 2: Balance sheet

Financial Position as at ($m)	31 December 2021 Unaudited	30 June 2021 Audited	Δ
Assets			
Development properties	$438.2	$232.4	$205.8
Investment properties	$3,086.8	$3,076.4	$10.4
Intangible assets	$8.8	$9.0	($0.2)
Deferred tax asset	$0.5	$7.4	($6.9)
Fair value of derivative financial instruments	$32.4	$34.5	($2.1)
Right-of-use assets	$30.1	$33.2	($3.1)
Other	$60.8	$63.5	($2.7)
Total Assets	**$3,657.6**	**$3,456.4**	**$201.2**
Liabilities			
Interest bearing liabilities	$1,129.4	$1,096.1	$33.3
Lease liabilities	$37.8	$40.3	($2.5)
Fair value of derivative financial instruments	$28.6	$50.9	($22.3)
Other	$41.8	$48.5	($6.7)
Total Liabilities	**$1,237.6**	**$1,235.8**	**$1.8**
Equity	**$2,420.0**	**$2,220.6**	**$199.4**
NIBD to Total Assets	30.1%	30.5%	(0.3%)
Liabilities to Total Assets - Loan Covenants	31.8%	28.2%	3.6%
Shares on Issue (m)	1,585.4 m	1,458.5 m	126.9 m
Net tangible assets per security	$1.52	$1.52	0.00
Net asset value per security	$1.53	$1.52	0.00

Precinct

App 3: Investment portfolio overview

Key metrics

	Investment portfolio	Auckland	Wellington
WALT	**7.5 years**	6.8 years	8.8 years
Occupancy	**98%**	97%	100%
Investment Portfolio Value ($m)	**$3,098 m**	$2,185 m	$911 m
Weighted Average Market Cap Rate	**4.9%**	4.7%	5.3%
NLA (m²)	**268,424 m²**	153,691 m²	114,732 m²

Portfolio metrics

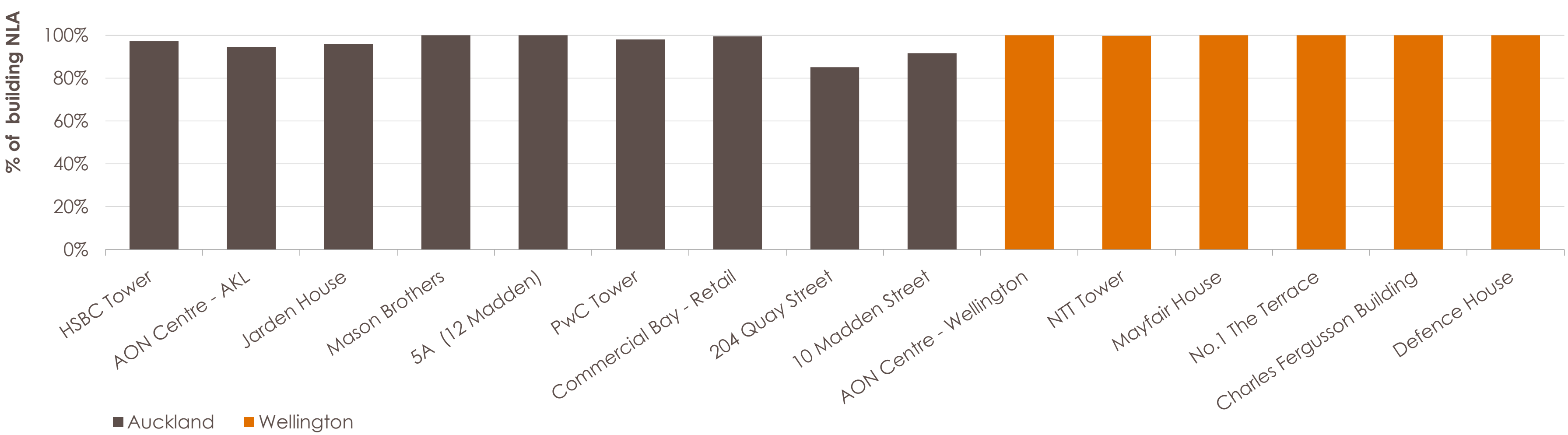
7.5 years

Weighted average lease term

98%

Portfolio occupancy

Occupancy



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