

NZX announcement – 10 June 2021

Precinct announces \$284 million Revaluation Uplift

Precinct Properties New Zealand Limited (Precinct) (NZX: PCT) is pleased to report a preliminary full year revaluation gain of \$284 million (2020: \$66.3 million devaluation) or 9.4%. This includes \$148.5 million revaluation gain which was recognised at 31 December 2020.

This expected gain will increase the value of Precinct's portfolio to around \$3.3 billion at 30 June 2021. The second half revaluation gain of \$135.5 million will increase Precinct's net asset value per share by 10 cents or 7% (March 2021: \$1.40).

Draft asset valuations at 30 June 2021 were carried out by independent valuers, are subject to final independent audit, finalisation of year end book values and will be confirmed in Precinct's FY21 annual results, to be announced on 12 August 2021.

Scott Pritchard, Precinct's CEO said, "The overall portfolio valuations have improved vastly since this time last year where the adverse impacts of COVID-19 largely offset the positive asset movements during FY20. Recording a significant revaluation gain in FY21 reinforces the high quality of our assets and supports the increase in investor confidence we are seeing across the sector. Investment demand for premium inner-city space remains strong, reflecting increased confidence from solid underlying occupier demand.

We are pleased with the preliminary valuation result our Auckland and Wellington assets have achieved with the Wellington market proving to be particularly resilient. We continue to experience strong market rental growth and benefit from having secured long term leases to Government/Crown entities, which have resulted in notable value increases across our Wellington properties, where continued occupier market strength has been observed."

On a like-for-like basis, Auckland asset valuations increased by around 6.5% and Wellington assets recorded an uplift of 16.8%, compared with 30 June 2021 forecast book values.

Precinct's weighted average capitalisation rate has firmed over the past twelve months from 5.3% to 4.8% at 30 June 2021.

Ends

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About Precinct (PCT)

Precinct is New Zealand's only listed city centre specialist investing predominantly in premium and A-grade commercial office property. Listed on the NZX Main Board, PCT currently owns Auckland's HSBC Tower, AMP Centre, Jarden House, One Queen Street, 204 Quay Street, Mason Bros. Building, 12 Madden Street, 10 Madden Street and Commercial Bay; and Wellington's AON Centre, NTT Tower, Central on Midland Park, No. 1 and No. 3 The Terrace, Mayfair House, Charles Fergusson Building and Defence House.

Precinct owns Generator NZ, New Zealand's premier flexible office space provider. Generator currently offers 13,600 square metres of space across four locations in Auckland.