KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

ANNUAL RESULT

For the year ended 31 March 2011

KIWI INCOME PROPERTY TRUST

18 May 2011

Chris Gudgeon Chief Executive of Kiwi Income Properties Limited
Gavin Parker Chief Financial Officer of Kiwi Income Properties Limited

Agenda

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

Unless otherwise stated:

1 All statistics as at 31 March 2011 and stated in New Zealand dollars

2 Statistics for the PricewaterhouseCoopers Centre are prepared on a “business as usual” basis

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

Annual result highlights

Annual result presentation for the year ended 31 March 2011

Operating highlights

Financial performance

Distributable profit
$68.8m
↑ 2010 $61.1m

Cash distribution
7.00cpu
↓ 2010 7.50cpu

Operational performance

WALT
4.0 yrs
↓ 2010 4.3 yrs

Occupancy
97.1%
↑ 2010 97.0%

Financial position

Total assets
$2.11b
↑ 2010 $1.98b

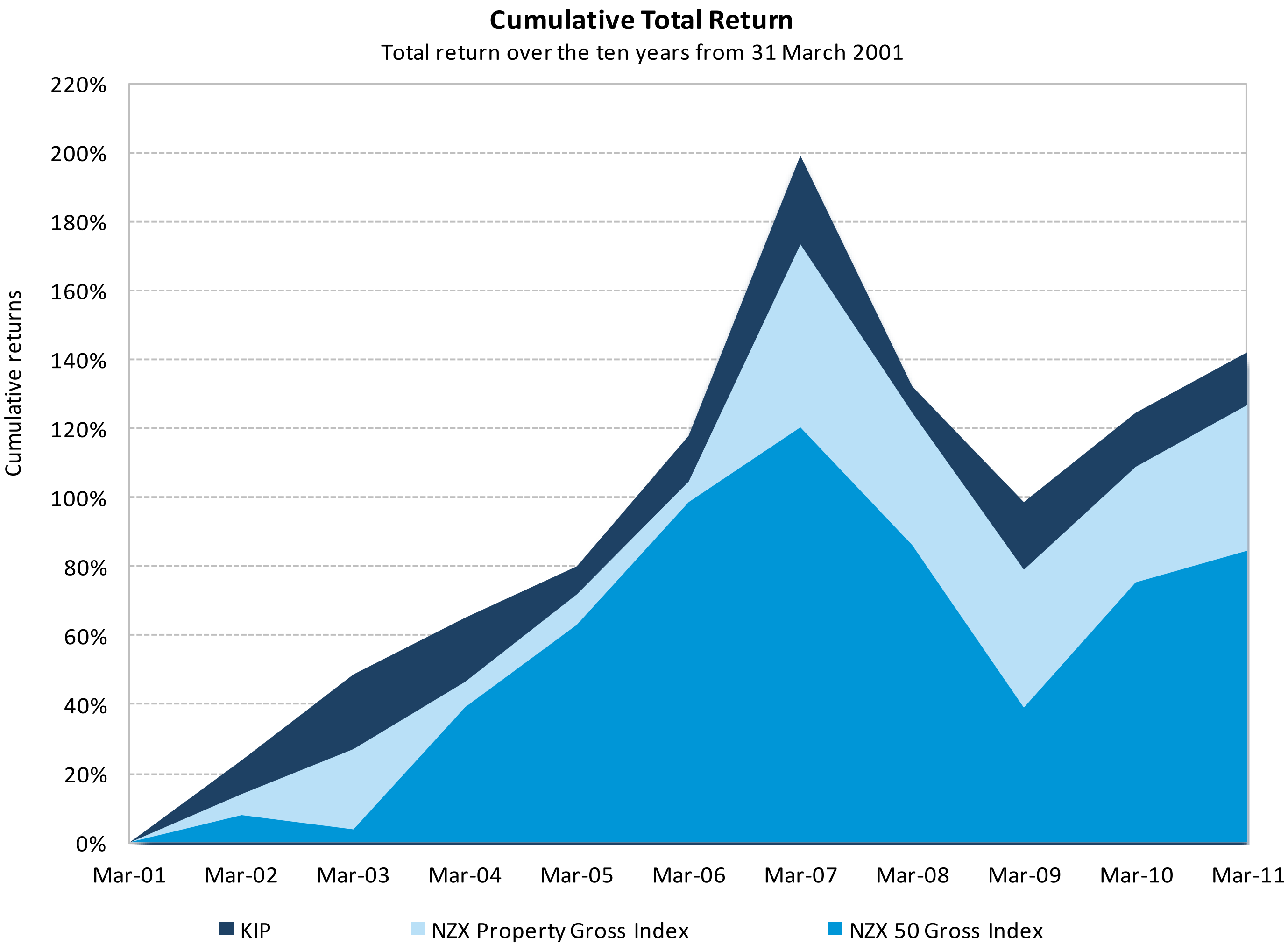
Net debt to total assets
32.7%
↑ 2010 24.4%

Returns

Outperformed key indices over 3 and 5 years

Total Return since inception
9.4% pa

Investment return highlights



Total Returns[1] For the periods to 31-Mar	Annual [%pa]	3 year [%pa cum]	5 year [%pa cum]
KIP [Unit Price $1.00]	**7.8**	**1.4**	**2.1**
NZX 50 Gross Index	5.3	-0.3	-1.5
NZX Property Gross	8.6	0.3	2.1

Over the 10 years from Mar-01 the Trust has:

- Consistently out-performed the two NZX indices over the longer term
- **Provided Unit Holders a 10-year Total Return of 9.2% pa[1] (9.4%[2] since inception)**
  - $1 invested in 2001, would now be worth $2.42 at 31-Mar-11

Source: IRESS

1 Assumes the reinvestment of dividends (but not imputation credits) on the ex-date

2 Return since inception means, the return, including unit price movements and the reinvestment of all cash distributions and imputation credits

Strategic highlights

Strategy / Step	Achieved	Details
Balance sheet protection Maintaining conservative gearing and optimising the cost of capital	✓	▪ Favourably positioned: – Absorbed cyclical decline in asset values – Refinanced $303 million bank debt on favourable terms – Invested counter-cyclically ▪ Net bank debt to total assets ratio 32.7%
Intensively manage assets Maximising income and investment performance	✓	▪ Actively managed assets: – Occupancy improved to 97.1% – Delivered rental growth • Retail investments • Leasing program
Adding value through investment Taking advantage of value added opportunities at the bottom of the property cycle	✓	▪ Enhancing Unit Holder returns: – Acquisition of LynnMall Shopping Centre ($174m) – ASB North Wharf (~$126m) – Sylvia Park Plan Change approval

LynnMall purchased for $174m

Portfolio statistics	At acquisition	At 31-Mar-11
Purchase price / value	$174m	$175m
Occupancy	99.6%	100.0%
Weighted average lease term	3.0 years	2.9 years
Moving annual turnover	$216m	$217m
Specialty GOC ratio	14.6%	14.5%

Financial review

Annual result presentation for the year ended 31 March 2011

Financial performance

Financial performance For the year ended	31-Mar-11 [$m]	Restated[1] 31-Mar-10 [$m]	Variance [$m]	 [%]
Gross rental income	191.6	186.9	*+4.7*	*+2.5*
Property operating expenditure	-53.8	-53.2	*-0.6*	*-1.1*
Net rental income	**137.8**	**133.7**	***+4.1***	***+3.1***
Net interest expense[2]	-48.2	-47.7	*-0.5*	*-1.0*
Manager's fees	-10.4	-9.7	*-0.7*	*-7.2*
Other expenses	-2.8	-2.9	*+0.1*	*+3.4*
Operating expenditure	**-61.4**	**-60.3**	***-1.1***	***-1.8***
Operating profit before tax	**76.4**	**73.4**	***+3.0***	***+4.1***
Property revaluations [fair value change]	-82.4	-74.7	*-7.7*	*-10.3*
Interest rate derivatives [fair value change]	-11.2	4.0	*-15.2*	*-380.0*
Other non-operating items	-1.1	-2.7	*+1.6*	*+59.3*
Loss before tax	**-18.3**	**0.0**	***-18.3***	***-100.0***
Tax expense[1]	-8.1	-8.5	*+0.4*	*+4.7*
Loss after tax[1]	**-26.4**	**-8.5**	***-17.9***	***-210.6***

1 Due to an amendment to NZ IAS 12 – Income Taxes, the 31 March 2010 deferred tax benefit/(expense), and consequently the loss after tax was restated by $3.9 million. The loss after tax was previously $12.4 million

2 Shown net of interest income and interest capitalised

Distributable profit

Distributable profit For the year ended	31-Mar-11 [$m]	31-Mar-10 [$m]	Variance [$m]	 [%]
Operating profit before tax	76.4	73.4	*+3.0*	*+4.1*
Non-cash rental adjustments[1]	1.0	-1.6	*+2.6*	*+162.5*
Distributable profit before tax	77.4	71.8	*+5.6*	*+7.8*
Current tax expense	-8.6	-10.7	*+2.1*	*+19.6*
Distributable profit after tax	**68.8**	**61.1**	***+7.7***	***+12.6***

Distributions [cpu]

Distributable profit after tax[2]	*7.07*	*7.59*	*-0.52*	*-6.9*
Cash distributions paid	*7.00*	*7.50*	*-0.50*	*-6.7*
Imputation credits	*0.88*	*1.33*	*-0.45*	*-33.8*
Gross distributions paid	*7.88*	*8.83*	*-0.95*	*-10.8*
Distribution reserve [$m]	*12.2*	*11.6*	*+0.6*	*+5.2*

1 Includes rental income resulting from straight-lining of fixed rental increases and other non-cash rental income adjustments
2 Calculated using the number of units on issue at the distribution payment dates

Financial position

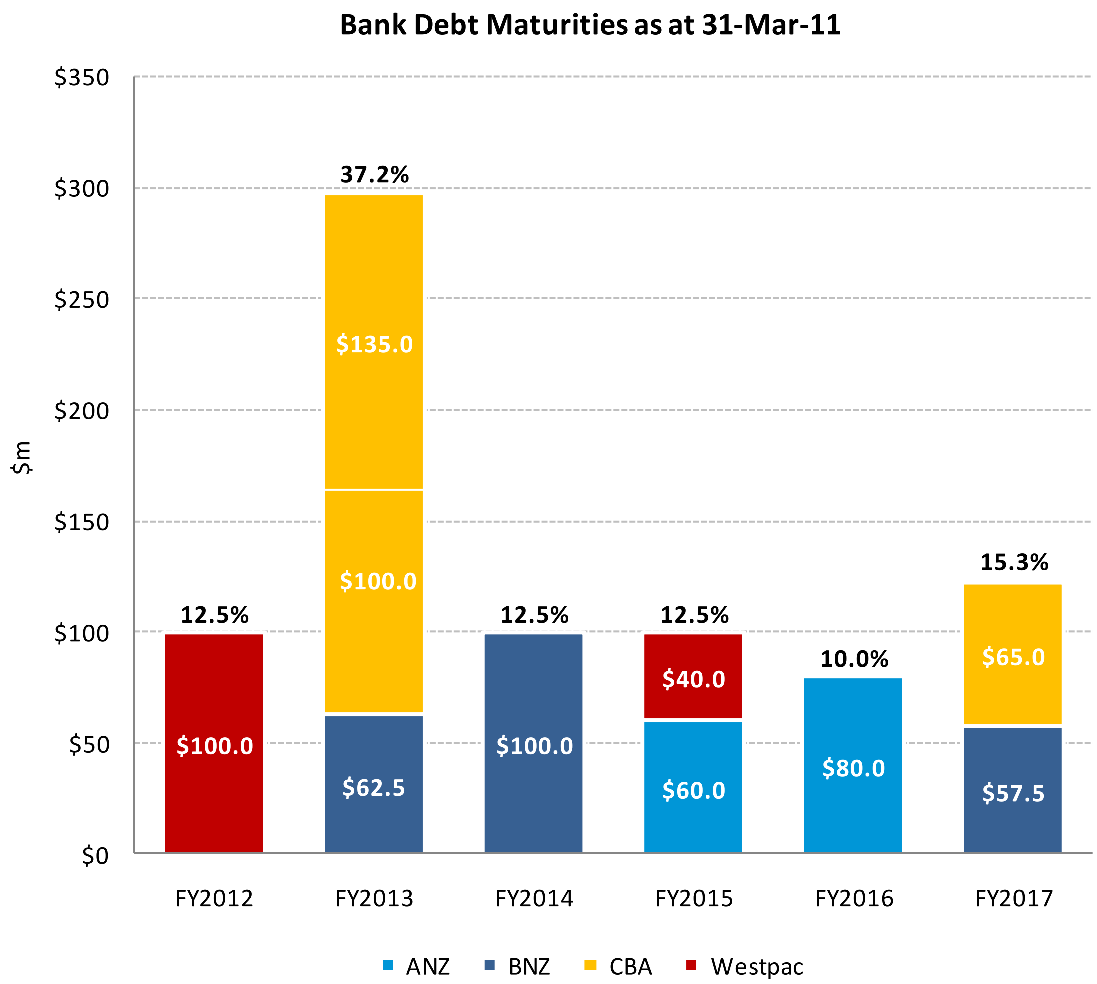
Financial position As at	31-Mar-11 [$m]	Restated[1] 31-Mar-10 [$m]	Movement [$m]	 [%]
Assets				
Property assets	1,984.7	1,848.7	*+136.0*	*+7.4*
Cash on deposit	107.3	117.8	*-10.5*	*-8.9*
Other assets	20.6	18.3	*+2.3*	*+12.6*
Total assets	**2,112.6**	**1,984.8**	***+127.8***	***+6.4***
Liabilities				
Secured bank debt	759.0	571.0	*+188.0*	*+32.9*
Mandatory convertible notes	117.6	261.7	*-144.1*	*-55.1*
Deferred tax liability[1]	99.6	97.5	*+2.1*	*+2.2*
Other liabilities	93.5	66.0	*+27.5*	*+41.7*
Total liabilities	**1,069.7**	**996.2**	***+73.5***	***+7.4***
Unit holder funds[1]	**1,042.9**	**988.6**	***+54.3***	***+5.5***
Net bank debt to total assets[2]	*32.7%*	*24.4%*		*+8.3%*
Trust Deed gearing *[requirement <40%][3]*	*35.9%*	*28.8%*		*+7.1%*
Net tangible asset backing	*$1.07*	*$1.22*	*-$0.15*	*-12.3%*

1 Due to an amendment to NZ IAS 12 – Income Taxes during the year, the FY10 deferred tax liability was restated by $80.1 million (with a corresponding entry to retained earnings) to reflect the reversal of deferred tax on revaluation gains and deductible capitalised costs which are no longer required to be provided for. The deferred tax liability was previously $177.6 million

2 Calculated as secured bank debt less $102.0 million (2010: $113.8 million) MCN proceeds over total assets (excluding MCN proceeds on deposit)

3 Calculated as secured bank debt over total assets

Bank debt profile



Bank facilities	31-Mar-11	31-Mar-10
Bilateral facilities	$800m	$800m
Balance drawn	$759m	$571m
Balance undrawn	$41m	$229m
Cash on deposit	$107m	$118m
Weighted cost of debt [incl. margins & fees]	6.71%	7.07%
Weighted term to maturity	2.4 years	1.9 years
Key covenants		
Interest cover ratio[1] [Requirement >2.25 times]	3.71 times	3.73 times
Debt to total assets [Requirement <40%]	35.9%	28.8%

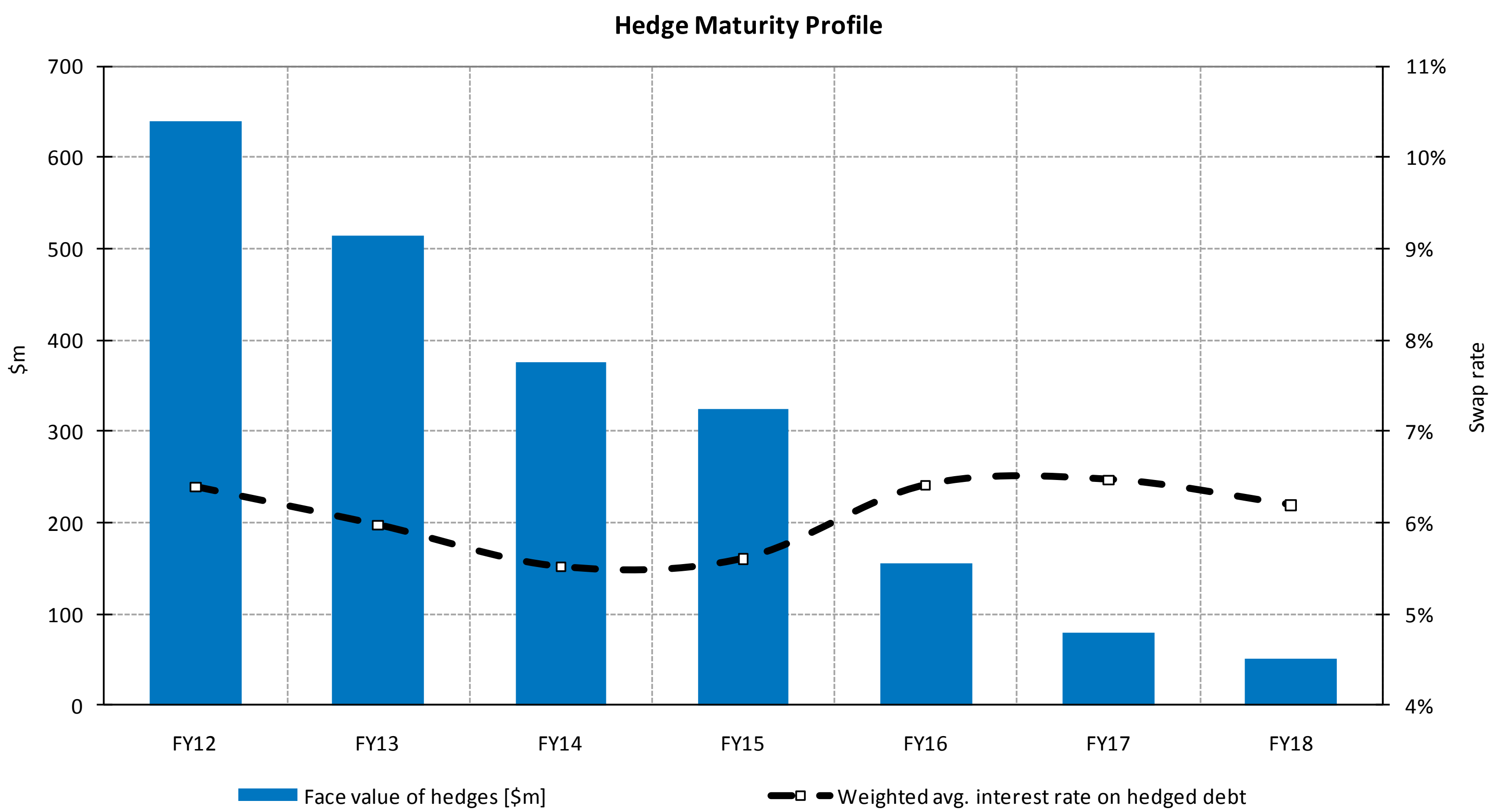
Post the reporting period, debt facilities have been increased by $50 million. New facilities are as follows:

- $25m expiring Apr-14 with Westpac
- $25m expiring Apr-15 with ANZ

1 Calculated as net rental income over net interest expense (excluding MCN interest)

Interest rate hedging profile

Hedging profile	31-Mar-11	31-Mar-10
Percentage of drawn debt hedged [fixed rate]	84%	94%
Weighted average interest rate on hedged debt [excl margin and fees]	6.20%	6.67%
Weighted average term to maturity of interest rate hedges	3.1 years	3.1 years

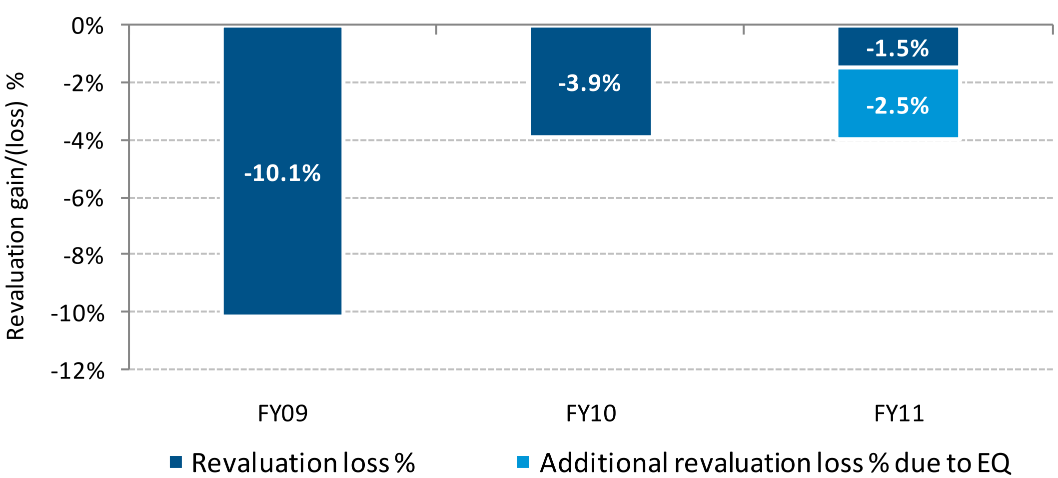


Property portfolio performance

Annual result presentation for the year ended 31 March 2011

Stabilising valuations

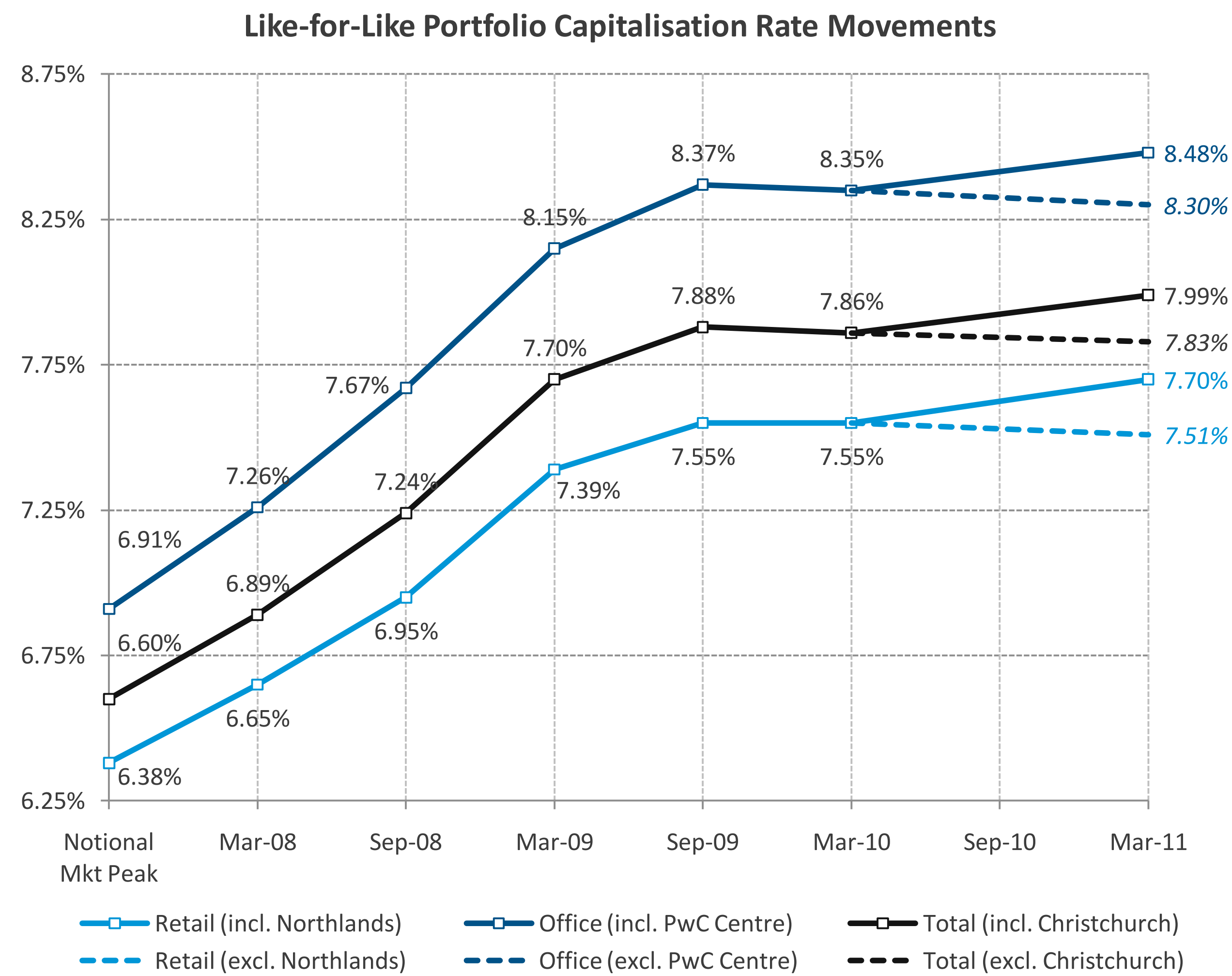
	Net revaluations		NTA impact
	[$m]	[%]	[$pu]
FY09	-215.1	-10.1	-0.30
FY10	-74.7	-3.9	-0.09
FY11 [excl EQ impacted assets]	-30.3	-1.5	-0.03
Total [excl EQ impacted assets]	-320.1	-15.5	-0.42
FY11 [EQ impacted assets]	-52.1	-2.5	-0.05
Total [incl EQ impacted assets]	-372.2	-18.0	-0.47



- The total portfolio write-down for FY11 was $82.4 million
  - $52.1 million due to earthquake impacts in Christchurch
  - $30.3 million from the balance of portfolio, but principally office assets
- The overall value of the property portfolio now stands at $1.98 billion
- Since March 2008, total portfolio write-down after capex, asset sales and other adjustments, is $372.2 million (~18%), which equates to an NTA impact of -$0.47 per unit
- The NTA impact increases to -$0.55 cents per unit after taking into account the non-cash fair value movement of interest rate derivatives

Underlying cap rates continue to stabilise

- Capitalisation rates softened ~128 bps from the market peak, estimated at Q3 2007, through to September 2009
- The easing appeared to have reached a cyclical high at this time with the March 2010 valuations indicating almost no weighted cap. rate movement
- The Christchurch earthquake has impacted on the March 2011 value of the Trust's assets in that city and this has led to a marked softening in the weighted cap rate across the investment portfolio
- If the Christchurch assets are excluded, the weighted cap rate again shows a slight firming since the last valuation round
- Recent declines in value have been driven by a more conservative income outlook, particularly across the office portfolio



1 The 'Notional Market Peak' occurred in the 3rd Quarter 2007, between the Trust's reporting period and as such the cap rates are extrapolated numbers

2 Mar-11 data excludes LynnMall Shopping Centre as this is a like-for-like analysis

Summary of valuations

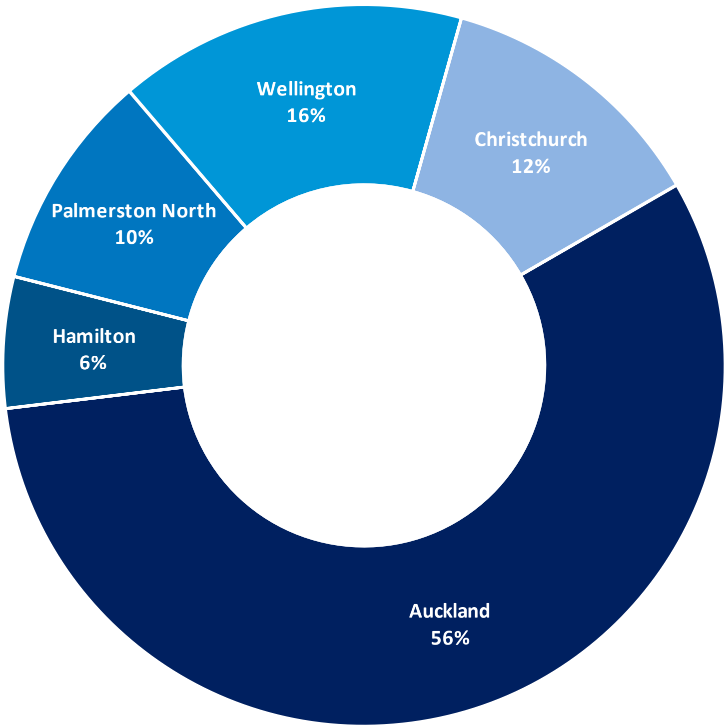
Portfolio / property (excl	Capitalisation rate			Value	Gain/loss in value	
	31-Mar-11	31-Mar-10	+/- bps	[$m]	[$m]	[%]
Sylvia Park	**6.75%**	6.88%	-13	**474.0**	*+22.7*	*+5.0*
LynnMall	**8.00%**	-	-	**175.0**	*+0.3*	*+0.2*
Centre Place	**9.50%**	9.13%	+37	**87.0**	*-9.4*	*-9.8*
Downtown Plaza	**10.25%**	10.00%	+25	**21.5**	*-0.3*	*-1.2*
The Plaza	**7.50%**	7.50%	-	**192.0**	*-6.3*	*-3.2*
North City	**8.75%**	8.75%	-	**103.0**	*-1.0*	*-1.0*
Total: Retail (excl. Northlands)	**7.59%**	**7.56%**	**+3**	**1,052.5**	***+6.0***	***+0.6***
Northlands	**8.50%**	7.50%	+100	**207.0**	*-31.3*	*-13.1*
Total: Retail	**7.74%**	**7.55%**	**+19**	**1,259.5**	***-25.3***	***-2.0***
Vero Centre	**7.75%**	7.75%	-	**259.1**	*-7.8*	*-2.9*
National Bank Centre	**9.00%**	8.75%	+25	**94.0**	*-5.8*	*-5.8*
21 Pitt Street	**8.38%**	8.88%	-50	**49.0**	*-2.8*	*-5.4*
The Majestic Centre	**8.50%**	8.50%	-	**101.0**	*-2.6*	*-2.5*
Unisys House	**8.75%**	8.75%	-	**69.7**	*-10.3*	*-12.9*
44 The Terrace	**8.75%**	8.75%	-	**27.7**	*-2.8*	*-9.4*
50 The Terrace	**9.25%**	9.75%	-50	**6.3**	*-0.2*	*-2.9*
Total: Office (excl. PricewaterhouseCoopers)	**8.30%**	**8.31%**	**-1**	**606.8**	***-32.3***	***-5.1***
PricewaterhouseCoopers Centre	**12.00%**	8.88%	+312	**32.0**	*-20.8*	*-39.4*
Total: Office	**8.48%**	**8.35%**	**+13**	**638.8**	***-53.1***	***-7.7***
Total: Investment portfolio (excl. ChCh)	**7.85%**	**7.88%**	**-3**	**1,659.3**	***-26.3***	***-1.6***
Total: Investment portfolio (incl. ChCh)	**7.99%**	**7.86%**	**+13**	**1,898.3**	***-78.5***	***-4.0***
Other properties[1]				**86.4**	*-3.9*	*-4.4*
Total: Portfolio (excl. Chch)				**1,745.7**	***-30.3***	***-1.7***
Total: Portfolio (incl. Chch)				**1,984.7**	***-82.4***	***-4.0***

1 Includes development land, investment property under construction and adjoining properties

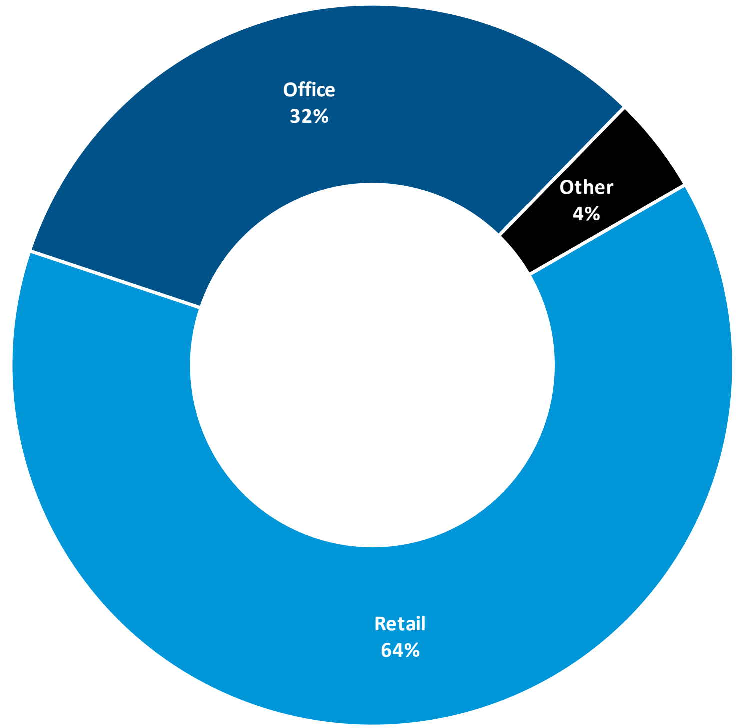
Weighting increased to Auckland and retail

By value	Auckland	Wellington	Christchurch	Palmerston North	Hamilton	TOTAL [% total by sector] FY11	TOTAL [% total by sector] FY10
Retail	33%	6%	10%	10%	5%	**64%**	**60%**
Office	20%	10%	2%	-	-	**32%**	**37%**
Other	3%	-	-	-	1%	**4%**	**3%**
TOTAL [% Total by region] FY11	**56%**	**16%**	**12%**	**10%**	**6%**	**100%**	
TOTAL [% Total by region] FY10	**49%**	**17%**	**16%**	**11%**	**7%**		

Geographic Diversification (by value)



Sector Diversification (by value)



NOI growth driven from retail strategies

Net operating income[1] For the year ended	31-Mar-11 [$000]	31-Mar-10 [$000]	Variance [$000]	Variance [%]
Sylvia Park	30,182	27,680	*+2,502*	*+9.0*
LynnMall	3,662	-	*+3,662*	*+100.0*
Centre Place	9,093	10,416	*-1,323*	*-12.7*
The Plaza	13,522	6,891	*+6,631*	*+96.2*
North City	8,039	8,832	*-793*	*-9.0*
Northlands	15,838	16,799	*-961*	*-5.7*
Total: Retail	**80,336**	**70,618**	***+9,718***	***+13.8***
Vero Centre	19,216	20,770	*-1,554*	*-7.5*
National Bank Centre	8,113	8,361	*-248*	*-3.0*
21 Pitt Street	5,160	4,556	*+604*	*+13.3*
The Majestic Centre	8,750	8,608	*+142*	*+1.6*
Unisys House	6,971	6,893	*+78*	*+1.1*
44 The Terrace	2,706	2,735	*-29*	*-1.1*
50 The Terrace	645	626	*+19*	*+3.0*
PricewaterhouseCoopers Centre	4,140	4,489	*-349*	*-7.8*
Sold properties	-	847	*-847*	*-100.0*
Total: Office	**55,701**	**57,885**	***-2,184***	***-3.8***
Total: Other properties	**2,654**	**3,491**	***-837***	***-24.0***
Total: Portfolio	**138,691**	**131,994**	***+6,697***	***+5.1***

Retail NOI

- Growth driven by:
  - Full year's income from the redeveloped Plaza Shopping Centre
  - Acquisition of LynnMall
  - Continued strong performance at Sylvia Park
- Centre Place adversely impacted by competition and increased vacancy ahead of redevelopment
- North City and Northlands impacted by lease renewal programs occurring at a time of subdued sales and increased competition

Office NOI

- Adversely impacted by continued vacancy at the Vero Centre

1 Excludes rental income resulting from straight-lining of fixed rental increases and other non-cash rental income adjustments

Rental uplift of 2.2% achieved on prior rent

Portfolio	[No.]	NLA [sqm]	Uplift over prior passing rent		
			[$000]	[%]	[CAGR]
NEW LEASES AND RENEWALS					
Retail	112	14,130	-642	-6.4	n/a
Office	47	40,231	-310	-2.4	n/a
Total: New leases and renewals	**159**	**54,361**	**-1,092**	**-4.2**	**n/a**
RENT REVIEWS					
Retail	470	87,337	2,172	3.9	3.9
Office	36	43,218	761	5.7	2.3
Total: Rent reviews	**506**	**130,556**	**2,933**	**4.3**	**3.3**
TOTAL LEASING ACTIVITY	**665**	**184,917**	**1,841**	**2.2**	**n/a**

Excludes development leasing

Portfolio over-renting

- The over-renting for the portfolio based on valuation reports at year end is as follows:

Portfolio	Over-renting
Retail	1.0%
Office	7.2%
Total portfolio	3.0%

Occupancy remains >97% and WALT 4.0 years

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Portfolio / Property	NLA [sqm]	Occupancy [%] FY11	Occupancy [%] FY10	WALT [Years] FY11	WALT [Years] FY10
Sylvia Park	71,277	100.0%	100.0%	3.7	4.4
LynnMall	31,413	100.0%	n/a	2.9	n/a
Centre Place	14,815	84.4%	93.3%	2.2	2.2
Downtown Plaza	6,137	81.2%	100.0%	1.7	2.8
The Plaza	32,425	100.0%	97.3%	5.3	6.3
North City	25,734	98.2%	96.9%	3.3	3.0
Northlands	42,307	99.6%	99.7%	4.9	4.8
Total: Retail	**224,108**	**98.2%**	**98.6%**	**3.8**	**4.3**
Vero Centre	39,490	95.0%	91.0%	4.7	5.4
National Bank Centre	26,141	90.2%	86.8%	4.1	2.5
21 Pitt Street	17,215	100.0%	100.0%	8.8	4.0
The Majestic Centre	24,387	100.0%	100.0%	4.4	5.4
Unisys House	22,158	98.6%	100.0%	2.5	3.5
44 The Terrace	10,109	92.0%	100.0%	3.2	2.3
50 The Terrace	2,442	100.0%	100.0%	3.2	1.8
PricewaterhouseCoopers Centre	16,082	92.2%	96.6%	3.2	2.9
Total: Office	**158,024**	**95.6%**	**95.2%**	**4.5**	**4.2**
Total: Portfolio	**382,132**	**97.1%**	**97.0%**	**4.0**	**4.3**

Credible sales result in flat trading conditions

Total sales by centre	FY11 [$m]	FY10 [$m]	Variance [%]
Sylvia Park	415.3	404.6	+2.6
LynnMall (three months only)	49.5	-	n/a
Centre Place	83.9	101.1	-17.0
The Plaza	185.6	131.5	+41.2
North City	97.8	97.8	0.0
Northlands	324.2	314.2	+3.2
Total portfolio	**1,156.3**	**1,049.2**	**+10.2**

Like-for-like sales by category	FY11 [$m]	FY10 [$m]	Variance [%]
Supermarkets	308.5	307.7	+0.3
Department and discount department stores	127.7	125.3	+1.9
Cinemas	16.0	17.2	-6.6
Mini-majors	74.6	79.7	-6.4
Specialty – food	70.3	68.0	+3.3
Specialty – fashion	151.1	153.0	-1.2
Specialty – other	120.6	122.8	-1.8
Commercial services	57.3	59.5	-3.7
Total portfolio	**926.1**	**933.2**	**-0.8**

Portfolio sales

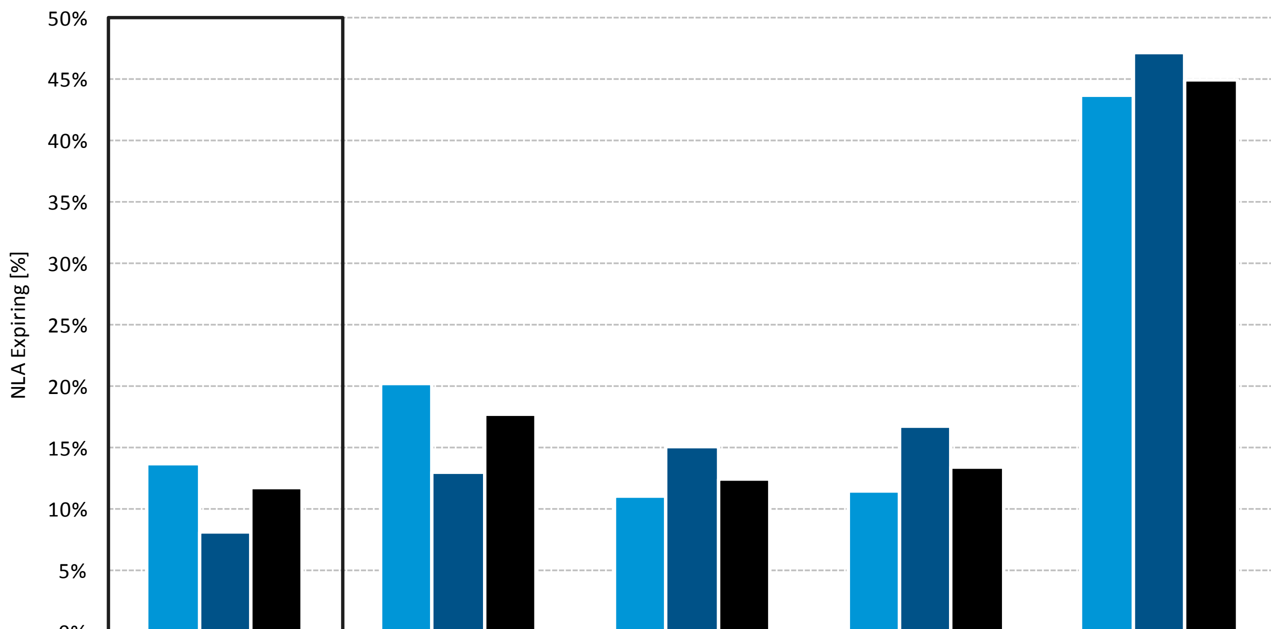
- Total sales up 10.2%
  - The Plaza +41% with first full year's trade since redevelopment
  - Sylvia Park specialty retail +6.8%
  - Northlands March 2011 sales +37%
  - Excluding LynnMall sales the increase is +5.5%
- Like-for-like sales have declined 0.8%
  - Tougher trading conditions for discretionary spend categories
  - Impact of competing centres on Centre Place
  - Excluding Centre Place like-for-like sales increased for the balance of the portfolio

Specialty gross occupancy cost (GOC)

- The specialty GOC ratio has improved from 14.7% to **14.1%**
  - Reflects good sales performance from retailers at The Plaza following redevelopment

Portfolio expiries remain well spread

Lease Expiry Profile (by gross income)



	<=FY12	FY13	FY14	FY15	FY16+
Retail	13.7%	20.3%	11.0%	11.5%	43.7%
Office	8.1%	13.0%	15.1%	16.7%	47.1%
TOTAL	11.6%	17.7%	12.4%	13.3%	44.9%

Key expiries forthcoming: Office

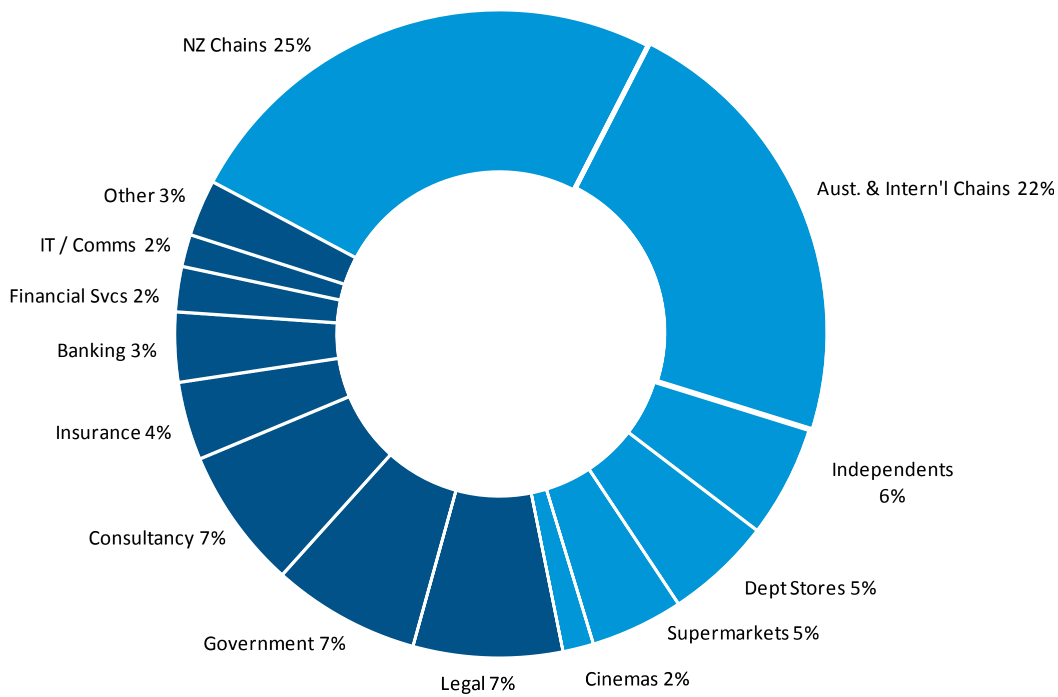
FY	Property	Tenant	NLA [sqm]
12	Natl Bank Centre	ANZ National Bank	2,061
12	PwC Centre	Beca	2,139
13	Unisys House	Crown Law	4,806
13	Vero Centre	Russell McVeagh	7,452
14	Unisys House	Department of Labour	9,345
14	44 The Terrace	Commerce Commission	2,677
14	Natl Bank Centre	ANZ National Bank	5,846

Key expiries forthcoming: Retail

FY	Property	Tenant	NLA [sqm]
12	Centre Place	Event Cinemas	2,726
12	LynnMall	Farmers	4,913
12	LynnMall	~43 specialty stores	~8,400
13	Sylvia Park	~110 specialty stores	~12,000
13	North City	Farmers	4,589
14	Northlands	Hoyts Cinemas	2,875

Tenant mix remains well diversified

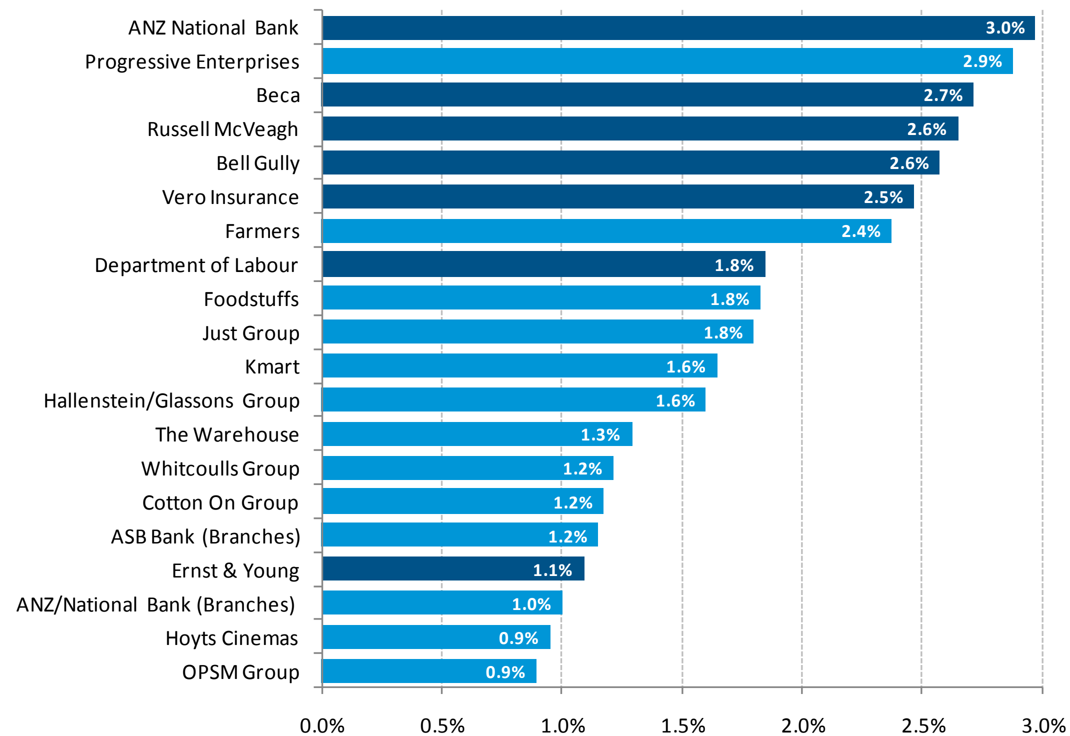
Tenant Diversification (by gross income)



Analysis of Property Portfolio [Total Tenants : 940]

Portfolio	No. Tenants	NLA	Gross income
Retail ■	84%	59%	64%
Office ■	16%	41%	36%
Top 20 tenants	2%	48%	36%

Top 20 Tenants (by gross income)



Strategic initiatives

Annual result presentation for the year ended 31 March 2011

Started construction of ASB's new head office

Project statistics

Development budget	**$126.2m**
Target initial yield	**8.5%**
Net lettable area	**21,400 sqm**
ASB lease term	**18 years**
Preliminary works started	**January 2011**
Construction commenced	**April 2011**
Project completion	**June 2013**

Images of ASB's new head office

Enhancing the retail portfolio

Sylvia Park

- Auckland Council approved the Trust's plan change application in September. This allows:
  - An increase in gross floor area (GFA) from 148,000 sqm to 250,000 sqm (included within this is an increase in allowance for retail and entertainment activities from 75,000 sqm to 130,000 sqm). The existing shopping centre has a GFA of 72,500 sqm
  - Increased height limits
- The successful conclusion of this plan change was an important and necessary step in the long-term strategic planning for the Trust's most valuable asset

Centre Place

- Approval given to:
  - Upgrade existing foodcourt
  - Create new dining lane
- The Trust will also work with the Hamilton City Council on a number of initiatives to improve accessibility to and utilisation of the Centre Place carpark

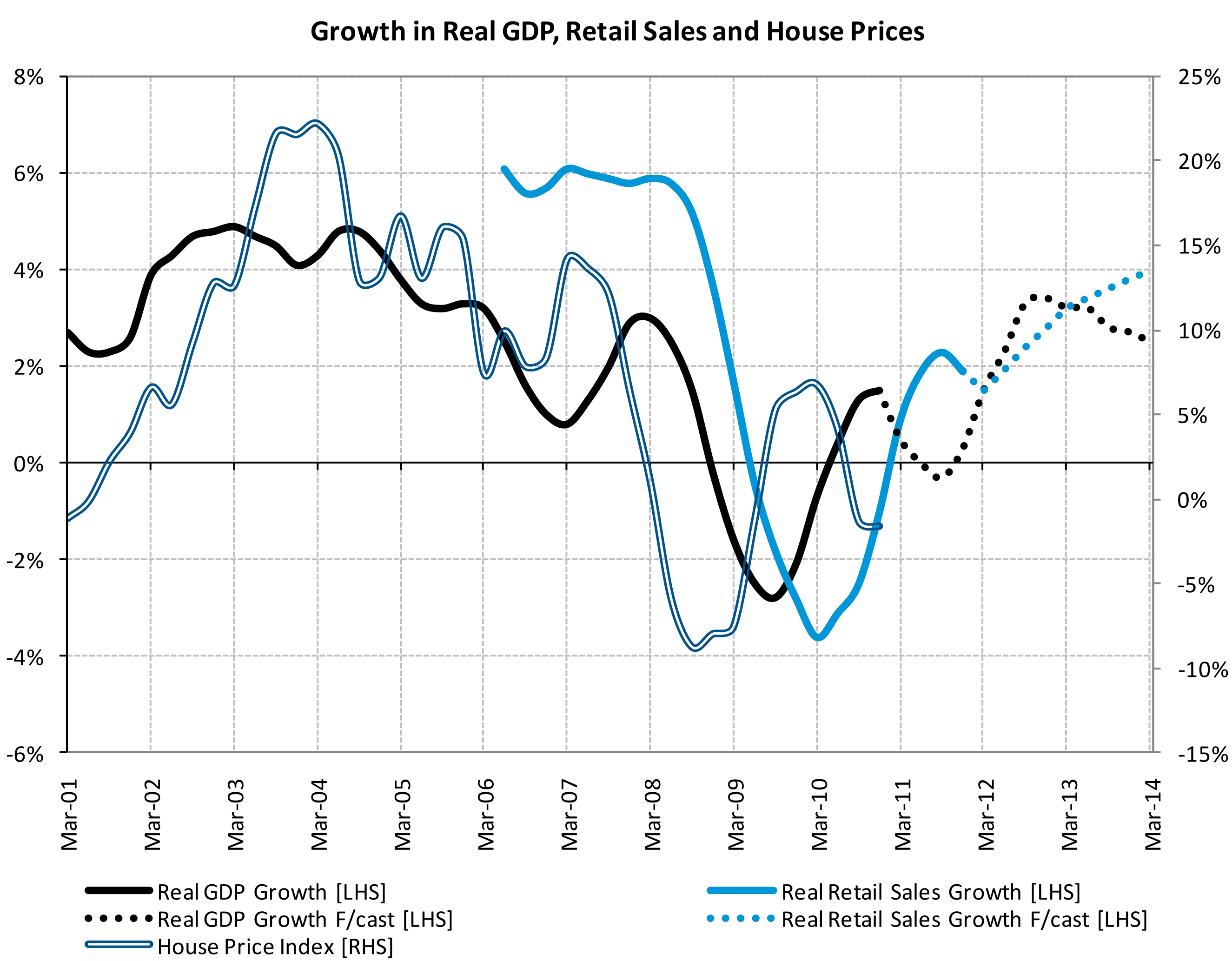
Key statistics

Budget	$10.0 million
Construction period	Apr-11 to Sep-11
Target initial yield	~8.5%
New dining lane	6 cafes / restaurants
Expanded foodcourt	10 operators 450 seats
% leased	62%

External environment

Annual result presentation for the year ended 31 March 2011

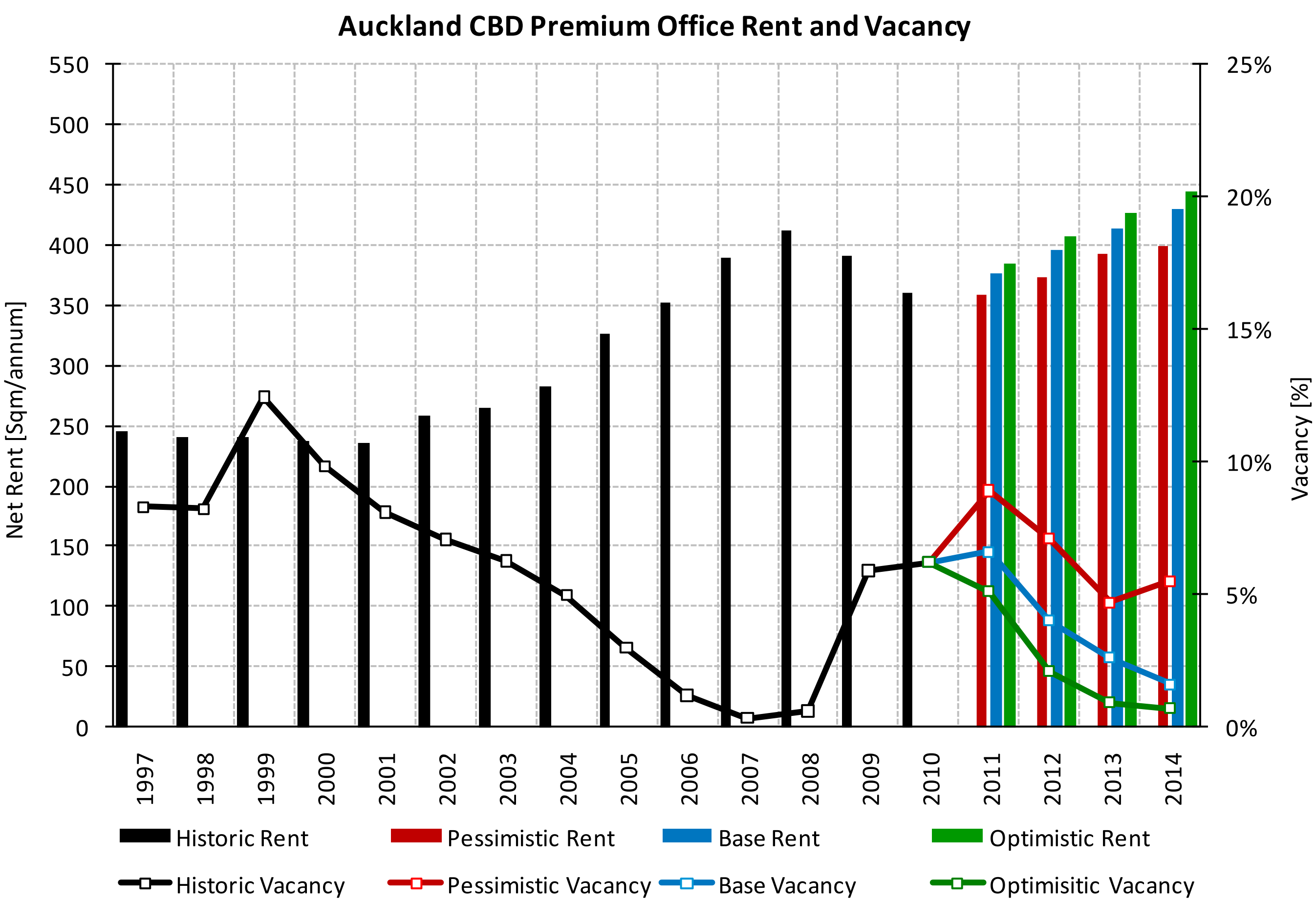
Economic recovery now expected from 2012



Sources: Statistics New Zealand, NZIER , RBNZ, ASB Research, ANZ Research, Westpac Research, REINZ

- The Canterbury earthquakes have undermined near-term economic growth prospects
- Domestic activity was weaker than expected in the second half of 2010
  - Impacted by a weak housing market, spiking food and fuel prices and continued debt pay-down by households
  - Mar-11 GDP growth forecasts cut following earthquakes
- A more sustained, but softer recovery is forecast from 2012
- Household spending expected to remain cautious
- A gradual recovery in the housing and labour markets will flow through to retail sales
- Housing market remains soft however recovery expected from mid-2012 supported by stable interest rates
- The GST rise is expected to increase headline inflation to 5% by mid-2011
  - Underlying inflation is still expected to be in target range of 1-3%

Auckland office



Source: Actuals - CBRE Feb-11 Auckland Property Market Monitor; Forecasts - CBRE Nov-10 Auckland Property Market Outlook

Rent (net effective)

Grade	Dec-10	Mvmt.	Dec-08
Premium	360/sqm	▼ *12.8%*	413/sqm
A-grade	220/sqm	▼ *25.1%*	294/sqm

– Both Premium and A-grade forecast to increase from 2011, with good growth in 2012 as vacancy improves

Vacancy

Building type (Core)	Dec-10	Mvmt.	Dec-08
CBD total	13.8%	▲ *7.0%*	6.8%
Premium	6.2%	▲ *5.6%*	0.6%
A-grade	16.5%	▲ *10.2%*	6.3%

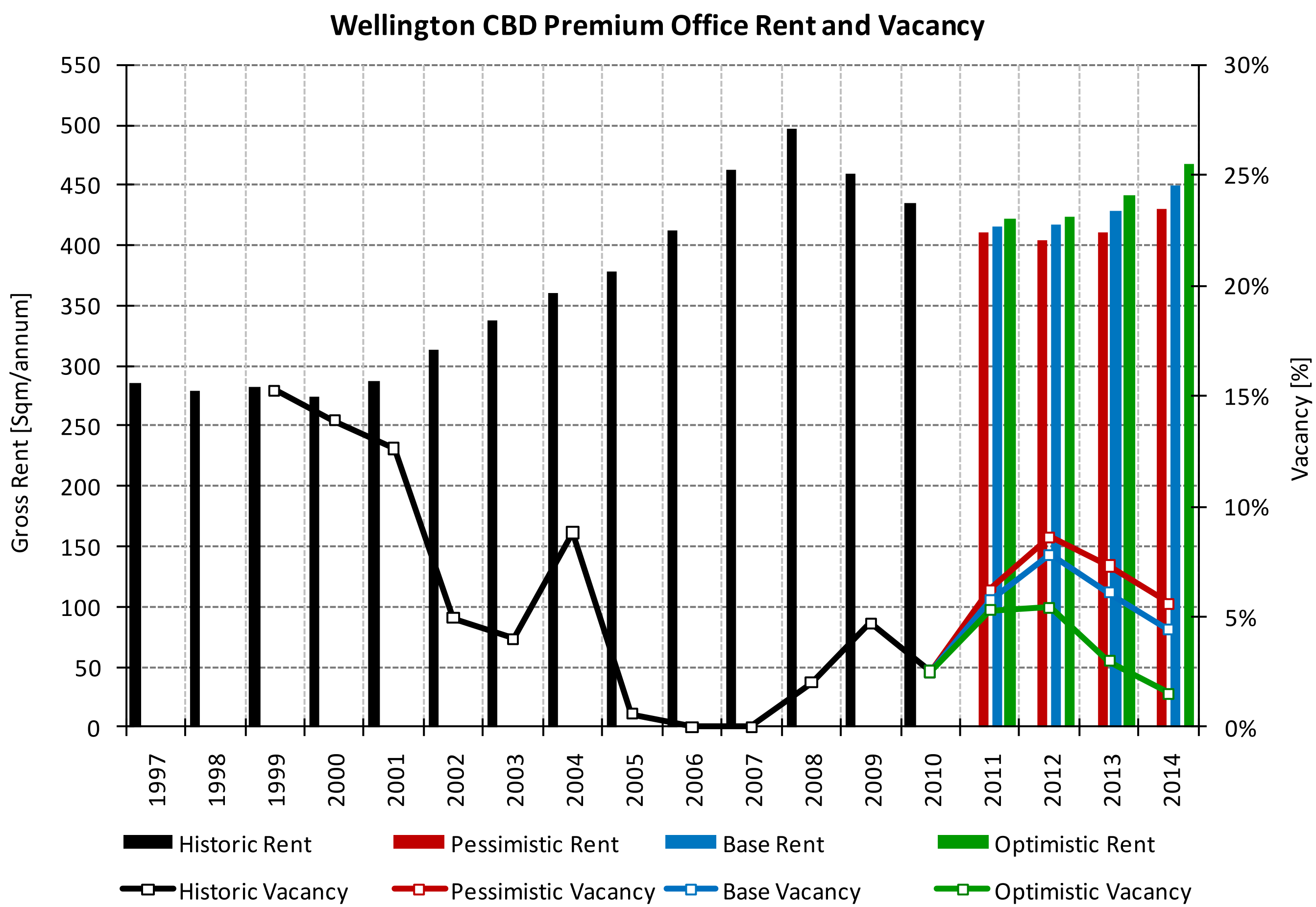
– The recent announcement that ANZ are to remain in existing, rather than new build office stock, is expected to help stabilise CBD vacancy

– Overall CBD vacancy expected to peak in 2011 and recover thereafter

Supply

– 40,000 sqm of new space forecast for 2011 with 80% pre-commitment

Wellington office



Source: Actuals - CBRE Feb-11 Wellington Property Market Monitor; Forecasts - CBRE Nov-10 Wellington Property Market Outlook

Rent (gross effective)

Grade	Dec-10	Mvmt.	Dec-08
Premium	435/sqm	▼ *12.5%*	497/sqm
B-grade	269/sqm	▼ *14.3%*	314/sqm

- Premium rents are expected to fall through to 2012 but return to 2009 levels by 2014
- B-grade rents expected to fall through to 2012 with subsequent strong rebound

Vacancy

Building type (Core)	Dec-10	Mvmt.	Dec-08
CBD total	9.8%	▲ *12.5%*	2.8%
Premium	2.5%	▲ *0.5%*	2.0%
B-grade	11.2%	▲ *9.2%*	2.0%

- CBD vacancy increasing to a peak of 12.6% during 2011 with a steady recovery thereafter

Supply

- 33,800 sqm of new space forecast for 2011 with 81% pre-commitment

Outlook

Annual result presentation for the year ended 31 March 2011

Outlook

Economic recovery under way

- Positive outlook for rural economy
- Real GDP growth forecast to lift from 1.5% per annum to 3.2% per annum over the next two years
- Retail sector to benefit as domestic consumption recovers
- Office sector recovery post vacancy peak in 2011/2012

Trust's defensive characteristics

- Trust is expected to benefit from:
  - Strong financial position
  - Active management approach
  - Premium assets, diversified portfolio, solid tenant base

Projected distributable profit 7.00 cpu

- While the Manager remains cautious in the current economic environment, based upon the outlook for the Trust, and subject to economic conditions, we are projecting a distributable profit after tax for the year ending 31 March 2012 of approximately 7.00 cents per unit
- Distributions to Unit Holders are projected to be 95% to 100% of distributable profit after tax, with the Manager withholding up to 5% to assist with the future financing of the Trust

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May 2011