Precinct Properties
Annual Results
30 June 2022

Artist Impression – 124 Halsey rooftop terrace

Agenda

Precinct Properties New Zealand Limited
Scott Pritchard, CEO
George Crawford, Deputy CEO
Richard Hilder, CFO

Note: All $ are in NZD

Highlights

Strategic initiatives

- Established investment partnership with Singapore sovereign wealth fund GIC
- Partnership will initially acquire assets from Precinct's existing portfolio and expect to grow to around $1.0b

Financial performance

- Net operating income of **$95.3m** (FY21: $83.0m)
- Comprehensive income after tax of **$108.8m** (FY21: $179.9m)
- **6.51 cps AFFO** equating to a payout ratio of 103% (FY21: 100%)
- **6.70 cps dividend** (FY21: 6.50 cps)

Development pipeline

- 30 Waring Taylor Street successfully completed. Bowen Campus Stage 2 on track to complete during FY23
- Wynyard Quarter Stage 3 commenced and further Auckland and Wellington opportunities being advanced
- Potential to partner on development opportunities

Operational performance

- Portfolio occupancy of **99%** with a WALT of **7.1 years**
- Circa **34,600 sqm** leasing completed in the period

Precinct

Our people and partners

- Investment partnership with GIC secured
- Further direct investment opportunities being explored
- Staff retention and remuneration a priority in tight labour market

Operational excellence

- Location and quality driving significant demand for Precinct’s portfolio
- Strong portfolio performance with 99% occupancy and 14% uplift in new contracted rentals
- Commitment to sustainable debt programme
- Industry leadership through WGBC Net Zero Carbon Buildings commitment

Developing the future

- Around $1b of developments underway
- 30 Waring Taylor Street completed with elevated occupancy
- Bowen Campus Stage 2 nearing completion in line with programme and budget
- Exploring further internal and external opportunities

Key Themes

Key themes

Capital partners

- Establishing a base of partners to invest alongside Precinct
- Offers Precinct the opportunity to participate more widely in the market

Interest rates

- Rising inflation leading to increased interest rates
- Rising interest rates expected to impact cap rates. Valuation impact dependent on rental growth outlook

Occupier market

- Two-tier market continues to be the dominant theme with the prime-secondary spread widening over the period
- Occupiers remain focused on progressing renewal and/or relocation plans to secure high-quality long-term premises

Construction market

- Market conditions remain challenging with cost escalation and supply chain constraints forecast to persist into 2023
- Notwithstanding, housing market headwinds likely to provide some relief through freeing up subtrade capacity

City centres

- City centre economy have remained resilient despite extended Covid disruptions over the past 24 month
- Expect to receive boost over the short term driven by anticipated return of tourists and international students as well as continued return to office by CBD workers

Section 1

Financial results & capital management

Financial performance

For the 12 months ended ($m)	30 June 2022	30 June 2021	Δ
Operating income before indirect expenses	**$129.4 m**	**$127.7 m**	**+ $1.7 m**
Indirect expenses	($10.2 m)	($17.5 m)	+ $7.3 m
Net interest expense	($23.9 m)	($27.2 m)	+ $3.3 m
Operating income before income tax	**$95.3 m**	**$83.0 m**	**+ $12.3 m**
Unrealised net gain / (loss) in value of investment and development properties	$19.4 m	$282.9 m	($263.5 m)
Unrealised net gain / (loss) on financial instruments	$33.1 m	$19.7 m	+ $13.4 m
Termination of management services agreement	-	($217.1 m)	+ $217.1 m
Other non-operating expenses	($18.5 m)	($22.5 m)	+ $4.0 m
Net profit before taxation	**$129.3 m**	**$146.0 m**	**($16.7 m)**
Current tax expense	$7.0 m	$67.8 m	($60.8 m)
Depreciation recovered on sale	-	($10.5 m)	+ $10.5 m
Deferred tax (expense) / benefit	($26.3 m)	($15.6 m)	($10.7 m)
Net profit after income tax attributable to equity holders	**$110.0 m**	**$187.7 m**	**($77.7 m)**
Other comprehensive income / (expense)	($1.2 m)	($7.8 m)	+ $6.6 m
Total comprehensive income after tax attributable to equity holders	**$108.8 m**	**$179.9 m**	**($71.1 m)**
Net tangible assets per security	**$1.54**	**$1.52**	**+0.02**

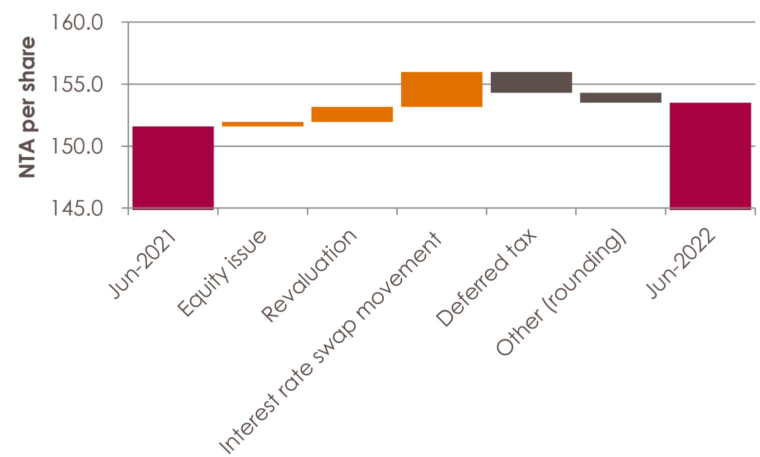
$108.8m

Total comprehensive income after tax

$10.1m

Reduction in expenses reflecting benefit of internalisation

NTA movement



Operating income

- Adjusting for the impacts of lockdowns, NPI was up 7.0%
- Strong outcome given the impacts from Covid on the portfolio
  - Rental support provided to retailers totalling $4.4m
  - Contractual rental abatements totalling $3.9m
- Hospitality and events businesses significantly impacted by lock downs, restrictive alert levels and Omicron wave
  - These disruptions reduced operating income by ~$2.5m

For the 12 months ended ($m)	30 June 2022	30 June 2021	Δ
Auckland	$81.4 m	$73.4 m	$8.0 m
Wellington	$42.0 m	$42.1 m	($0.1 m)
Investment portfolio	**$123.4 m**	**$115.4 m**	**$8.0 m**
Transactions and Developments	$10.9 m	$10.1 m	$0.8 m
Subtotal	**$134.3 m**	**$125.5 m**	**$8.8 m**
Covid-19 Impact	($8.2 m)	($1.1 m)	($7.1 m)
Total net property income	**$126.1 m**	**$124.4 m**	**$1.7 m**
Generator[1]	$5.3 m	$6.1 m	($0.8 m)
CBHL	($2.0 m)	($2.8 m)	$0.8 m
Operating income before indirect expenses	**$129.4 m**	**$127.7 m**	**$1.7 m**

Operating income reconciliation

1 – Generator operating income of $5.3m excludes rent expense of $6.0m due to IFRS 16 resulting in an EBITDA loss of ($0.7m) (2021: $0.8m).

FFO and AFFO

AFFO
6.51 cps

- AFFO per share was in line with the prior period and reflected a 103% AFFO pay-out ratio
- Normalising for contractual abatements and Covid support, AFFO was strong at 6.89 cps
- Lower level of leasing incentives and maintenance work reflecting quality of the portfolio

For the 12 months ended ($m)	30 June 2022	30 June 2021
Operating income before indirect expenses (as per FS)	**$129.4 m**	**$127.7 m**
Indirect expenses	($3.4 m)	($5.2 m)
Employment and administration expenses	($6.8 m)	($12.3 m)
Net interest expense	($23.9 m)	($27.2 m)
Operating profit before tax (as per FS)	**$95.3 m**	**$83.0 m**
Current tax expense	$7.0 m	$67.8 m
Operating profit after tax	**$102.3 m**	**$150.8 m**
Adjusted for:		
Tax impact from MSA termination		($60.8 m)
Amortisations of incentives and leasing costs	$14.7 m	$13.8 m
Straight-line rents	($3.8 m)	($4.0 m)
IFRS 16 rent expense (Generator & PCT) (IFRS 16)[1]	($7.6 m)	($7.0 m)
Share-based payments scheme	$1.2 m	
One off costs: FY22 CBHL / FY21 Project Initialisation and swap close out	$0.7 m	$3.7 m
Funds from Operations (FFO)	**$107.5 m**	**$96.6 m**
FFO per weighted security	**6.89 cps**	**7.34 cps**
Dividend payout ratio to FFO	97%	89%
Adjusted Funds From Operations		
Maintenance capex	($2.3 m)	($4.0 m)
Investment portfolio - Incentives and leasing fees	($3.7 m)	($7.3 m)
Adjusted Funds From Operations (AFFO)	**$101.5 m**	**$85.3 m**
AFFO per weighted security	**6.51 cps**	**6.48 cps**
Covid abatements and support	$8.3 m	$1.1 m
AFFO per weighted security (normalised for Covid)	**6.89 cps**	**6.54 cps**
Dividend paid in financial year	**6.70 cps**	**6.50 cps**
Dividend payout ratio to AFFO	103%	100%

1 - Generator rent expense and the ground lease at 204 Quay Street is excluded from operating profit due to IFRS 16
2 – CBHL relates to the closure of Saxon & Parole and Liquorette. Project initialisation (FY21) associated with unsuccessful acquisition of 4-10 Mayoral drive

Tax overview

- Tax loss in the period resulted in a tax benefit of $7.0 million

Outcome due to:

- Disposal of depreciable assets at One Queen Street
- Expenditure relating to testing, removal and encapsulation of contaminants as part of the demolition of building structure
  - Mayfair House
  - One Queen Street
  - 30 Waring Taylor Street
- Due to no tax being paid in the period there are no imputation credits available for distribution

For the 12 months ended $m	30 June 2022	30 June 2021
Net profit before taxation	**$129.3 m**	**$146.0 m**
At the statutory income tax rate of 28.0%	**$36.2 m**	**$40.9 m**
Unrealised (gain) on value of investment and development properties	($5.4 m)	($79.2 m)
Unrealised (gain) / loss on financial instruments	($9.3 m)	($5.5 m)
Impairment of goodwill	$1.9 m	$2.8 m
Disposal of depreciable assets	($5.0 m)	($0.2 m)
Capitalised interest	($5.4 m)	($4.5 m)
Prior period adjustments	($1.0 m)	($3.8 m)
Other adjustments	($2.7 m)	($2.4 m)
Depreciation	($16.3 m)	($15.9 m)
Current tax expense / (benefit)	**($7.0 m)**	**($67.8 m)**

FY23 tax expense expected to remain low due to deductible capex and disposal of depreciable assets at 1 Willis Street

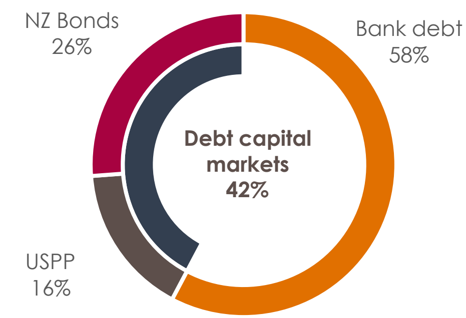
Capital management

Balance sheet repositioned

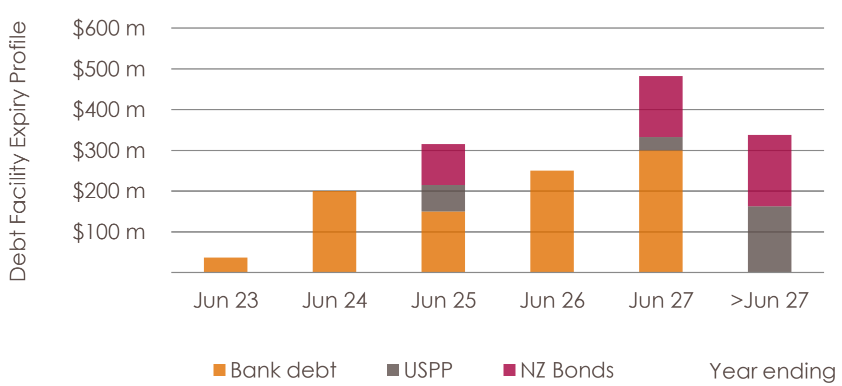
- Secured a new $300m bank debt facility and issued a $175m green bond
- The investment partnership will reduce borrowings and gearing, providing significant funding capacity
- Future partnership opportunities should see funding requirements move off balance sheet
- FY23 hedging forecast to be around 65%, excluding the sale of Defence House
- Weighted average interest cost has increased to 4.0%

Key metrics	30 June 2022	30 Jun 2021
Debt drawn ($m)	1,247	1,053
Gearing - banking covenant (%)	34.3	28.2
Weighted average term to expiry (years)	4.0	3.5
Weighted average debt cost (incl. fees) (%)	4.0	3.4
% of debt hedged (%)	64.2	54
Interest coverage ratio (previous 12 months)	2.5 x	2.4 x
Total debt facilities ($m)	1,623	1,596

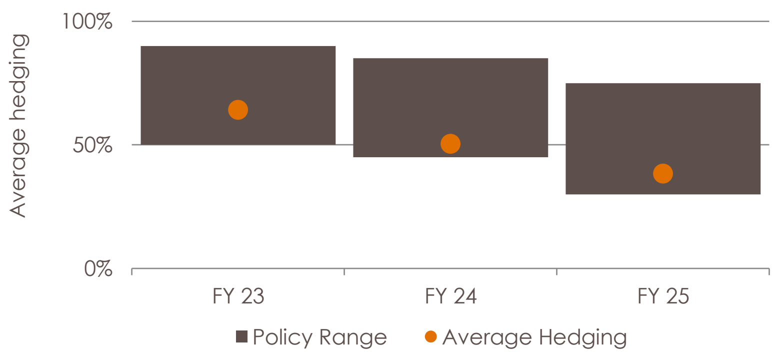
Funding diversity



Debt facility expiry profile



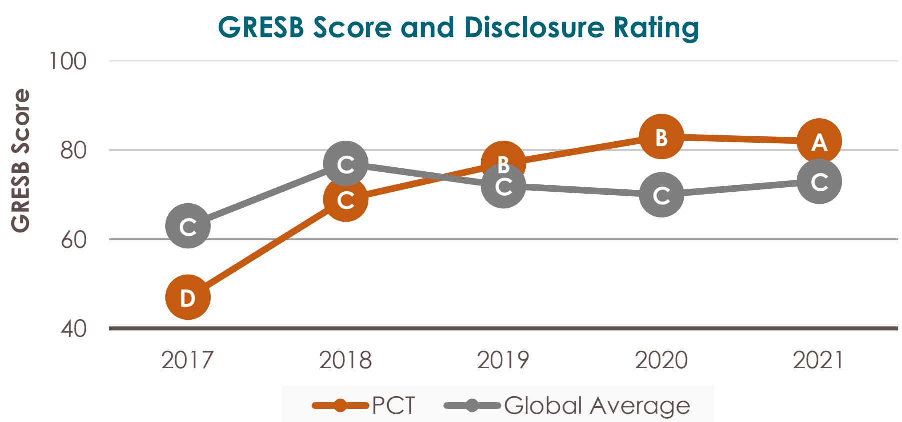
Hedging profile



ESG update

Commitment to the World Green Building Council Net Zero Carbon Buildings Commitment

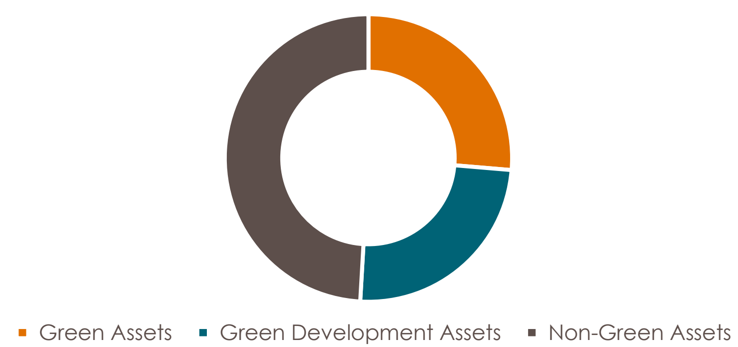
- Maintained our GRESB score, Precinct's key ESG measure, above the global average
- $1.7b of green assets (excl. assets held for sale)
- Dedicated Board ESG Committee
- Development offsetting of embodied carbon
- Improved targets following sustainability success
    - >60% of portfolio 5-star Green Star or greater
    - 100% of portfolio 4-star NABERSNZ or greater



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**	-

Green office assets* as at June 2022

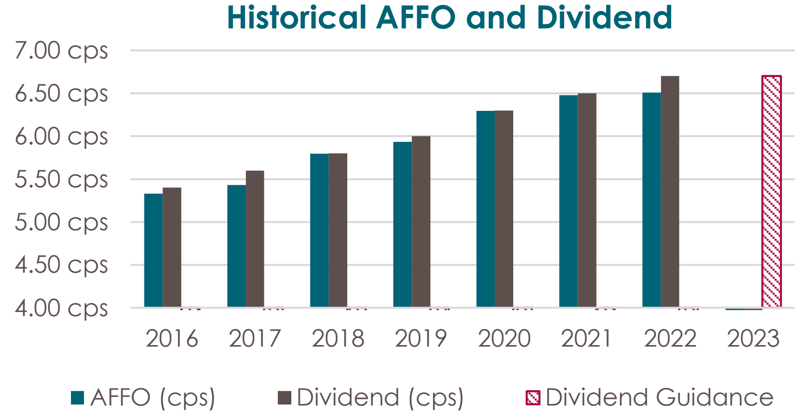


*Green assets defined as per sustainable debt framework (minimum 5 star Greenstar or 4 star NABERSNZ)
Excludes assets held for sale

FY23 guidance

6.70 cps

FY23 minimum dividend



FY23 dividend to be no less than 6.70 cps with higher forecast interest rates impacting on guidance.

AFFO and dividend expected to grow over the long term due to:

- Strong demand for well-located assets generating good growth in contracted rents
- An improving operating environment for Generator, hospitality and retail turnover
- Anticipated growth in the third party capital platform and ability to participate in more active opportunities driving higher returns from our capital
- Investment Partnership remains focused on increasing scale to ~$1bn
- Development pipeline driving growth with an average yield on cost of 6.0%

Section 2

Our markets

Our city centre markets

Prime office (Auckland)

- Prime-secondary spread continues to widen with prime vacancies falling to 6.6% as at Jun-22 (Jun-21: 7.3%) while secondary vacancies rose from 13.9% to 16.6% over the same period
- Occupiers remain focused on progressing renewal and/or relocation plans to secure high-quality long-term premises despite economic uncertainties

Prime office (Wellington)

- Strong demand for high quality, seismically resilient assets continues to underpin CBD prime vacancies which remain largely unchanged at 1.3% as at Jun-22 (Jun-21: 0.9%) despite 14,800m^2 of new stock added during the period
- Continued upward pressure on prime rentals driven by demand and increasing input costs

Prime retail

- City centre retail is showing signs of recovery despite vacancy increasing to 8.6% as at Jun-22 (Jun-21: 7.1%)
- The retail sector is anticipated to gain momentum over the coming months following borders reopening and as city centre workers continue to return to the office

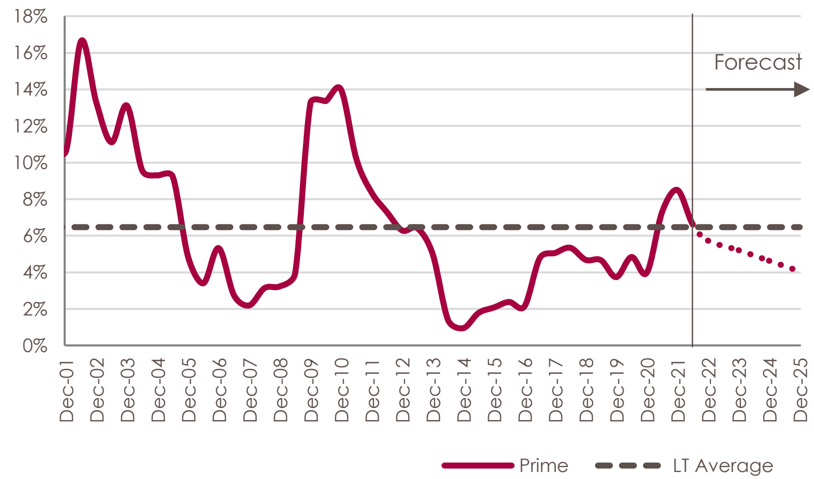
Precinct

Auckland city centre office

Flight to quality contributing to further widening in prime-secondary spread

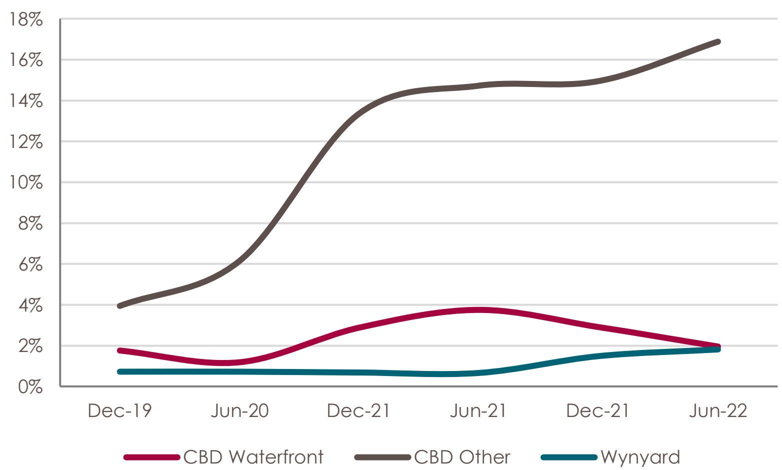
- Vacancies continue to be unevenly spread through building grades/location with prime vacancy on the CBD waterfront estimated at 2.0%* as at Jun-22 (Jun-21: 3.8%)
- Demand for quality resulting in +3.3% increase in prime market rentals in the 12 months to Jun-22, driven by upper end of the market, compared to a -2.9% decline in market rentals for secondary grade assets

Auckland prime vacancy

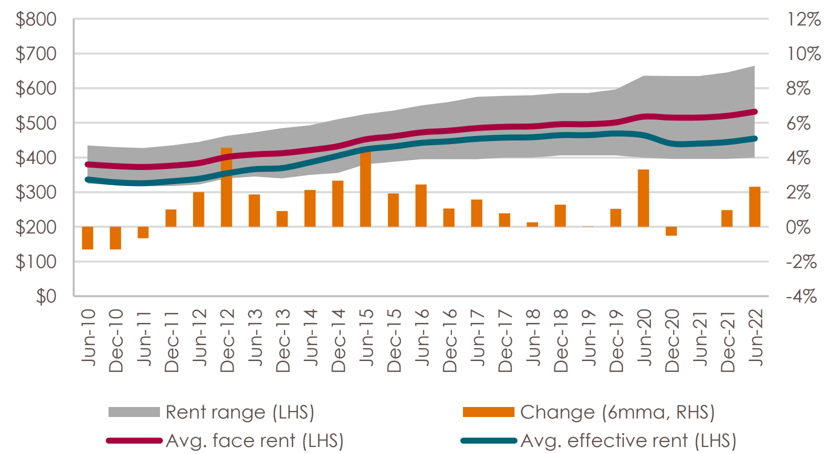


Source: JLL Research

Prime vacancy rates by submarkets



Prime net market rental range and growth



Source: JLL Research

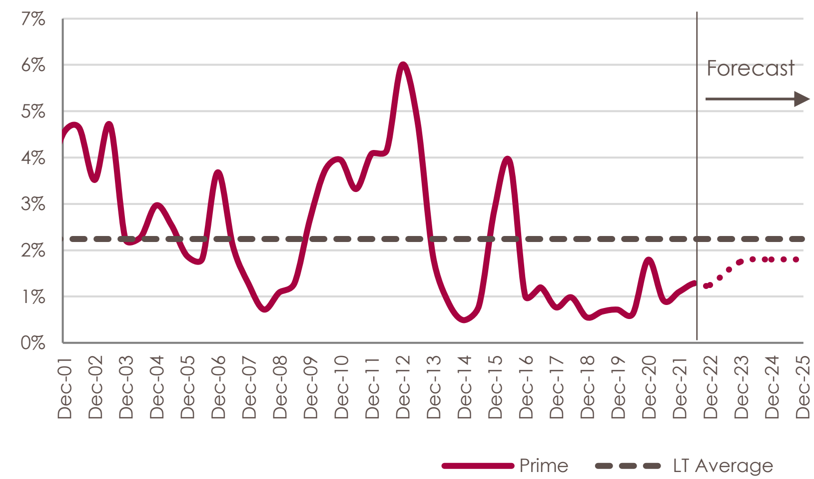
* Analysis based on vacancy data for the Commercial Bay and Britomart precincts

Wellington city centre office

Continued outperformance driven by demand and supply imbalances

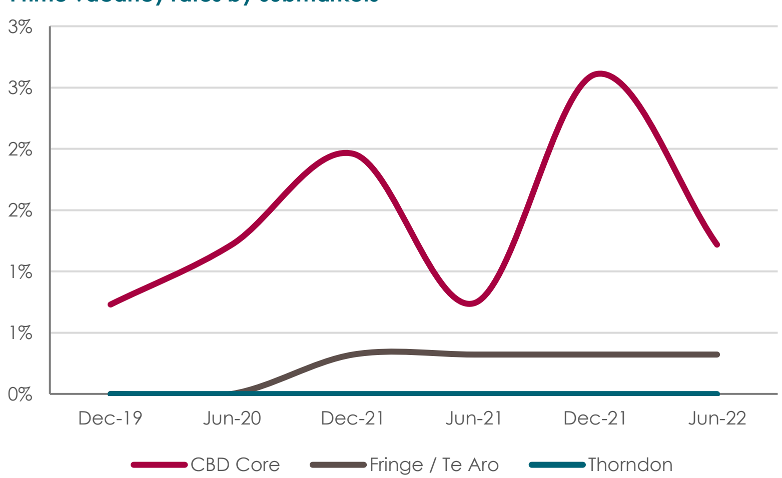
- Availability of high-quality prime grade remain scarce and below long-term average. The Government precinct remains fully occupied
- Strong demand driving +2.9% uplift in prime market rentals in the 12 months to Jun-22 (Jun-21: 3.9%) with increases observed evenly throughout the market

Auckland prime vacancy



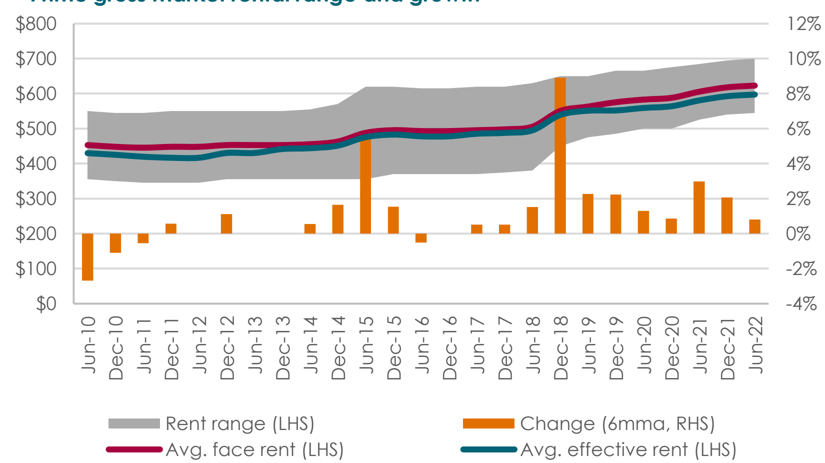
Source: JLL Research

Prime vacancy rates by submarkets



Source: Colliers

Prime gross market rental range and growth



Source: JLL Research

Revaluations

- Revaluation gain of **$19.4m** or **0.5%**
  - Driven primarily by development profit recognition
  - Auckland benefitted from increased market rentals which offset headwinds from softening capitalisation rates
- NAV per share of $1.54 (Jun-21: $1.52)
- Portfolio cap rates softened by 10bps to 4.9%

Portfolio valuation

	30 June 2021	30 June 2022					Capitalisation Rate		
	Valuation	Additions	Book Value	Valuation	Δ $m	Δ %	30 Jun 2021	30 Jun 2022	Δ
Investment Properties									
Wellington	$500.1 m	$16.2 m	$516.3 m	$509.2 m	($7.1 m)	(1.4%)	5.4%	5.6%	+ 14 bps
Auckland	$1,999.1 m	$28.3 m	$2,027.4 m	$2,039.8 m	$12.4 m	+ 0.6%	4.6%	4.7%	+ 9 bps
Subtotal	**$2,499.2 m**	**$44.6 m**	**$2,543.8 m**	**$2,549.0 m**	**$5.3 m**	**+ 0.2%**	**4.8%**	**4.9%**	**+ 10 bps**
Development Properties									
Bowen Campus Stage Two	$96.5 m	$66.8 m	$163.3 m	$174.3 m	$11.0 m	+ 6.7%	N/A	N/A	-
One Queen Street	$116.5 m	$52.6 m	$169.1 m	$176.0 m	$6.9 m	+ 4.1%	N/A	N/A	-
30 Waring Taylor Street	$19.4 m	($19.4 m)	-	-	-	-	N/A	N/A	-
Freyberg Building	-	$54.0 m	$54.0 m	$49.5 m	($4.5 m)	(8.3%)	N/A	N/A	-
Bowen House	-	$116.6 m	$116.6 m	$122.2 m	$5.6 m	+ 4.8%	N/A	N/A	-
Wynyard Quarter Stage 3	-	$23.6 m	$23.6 m	$22.0 m	($1.6 m)	(6.8%)	N/A	N/A	-
Subtotal	**$232.4 m**	**$294.2 m**	**$526.6 m**	**$544.0 m**	**$17.4 m**	**+ 3.3%**	**N/A**	**N/A**	**N/A**
Total excl. held for sale	**$2,731.6 m**	**$338.8 m**	**$3,070.4 m**	**$3,093.0 m**	**$22.6 m**	**+ 0.7%**	**4.8%**	**4.9%**	**+ 10 bps**
Assets held for sale									
12 Madden Street	$100.0 m	$0.7 m	$100.7 m	$100.0 m	($0.7 m)				
10 Madden Street	$86.0 m	$2.3 m	$88.3 m	$86.0 m	($2.3 m)				
Mayfair House	$86.7 m	$0.2 m	$86.9 m	$86.7 m	($0.2 m)				
Bowen Campus	$304.5 m	$0.1 m	$304.6 m	$304.5 m	($0.1 m)				
Total properties	**$3,308.8 m**	**$342.1 m**	**$3,650.9 m**	**$3,670.2 m**	**$19.4 m**	**+ 0.5%**			

Section 3

Operations

Portfolio activity

- Portfolio continues to perform well reflecting a long weighted average lease term of **7.1 years** and occupancy of **99%**

Key leasing update

- Strong activity continues with circa 34,600m^2 leasing completed and solid leasing spread achieved in the period
  - 10,645m^2 of new leases secured with new contract rents achieved 13.5% above previous contract on average
  - 10,915m^2 of extensions and renewals completed with new contract rents 5.1% above passing
  - 13,000m^2 of development leasing
- Evident that premium quality, well-located assets continue to attract strong interest from the occupier market

c. 34,600m^2

Total leasing (including developments)

+13.5%

Growth in contract rentals on new leases

+17.1% **Auckland**

+8.0% **Wellington**

+5.0% p.a.

CAGR growth on new contract rents

*Investment portfolio statistics include assets held for sale

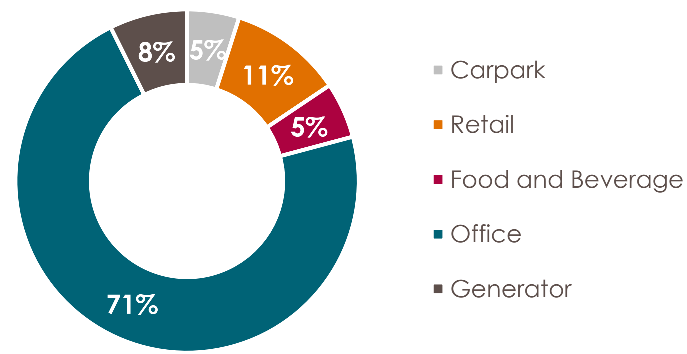
Precinct

Earnings quality

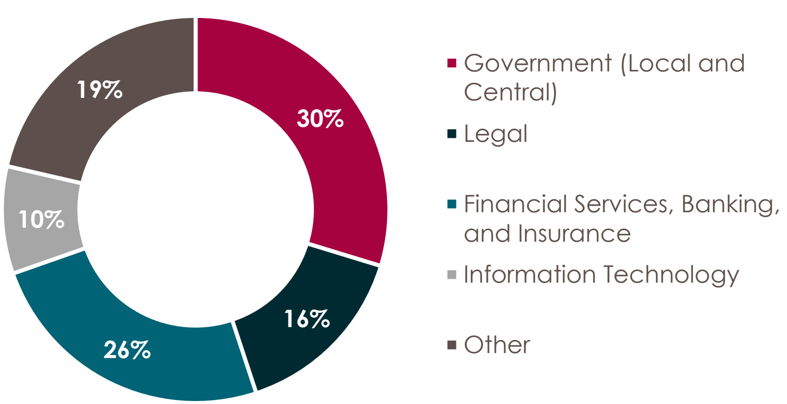
Precinct's well-located assets, high occupancy, quality client base, and long WALT gives confidence that our strategy will continue to deliver

- Just **5.1%** of portfolio by income is subject to expiry over the next 12 months
- Precinct portfolio's exposure to **structured rent reviews** provides secure cashflow
  - **98%** of portfolio subject to review event in 2022 of which **12%** are market rent reviews

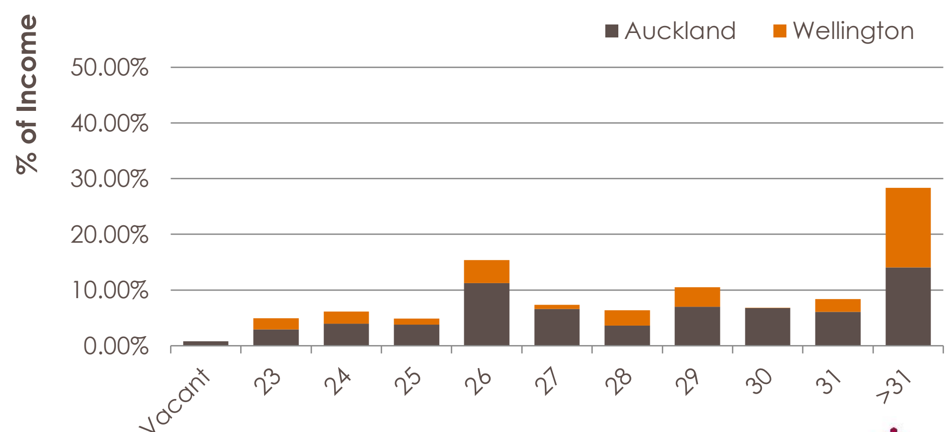
Gross revenue by asset class



Office Revenue by Industry



Office lease expiry profile



The investment portfolio statistics include assets held for sale

Section 4

Developments

Artist Impression – 1 Queen Street rooftop terrace

Key highlights

$854m
Total project cost

$1.0b
Total value on completion

c. 20%
Forecast blended return on cost

c. 6.0%
Forecast blended yield on cost (fully let)

c. 64,000m²
Total NLA on completion

54%
Weighted to Auckland

c. 77%
Pre-committed

c. 16 years
Secured WALT[1]

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

Site progress – Deloitte Centre

Development update

- 30 Waring Taylor successfully completed and opened in FY22 with occupancy to date ahead of expectation
- Committed developments currently total ~64,000m² across six sites with a total project cost of $854m and a blended yield on cost of 6.0%
- Current developments benefit from significant levels of pre-leasing secured to date. Leasing discussions advancing well for 124 Halsey
- Anticipate to complete four sites in Wellington over the next twelve months
- Uncommitted opportunities total $257m of which $114m (117 Pakenham) is expected to be committed during the next period

Development	TPC	NLA	% pre-let	Secured WALT	Completion
40 Bowen	$90 m	9,800 m²	95%	10 years	Q2-FY23
44 Bowen	$106 m	11,500 m²	100%	13 years	Q4-FY23
Willis Lane (Retail)	$34 m	2,800 m²	71%	10 years	Q4-FY23
Bowen House	$155 m	14,300 m²	100%	15 years	Q4-FY23
Deloitte Centre	$312 m	14,200 m² (plus hotel)	86%	19 years*	Q2-FY24
124 Halsey	$157 m	11,400 m²	-	-	Q2-FY25
Total	**$854 m**	**64,000 m²**	**77%**	**16 years***	

Artist Impression – Deloitte Centre


Artist Impression – 117 Pakenham

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

Bowen Campus Stage 2

- 96% pre-committed overall with only one part floor tenancy remaining available for lease
- Construction progressing well on both sites
  - **40 Bowen** – atrium glazing and fitouts nearing completion. Building due to open 6 October 2022
  - **44 Bowen** – superstructure advancing with façade install and first-fix services underway to Level 5. Practical Completion on track for June 2023

c. 32%
Forecast return on cost

c. 6.6%
Forecast yield on cost

Precinct

Deloitte Centre (1 Queen Street)

- Façade installation to hotel floors nearing completion. Works remain on track to complete in 2023 despite extended Covid disruptions during the period
  - **Commercial** – 14,200m^2 premium grade office (incl. two levels of private office suites) and 800m^2 of F&B and retail amenities
  - **Hotel** – 139-room InterContinental hotel to complete in Q3-2023 in advance of the peak summer trading period

c. 22%

Forecast return on cost (stabilised)

c. 6.2%

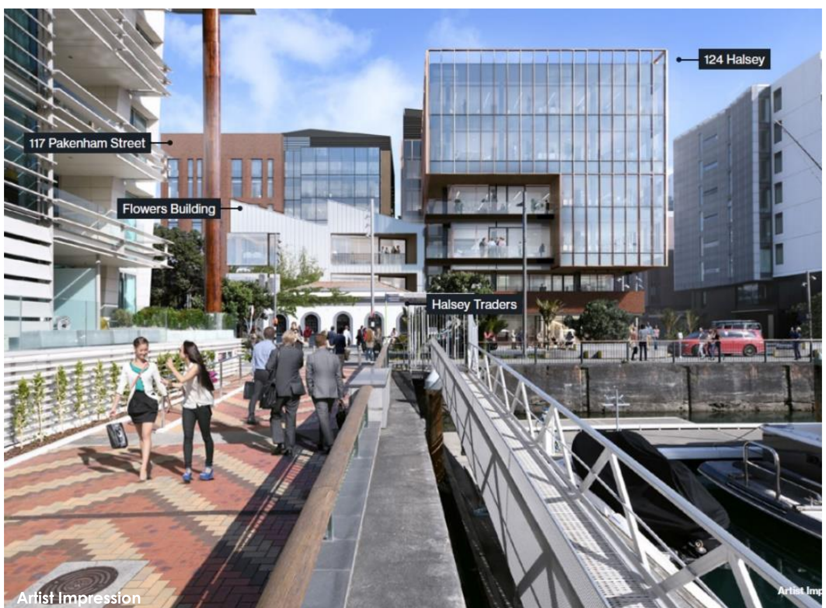
Forecast yield on cost (stabilised)

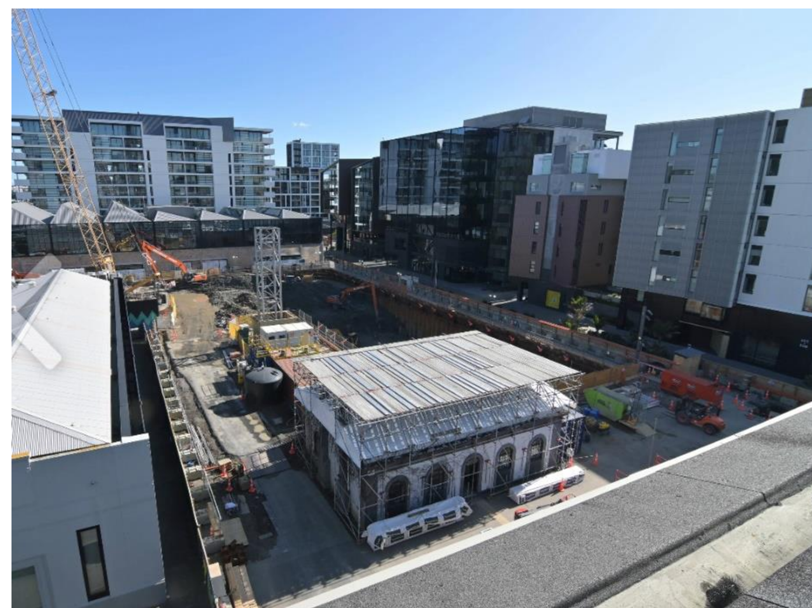
Wynyard Quarter Stage 3

- Committed to 124 Halsey and the Flowers Building in Dec-21 (combined 11,400m^2)
- Ground works progressing well with excavation nearing completion. Completion remains targeted for late 2024
- Leasing discussions advancing well. With significant leasing interest in premium grade, new waterfront assets

c. 15%
Forecast return on cost

c. 5.7%
Forecast yield on cost





Other developments

Bowen House
(committed)

- Refurbishment and seismic upgrade works advancing
- ATL in place to Parliamentary Service with a new 15-year term on completion of works

Willis Lane
(committed)

- Entertainment anchor (71% of NLA) secured during the period with a further 7% of NLA subject to key terms agreed
- Due to complete mid-2023

Freyberg Building
(uncommitted)

- Preliminary Design completed for ~15,000m^2 NLA scheme adjacent to the new National Archives on Aitken Street
- Pre-leasing to commence in the next period

Section 5

Outlook

Outlook

- Economy slowing due to higher interest rates and a constrained labour market
- Rising interest rates placing pressure on valuations
- Extent of impact will depend on:
  - quality and location of portfolio
  - whether rental growth can be achieved to offset impact
- Precinct well placed through this phase due to:
  - ability to create value through development active management
  - investing alongside capital partners

Appendices

App 1: Operating income

For the 12 months ended $m	30 June 2022	30 June 2021	Δ
AON Centre - AKL	$11.1 m	$11.5 m	($0.4 m)
HSBC Tower	$18.2 m	$17.8 m	+ $0.4 m
PWC Tower	$24.8 m	$18.3 m	+ $6.5 m
Commercial Bay Retail	$14.4 m	$13.2 m	+ $1.2 m
Jarden House	$6.0 m	$5.6 m	+ $0.4 m
Mason Brothers	$2.4 m	$2.4 m	+ $0.0 m
12 Madden Street	$4.5 m	$4.5 m	+ $0.0 m
Auckland total	**$81.4 m**	**$73.4 m**	**+ $8.0 m**
NTT Tower	$7.9 m	$7.2 m	+ $0.7 m
AON Centre - WGN	$11.2 m	$10.5 m	+ $0.7 m
Bowen Campus	$12.8 m	$13.8 m	($1.0 m)
No 1 The Terrace	$6.3 m	$6.4 m	($0.1 m)
Mayfair House	$3.8 m	$4.1 m	($0.3 m)
Wellington total	**$42.0 m**	**$42.1 m**	**($0.1 m)**
Investment portfolio	**$123.4 m**	**$115.4 m**	**+ $8.0 m**
Transactions and Developments			
204 Quay Street	$2.7 m	$0.5 m	+ $2.2 m
10 Madden Street	$4.7 m	$2.1 m	+ $2.6 m
Transactions, Developments & Other[1]	$3.6 m	$7.5 m	($3.9 m)
Subtotal	**$134.3 m**	**$125.5 m**	**+ $8.8 m**
Covid-19 Impact	($8.2 m)	($1.1 m)	($7.1 m)
Total net property income	**$126.1 m**	**$124.4 m**	**+ $1.7 m**
Generator	$5.3 m	$6.1 m	($0.8 m)
CBHL	($2.0 m)	($2.8 m)	+ $0.8 m
Operating income before indirect expenses	**$129.4 m**	**$127.7 m**	**+ $1.7 m**

Note 1 – Transactions, Developments & Other comprises 1 Queen Street, Bowen Campus Stage 2, 30 Waring Taylor Street, Bowen House, Freyberg Building and 50% interest in ANZ Centre (sold in prior period)

App 2: Balance sheet

Financial Position as at ($m)	30 June 2022 Audited	30 June 2021 Audited	Δ
Assets			
Development properties	$544.0 m	$232.4 m	+ $311.6 m
Investment properties	$2,549.0 m	$3,076.4 m	($527.4 m)
Investment properties held for sale	$577.2 m	-	+ $577.2 m
Deferred tax asset	-	$7.4 m	($7.4 m)
Right-of-use assets	$28.9 m	$33.2 m	($4.3 m)
Total Assets	**$3,839.1 m**	**$3,456.4 m**	**+ $382.7 m**
Liabilities			
Interest bearing liabilities	$1,275.8 m	$1,096.1 m	+ $179.7 m
Deferred tax liability	$11.4 m	-	+ $11.4 m
Lease liabilities	$52.7 m	$40.3 m	+ $12.4 m
Fair value of derivative financial instruments	$20.5 m	$50.9 m	($30.4 m)
Other	$43.3 m	$48.5 m	($5.2 m)
Total Liabilities	**$1,403.7 m**	**$1,235.8 m**	**+ $167.9 m**
Equity	**$2,435.4 m**	**$2,220.6 m**	**+ $214.8 m**
NIBD to Total Assets	32.5%	30.5%	+ 2.0%
Liabilities to Total Assets - Loan Covenants	34.3%	28.2%	+ 6.1%
Shares on Issue (m)	1,585.4 m	1,458.5 m	+ 126.9 m
Net tangible assets per security	$1.54	$1.52	+ 0.02
Net asset value per security	$1.54	$1.52	+ 0.02

App 3: Investment portfolio overview

Key metrics

	Investment portfolio	Auckland	Wellington
WALT	**7.1 years**	6.4 years	8.4 years
Occupancy	**99%**	98%	100%
Investment Portfolio Value ($m)	**$3,130 m**	$2,211 m	$919 m
Weighted Average Market Cap Rate	**4.9%**	4.7%	5.4%
NLA (m^2)	**268,102 m^2**	153,687 m^2	114,415 m^2

Portfolio metrics

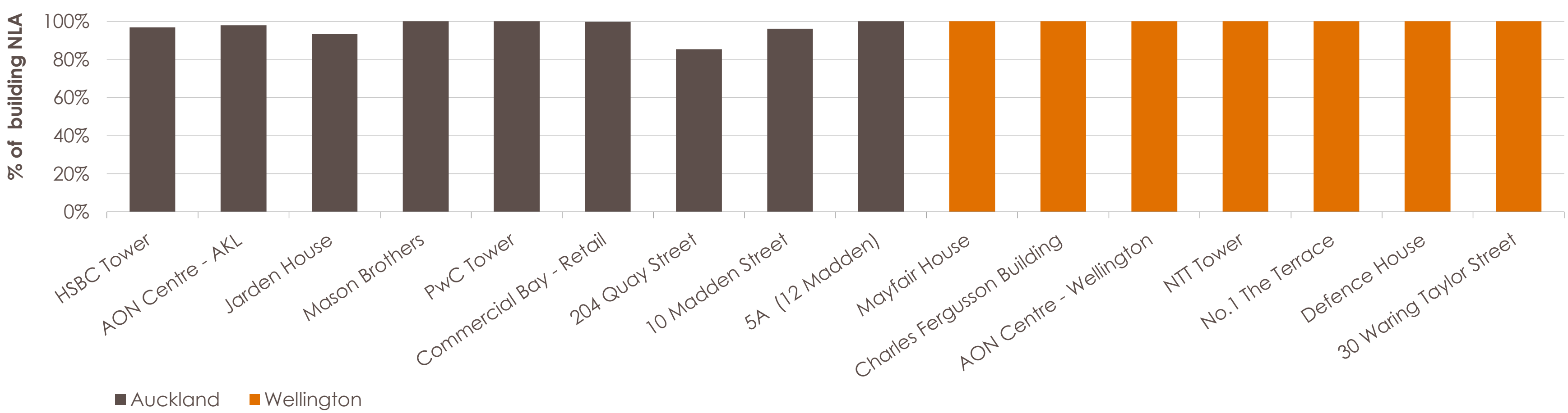
7.1 years

Weighted average lease term

99%

Portfolio occupancy

Occupancy



The investment portfolio statistics include assets held for sale

Precinct

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