ING Medical Properties Trust

Half year results presentation - 31 December 2008

www.ingmedicalproperties.co.nz

24 February 2009

Today's agenda

1. Global markets' and Trust performance
2. Financials
3. Portfolio overview
4. Health sector and property market
5. Strategy, opportunities and outlook

Global markets to 31 December 2008

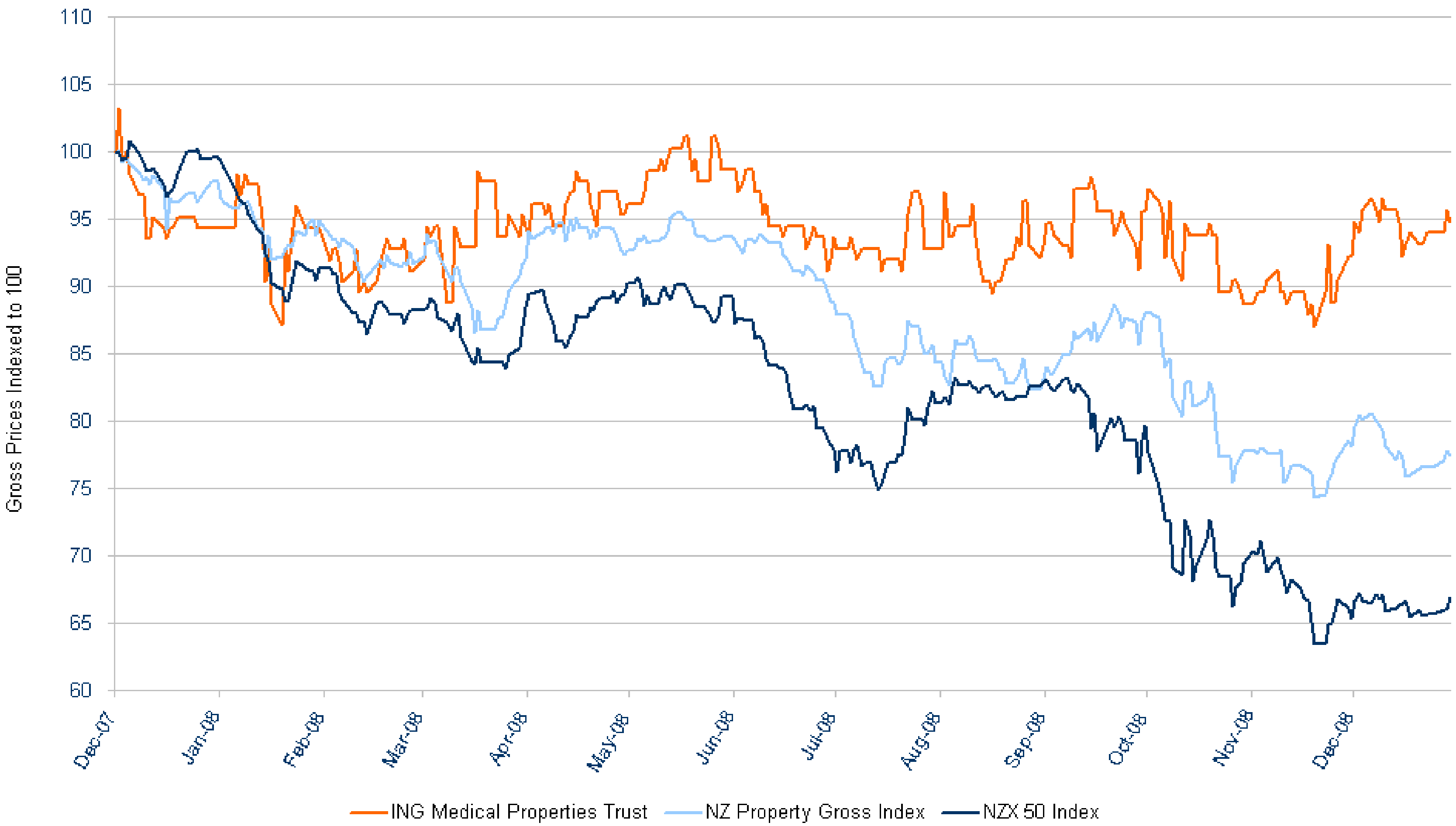
Global total returns (Source: Bloomberg)

UK	- 28.5%
Australia	- 37.0%
US	- 37.1%
Latin America	- 37.8%
World	**- 38.3%**
Asia Pacific (ex Japan)	- 42.2%
Europe (ex UK)	- 42.7%
Australian Listed Property Sector	- 54.0%

NZX total returns (Source: ABN AMRO)

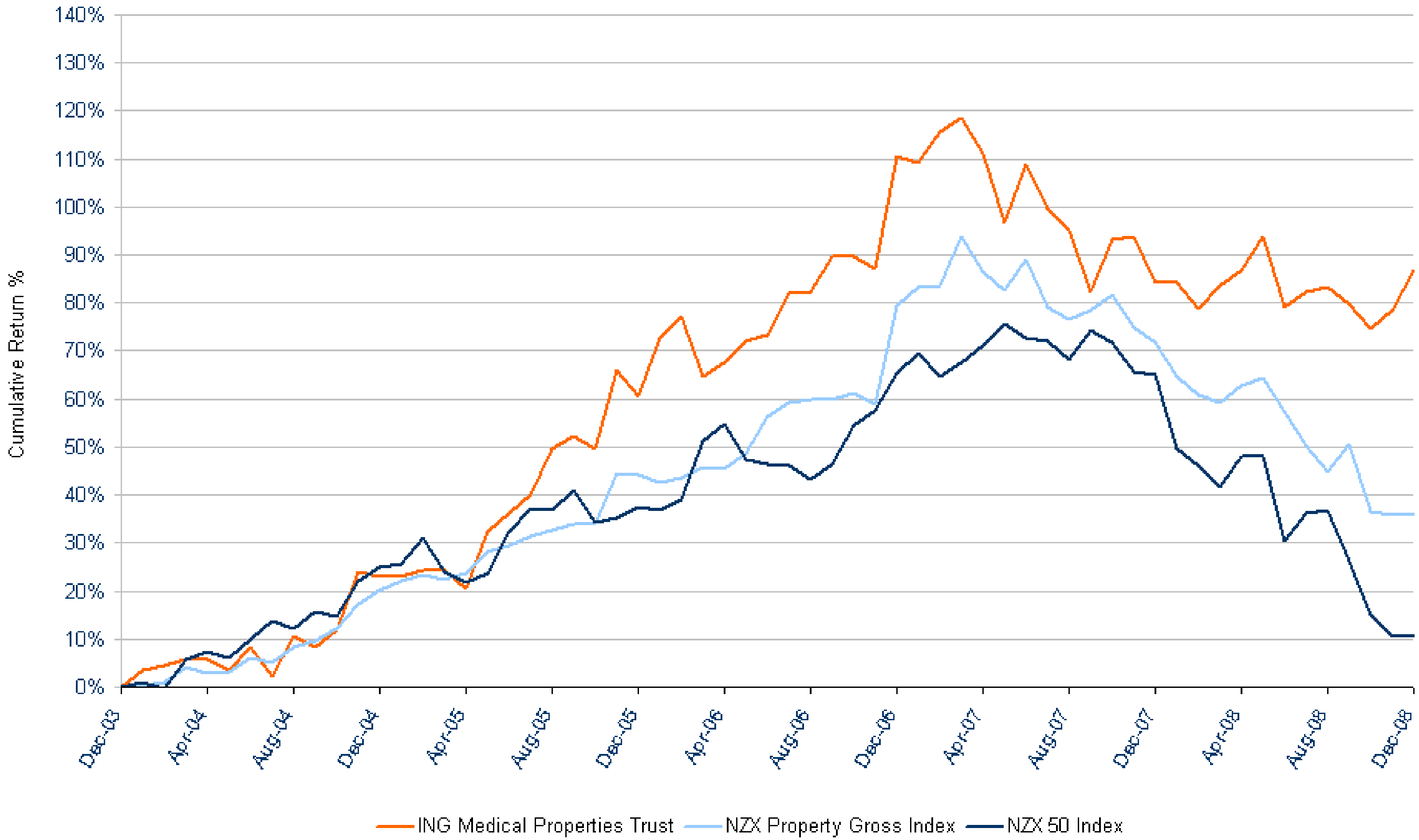
NZX50 Gross	- 32.8%
NZX Gross Property Index	- 20.8%
ING Medical Properties Trust	**+ 1.13%**

IMP 12 month relative unit price performance



Source - IRESS

IMP five year cumulative performance



Source - IRESS

Financials

Apollo Health and Wellness Centre, Auckland

Financial overview

- Cash distributions reaffirmed at 8.5 cents per unit
- Gross rental income up 12.6%
- Operating profit decreased by 10.1% to $5.87m primarily as a result of the increase in the Trust's cost of debt and the staged leasing up of Ascot Central over the period
- Net tangible asset backing reduced from $1.30 (as at 30 June 2008) to $1.19 due to devaluation of SWAPS
- Gearing at 33.9%
- 92.3% of the Trust's debt is hedged
- The Trust's effective interest rate paid (including bank fees) is 7.28%
- Bank facility committed to March 2011
- DRP re-introduced from September 2008
- IMP effective tax rate was 17%

All $NZD unless otherwise stated

ING

Financial performance to 31 December 2008

	HY09	HY08	% Change
Gross rental income	$11,787k	$10,472k	12.6%
Interest expense	$4,092k	$2,618k	56.3%
Operating profit (excluding unrealised items)	$5,865k	$6,521k	(10.1%)
Unrealised FX gain	$4,658k	$207k	-
Unrealised interest rate swaps (loss)/gain	($15,734k)	$1,270k	-
Taxation	$2,384k	($2,948k)	-
(Loss)/profit after tax	$(2,827k)	$5,050k	-
Net distribution per unit (cents)	4.3c	4.2c	1.2%
Effective annualised gross yield for 33% marginal tax payer (based on unit price of $1.18)	10.8%	-	-
Effective annualised gross yield for 39% marginal tax payer (based on unit price of $1.18)	11.8%	-	-

ING

Financial position as at 31 December 2008

	HY09	HY08	% Change
Net tangible assets per unit (cents)	112.8c	124.3c	(9.2%)
Net tangible assets per unit (excluding deferred tax on revaluation gains)	119.3c	128.5c	(7.2%)
Investment properties	$293.7m	$269.8m	8.8%
Total assets	$297.1m	$279.3m	6.4%
Bank debt	$100.8m	$81.1m	24.3%
Unitholders' funds	$159.3m	$170.1m	(6.3%)
Securities on issue	141.2m	140.0m	0.9%
Debt to asset ratio	33.9%	29.1%	16.8%

ING

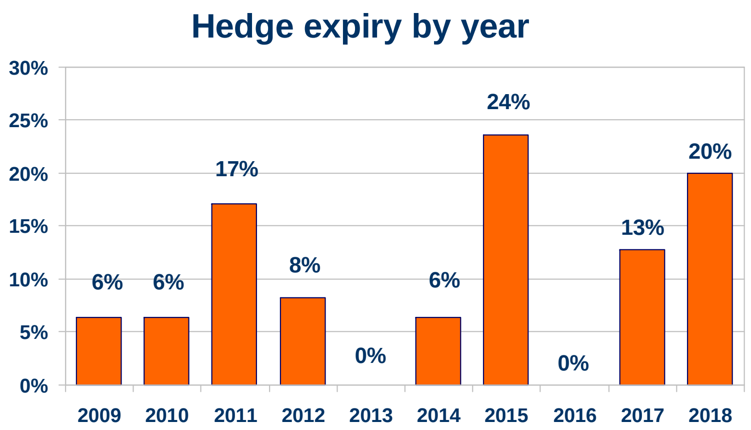
Distributable income as at 31 December 2008

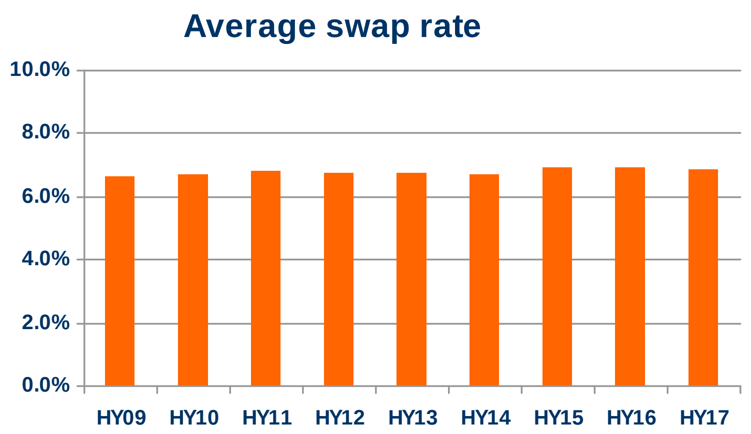
	HY09	HY08	% Change
(Loss)/profit before income tax	($5,211k)	$7,998k	
Unrealised FX gain	$4,658k	$207k	
Unrealised interest rate swaps (loss)/gain	($15,734k)	$1,270k	
Gross distributable income	$5,865k	$6,521k	
Imputation credits	$nil	$1,034k	
Net distributable income	$5,865k	$5,487k	6.9%
Gross distributable income per unit	4.2c	4.7c	
Net distributable income per unit	4.2c	3.9c	6.1%

ING

Interest rate management

- Currently 92.3% of the Trust's debt is hedged
- The Trust's effective interest rate paid (including margin and fees) is 7.28% for the year
- The SWAPS have, on average, 5.8 years until expiry
- The banking facility committed through to 31 March 2011





Covenants

Trust Deed	**HY09**
Total money borrowed	$100.8m
Borrowing limitation:- based on:-	
• Gross value of Trust fund	$297.1m
Not to exceed 50%	33.9%
Bank loan facility - ANZ	
Loan to valuation ratio:- based on:-	
• Investment properties	$293.7m
Not to exceed 50 %	34.3%
Interest cover ratio:- based on 12 months:-	
• Net interest expense	$6.8m
• Operating surplus	$19.1m
• Equal or exceed 2.25 times	2.79 x

ING

Portfolio overview

Epworth Eastern Medical Centre, Melbourne

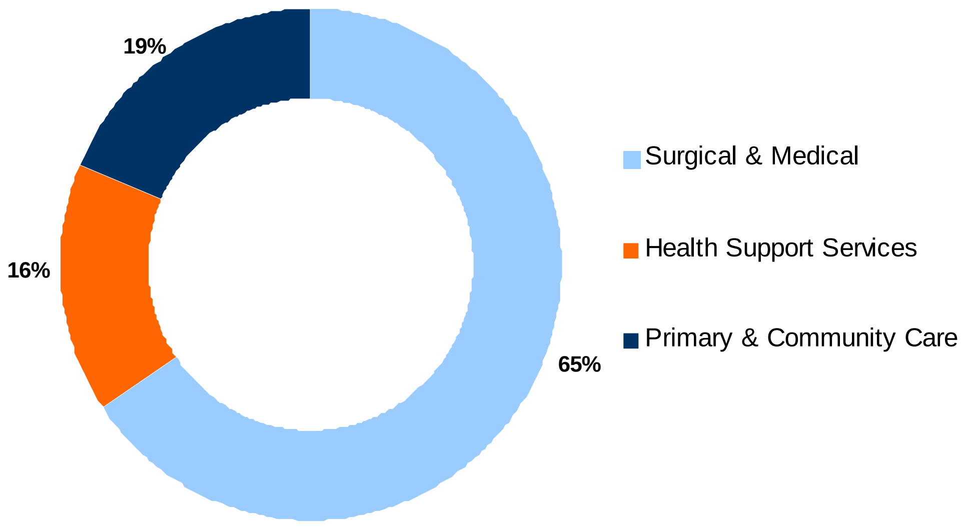
Portfolio and asset management overview

- Total property value of $293.7m, 16 properties and 111 tenants
- Portfolio occupancy at 96.4%, up from 94.3% as at 30 June 2008
- Ascot Central occupancy at 75%
- Renewals and new leases securing $775,000 net rental income per annum
- Circa 90% tenant retention rate
- Weighted average lease term of 9.1 years (30 June 2008: 9.3 years)
- 3.0% lease expiry profile to 30 June 2009 (30 June 2008: 9.3%)
- 22 rent reviews completed (19 CPI), average increase 4.9%
- 35 rent reviews due to 30 June 2009, with 80% reviewed by CPI
- Marketing initiatives continue for Thames Street, Melbourne

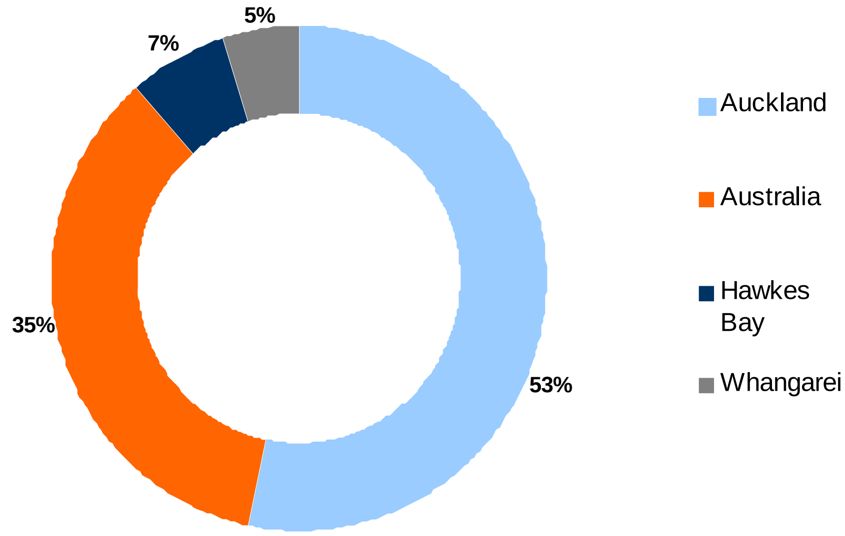
ING

Assets by sector and region

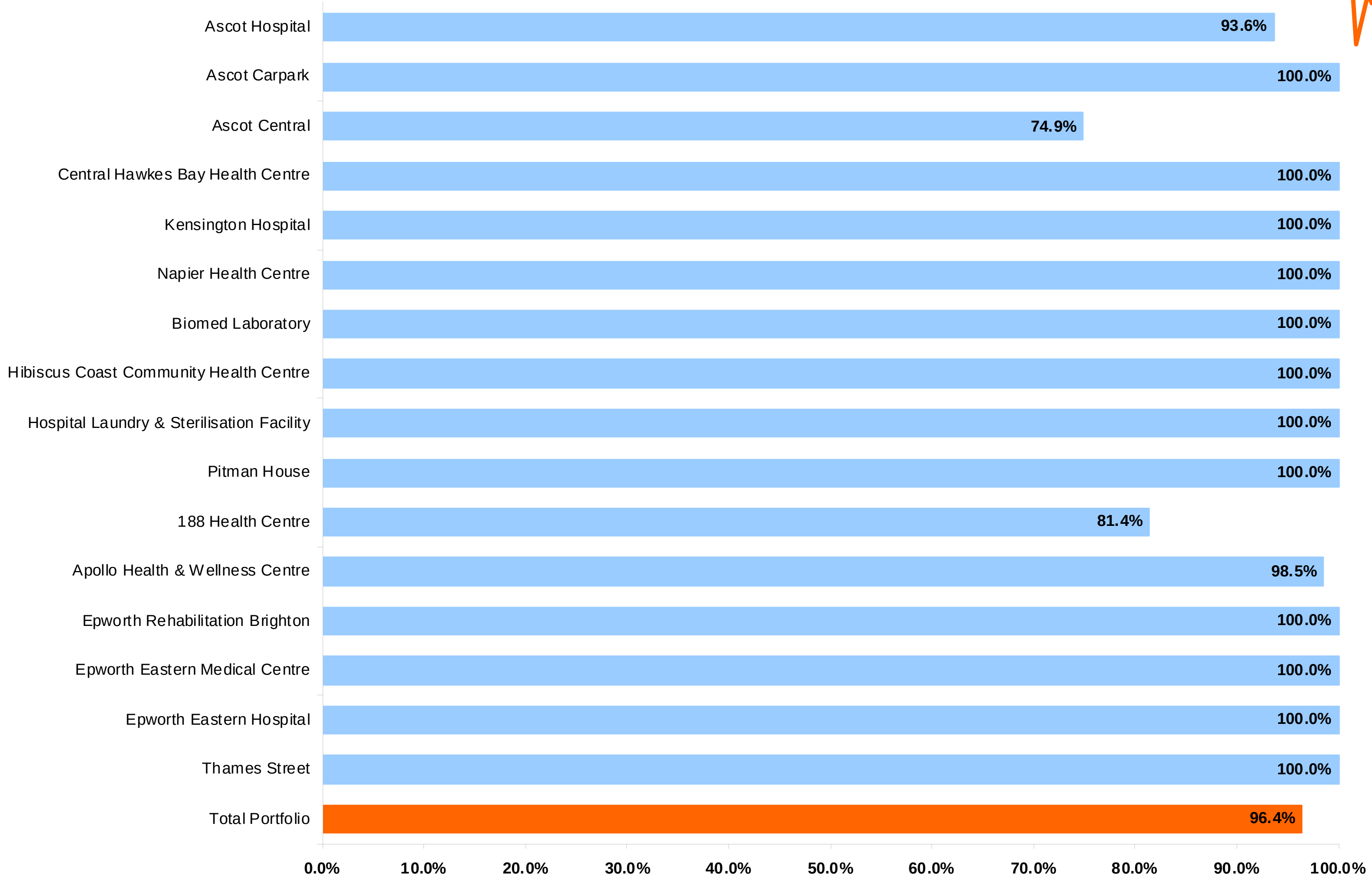
Sector



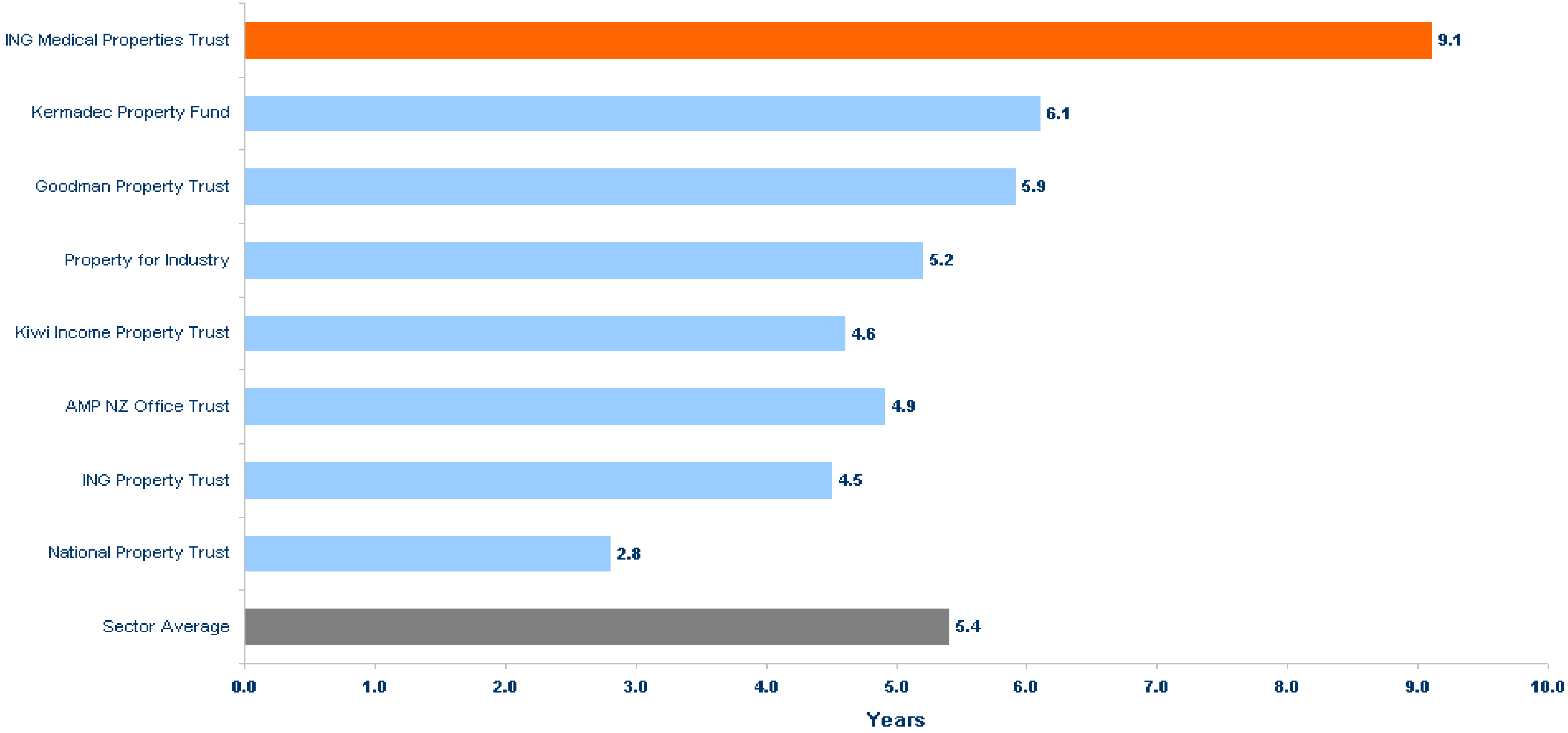
Region



Occupancy profile

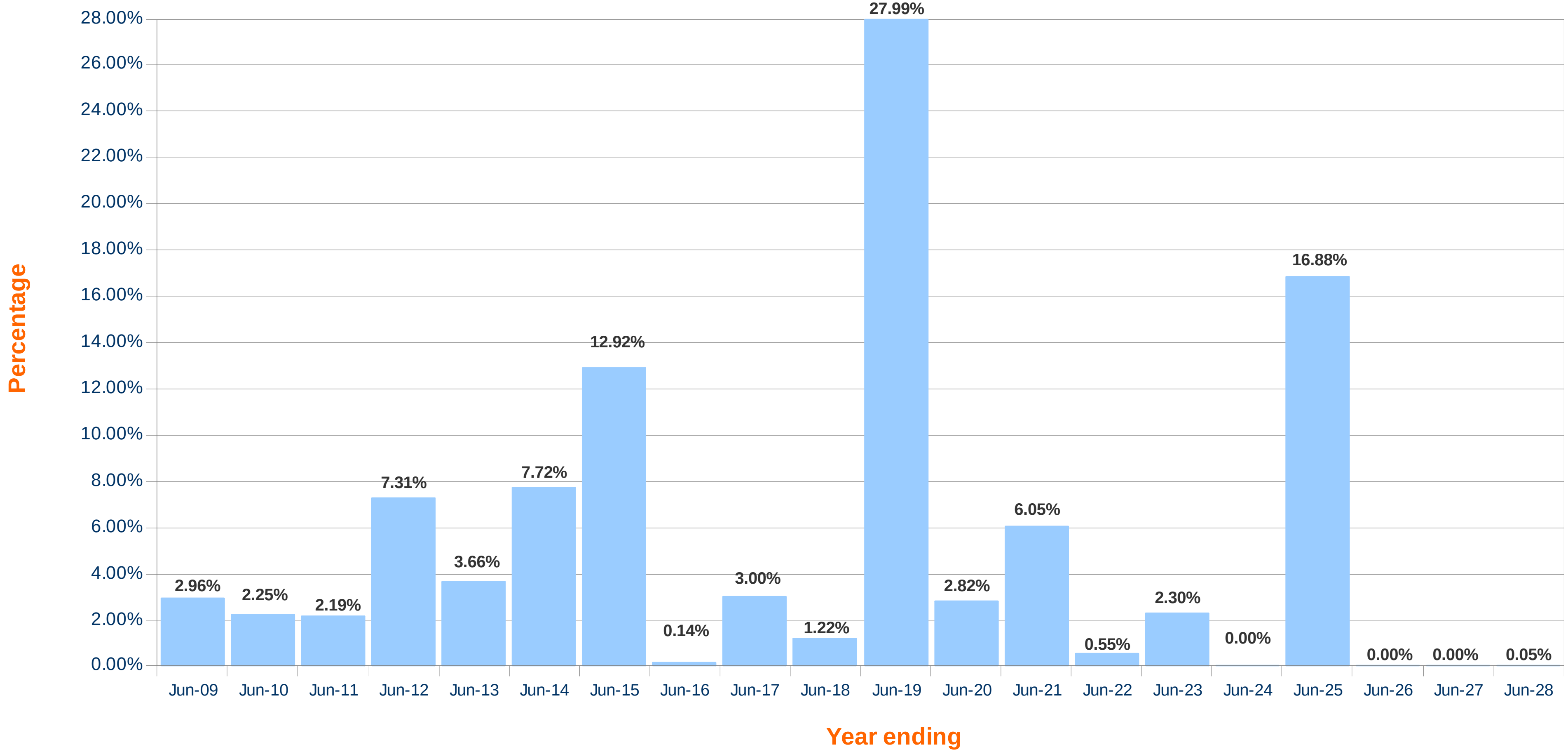


NZ listed property sector – lease expiry profile



Source: Forsyth Barr Monthly Property Update - 13 February 2009

Lease expiry profile



Ascot Central

Occupancy status

Fourth floor	For lease 135 sqm	NZTA (4 yrs)		
Third floor	Fertility Associates (15 yrs)			
Second floor	For lease 260 sqm	New Tenant (6 yrs)	ALAC (3 yrs)	For short term lease 380 sqm (Fertility lease for 10 years from 2013)
First floor	StarJam (6 yrs)	Oral Surgical (10 yrs)	Women's Health (10 yrs)	For lease 425 sqm
Ground floor	Breast Assoc. (6 yrs)	Ascot Radiology (10 yrs)		

Thames Street development

- Located in strong medical and health precinct of Box Hill, Melbourne
- Planning approval in place
- Marketing initiatives continue, commencement subject to prudent levels of pre-lease commitment
- All options for the site being considered

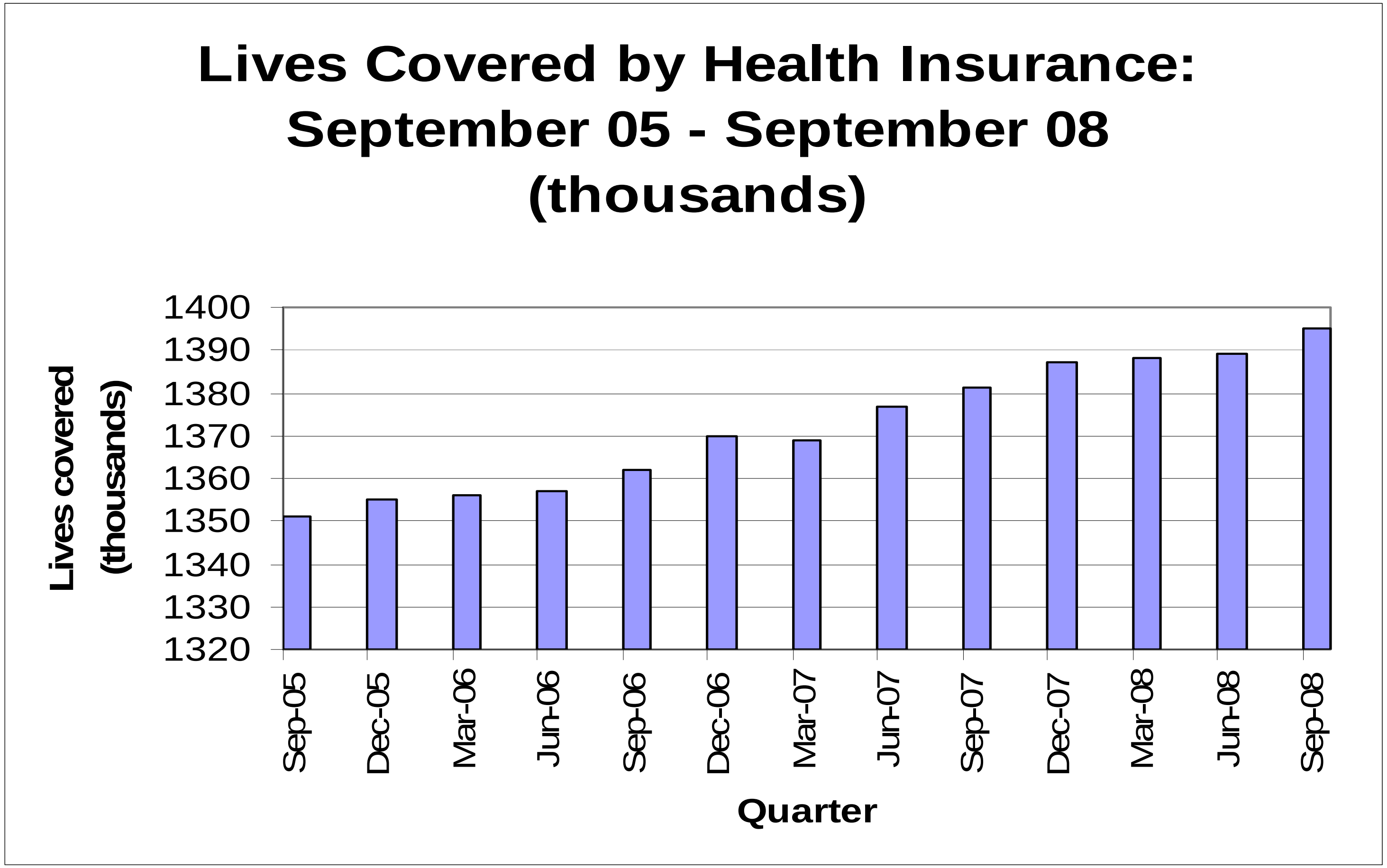
Health sector and property market

Ascot Central, Auckland

Health sector overview

- By 2026, 65+ age group will be 20% of the New Zealand population
- Government expenditure of $11.9b on health for 2008/2009
- Approximately 33% of the New Zealand and 45% of the Australian population have private health insurance
- Increasing numbers of people over 60 are maintaining major medical and surgical cover
- Health insurance claims paid for the 12 months to December 2008 total $696 million, an increase of $81 million from December 2007
- Private health spending in New Zealand is only 22% of the total health spend, as against OECD average of 27% (Australia is 33%)
- Demand for medical and healthcare assets is driven by demand for healthcare services, which is largely underpinned by demographic trends, not economic conditions

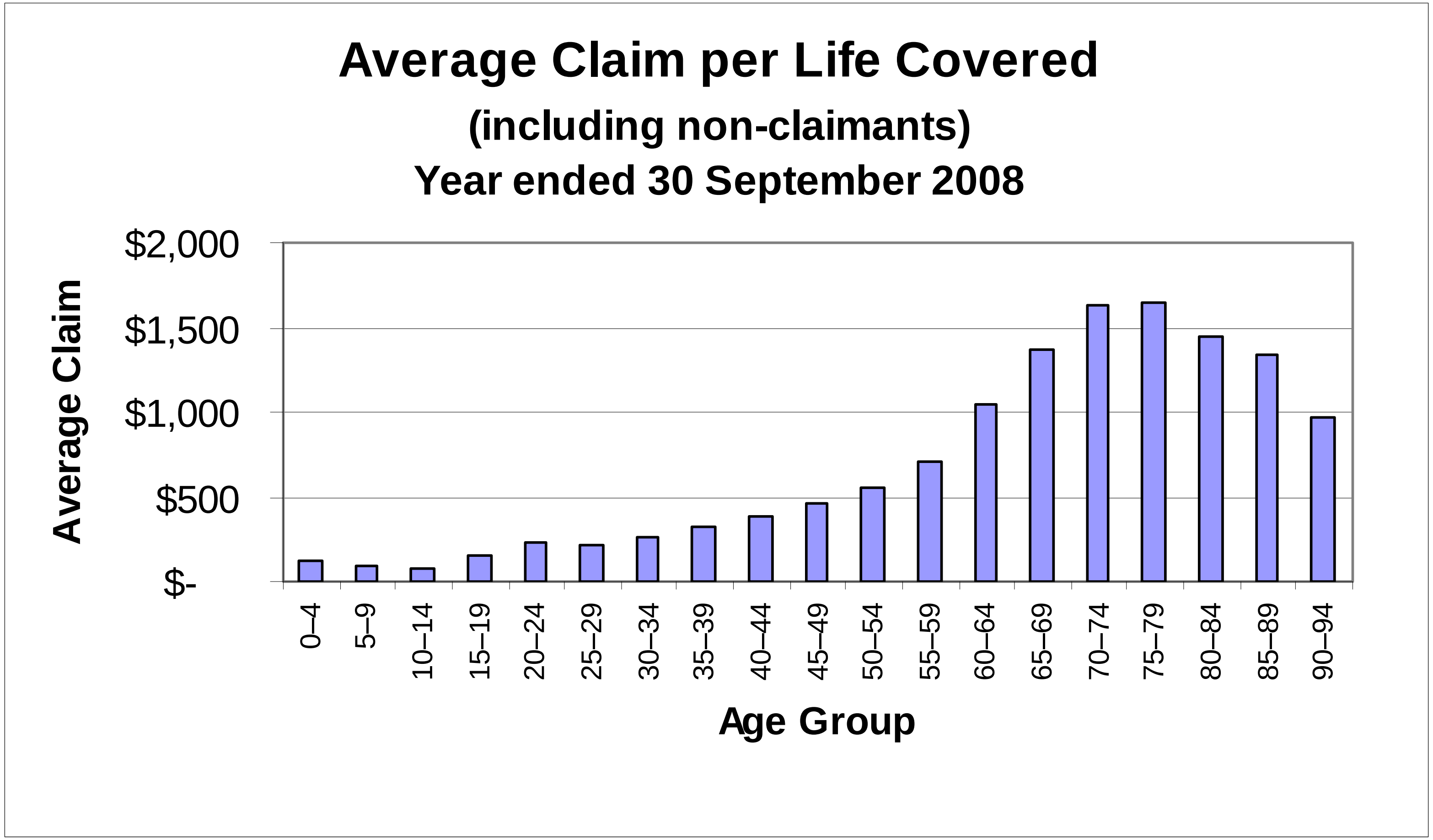
New Zealand health insurance trends



Source: HEALTH FUNDS ASSOCIATION OF NEW ZEALAND

ING

New Zealand health insurance trends



Source: HEALTH FUNDS ASSOCIATION OF NEW ZEALAND

ING

Property market overview

- Near term challenges on all fronts in the general property market
- Market rental growth forecast to slow/dissipate
- Vacancy rates at historic lows, but under pressure
- Access to debt constrained and expensive
- Illiquidity restricting new development and investment activity
- Falling OCR providing some stimulus
- Cap rates weakening across the board, sub $10m market active
- Demand improving for quality, well located assets with strong tenant covenants and stable rental growth
- Vendor and purchaser expectations closing and owner-occupiers and syndicators ‘back in the market’
- Construction pricing under pressure

Strategy, opportunities and outlook

Ascot Hospital, Auckland

Investment strategy

- New Zealand's only specialist investor in medical and healthcare assets
- Backed by the defensive characteristics of the sector
- Provide investors with access to scale properties
- Diversified portfolio across medical and healthcare sub-sectors
- Continued focus on New Zealand and Australian markets
- Joint ventures considered for sector specific opportunities
- Measured approach to acquisition and development
- Proactive tenant and portfolio management
- Focus on organic growth opportunities
- Structured, low risk capital and treasury management
- Traditional LPT structure, income driven operating model

ING

Opportunities

- Further strengthening of the balance sheet, and in the near term maintain a conservative gearing position
- Continued focus on organic growth within the existing portfolio
- Unique portfolio profile resulting in good flow of leasing and investment referrals
- Working closely with external consultants looking to rationalise medical and healthcare activities and operators
- Focus on concluding a number of lease renewals that fall due in 2009 and 2010
- Keeping a close watch on opportunities in New Zealand and Australia that would further strengthen and diversify the Trust's portfolio

ING

Outlook

- Global investment markets remain volatile, IMP relatively insulated
- De-leveraging remains key focus (and challenge) in world markets
- Lower interest rates re-igniting demand for higher yielding opportunities
- Private insurance claims growth and an ageing population, leading to increased occupier demand for quality health property assets
- All options being considered for Thames Street, Melbourne
- Current market valuations completed by 30 June 2009, with cap rates expected to soften, but less so for quality, defensive and diversified properties
- Core portfolio performing well, backed by conservative gearing position, bank facility secured to 2011, stable rental growth, low risk lease expiry profile and improving occupancy levels
- Well established, defensive model, positioned for low risk to earnings and distributions
- Board has reaffirmed FY2009 cash distribution of 8.5 cents per unit
- Improved unitholder communications, new www.ingmedicalproperties.co.nz 'live' and annual investor roadshow in May 2009

Disclaimer

This presentation has been prepared by ING Medical Properties Trust. The details in this presentation provide general information only. It is not intended as investment or financial advice and must not be relied upon as such. You should obtain independent professional advice prior to making any decision relating to your investment or financial needs. This presentation is not an offer or invitation for subscription or purchase of securities or other financial products. Past performance is no indication of future performance. All values are expressed in New Zealand currency unless otherwise stated.

24 February 2009

ING




ING Medical Properties Trust

Half year results presentation - 31 December 2008

www.ingmedicalproperties.co.nz

24 February 2009

ING