Kiwi Income Property Trust (KIP)

US roadshow presentation

27 February – 2 March 2012

Agenda

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Notes:
All data as at 31-Dec-11 and currency in New Zealand dollars unless otherwise stated
The Trust's financial year ends on 31 March

Fund overview

Investment merits

- **Traditional** real estate investment vehicle
- **Diversified** portfolio of prime New Zealand retail and office assets
- **Conservative** gearing with prudent approach to debt and treasury management
- New Zealand **economic growth soundly based** on trade with Australia, China and the rest of Asia
- Projected distributable profit after tax of **7.00 cents per unit** for the year ending 31 March 2012 (with a 95-100% payout ratio)

Fund overview

Key attributes

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

Largest listed property entity

- New Zealand's **largest** listed property entity (listed 1993)
- Ranked within the **top 15** on the NZX 50 Index
- Total assets of **$2.1 billion**
- Combined market capitalisation of over **$1.1 billion** (incl. NZX listed mandatory convertible notes)

Sound financial position

- Conservative gearing position with a net bank debt to total assets ratio of **34.5%**

Solid property fundamentals

- **Diversified portfolio** of 12 key retail and office assets
  - 68% retail/32% office portfolio
  - 363,000 sqm of net lettable area
  - Occupancy **96.7%**
  - Weighted average lease term **3.9 years**

Clear vision and strategy

- Objective is to optimise earnings and provide attractive **long-term returns** to investors
- Income and investment performance enhanced through intensive asset management, and strategic acquisition, divestment and development of property assets

Fund overview
Key retail assets

Sylvia Park
Shopping Centre
Auckland

NLA:	71,152 sqm
Value:	$474.3m
MAT:	$440.8m
Occupancy:	100.0%

Northlands
Shopping Centre
Christchurch

NLA:	42,124 sqm
Value:	$208.0m
MAT:	$390.5m
Occupancy:	99.7%

The Plaza
Shopping Centre
Palmerston North

NLA:	32,442 sqm
Value:	$192.8m
MAT:	$192.3m
Occupancy:	100.0%

LynnMall
Shopping Centre
Auckland

NLA:	31,497 sqm
Value:	$176.3m
MAT:	$221.6m
Occupancy:	97.9%

Note: NLA, sales and occupancy as at 31 December 2011. Values as at 30 September 2011

Fund overview

Key office assets

Vero Centre
Auckland

NLA: 39,490 sqm
Value: $259.4m
Occupancy: 94.2%

National Bank Centre
Auckland

NLA: 25,672 sqm
Value: $95.0m
Occupancy: 88.2%

Unisys House
Wellington

NLA: 22,158 sqm
Value: $69.7m
Occupancy: 97.0%

Majestic Centre
Wellington

NLA: 24,488 sqm
Value: $66.2m
Occupancy: 100.0%

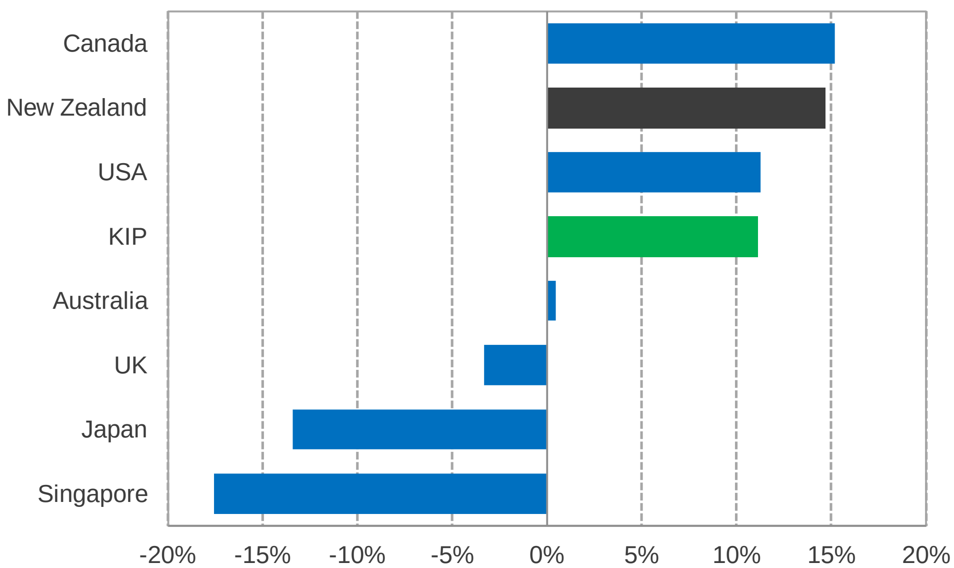
Note: NLA and occupancy as at 31 December 2011. Values as at 30 September 2011

NZ outperformance due to conservative approach

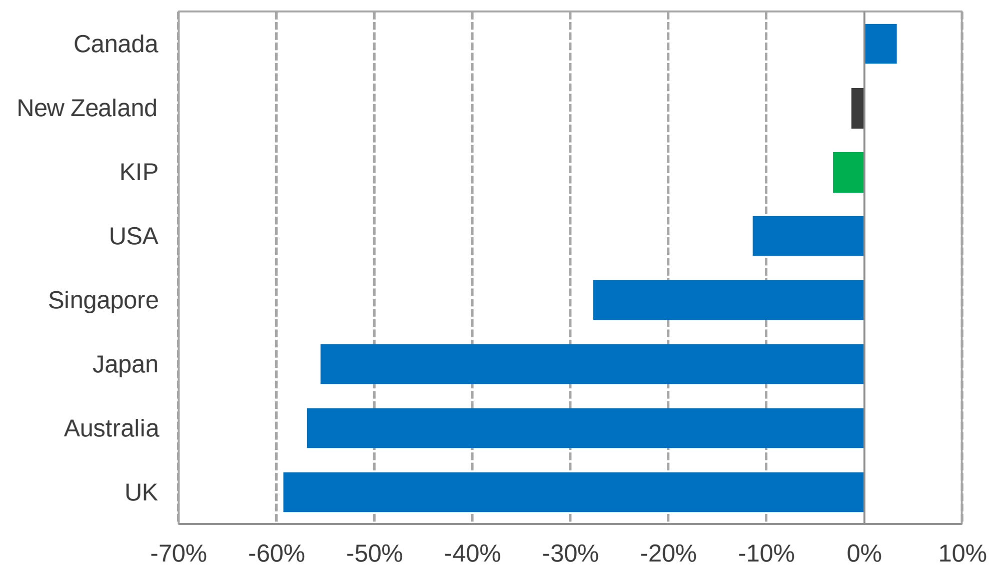
KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

Total Return for the one year ended 31-Jan-12



Total Return for the five years ended 31-Jan-12



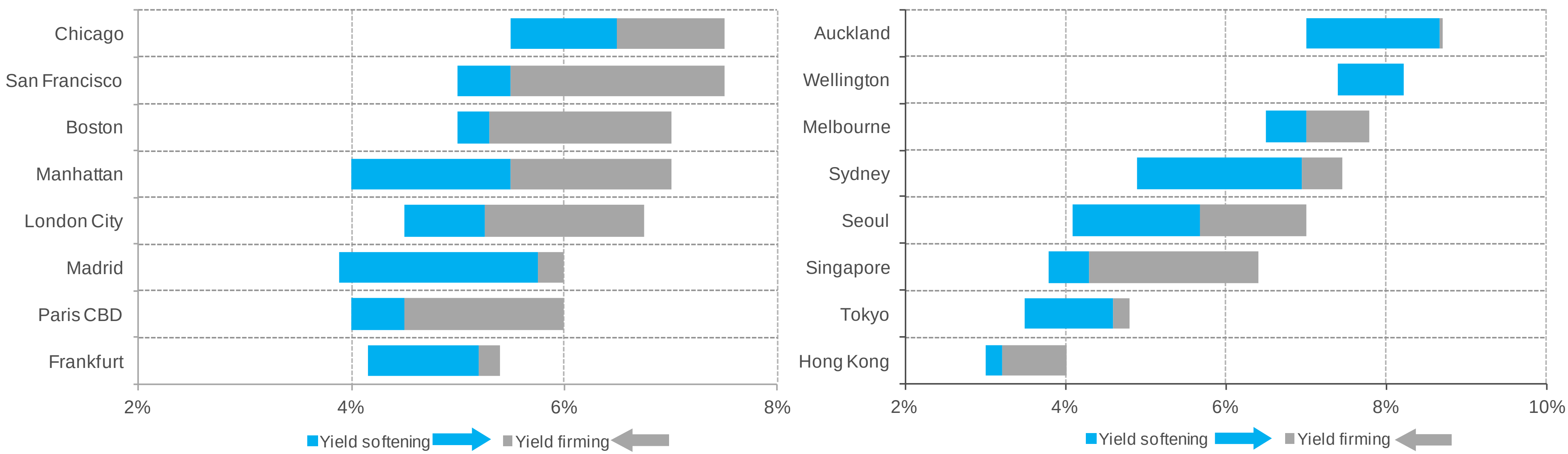
- New Zealand listed property sector has generally outperformed due to its traditional, conservative approach to real estate investment
- The Trust has delivered a total return since inception (1993) of **9.50% pa**

Note: Total Return means the return to security holders, including share price movements and the reinvestment of all distributions. Calculated as at January 2012
Source: Goldman Sachs & Partners NZ Research

Fund overview – Property yield shifts

NZ yield compression still to emerge

Yield shift since market peak – Office markets



- Since the market peak, property yield compression has occurred in overseas markets
  - Compression has emerged at a different pace across markets
  - Led by aggressive rebounds in London and Hong Kong, then broadening into Asia, Europe and United States
- New Zealand yet to see any compression in yields

Source: Macquarie Capital, Colliers

Centre Place Shopping Centre, Hamilton

Strategy

– Balance sheet protection

Maintaining conservative gearing and diversity within the capital structure to optimise the cost of capital

– Intensively manage assets

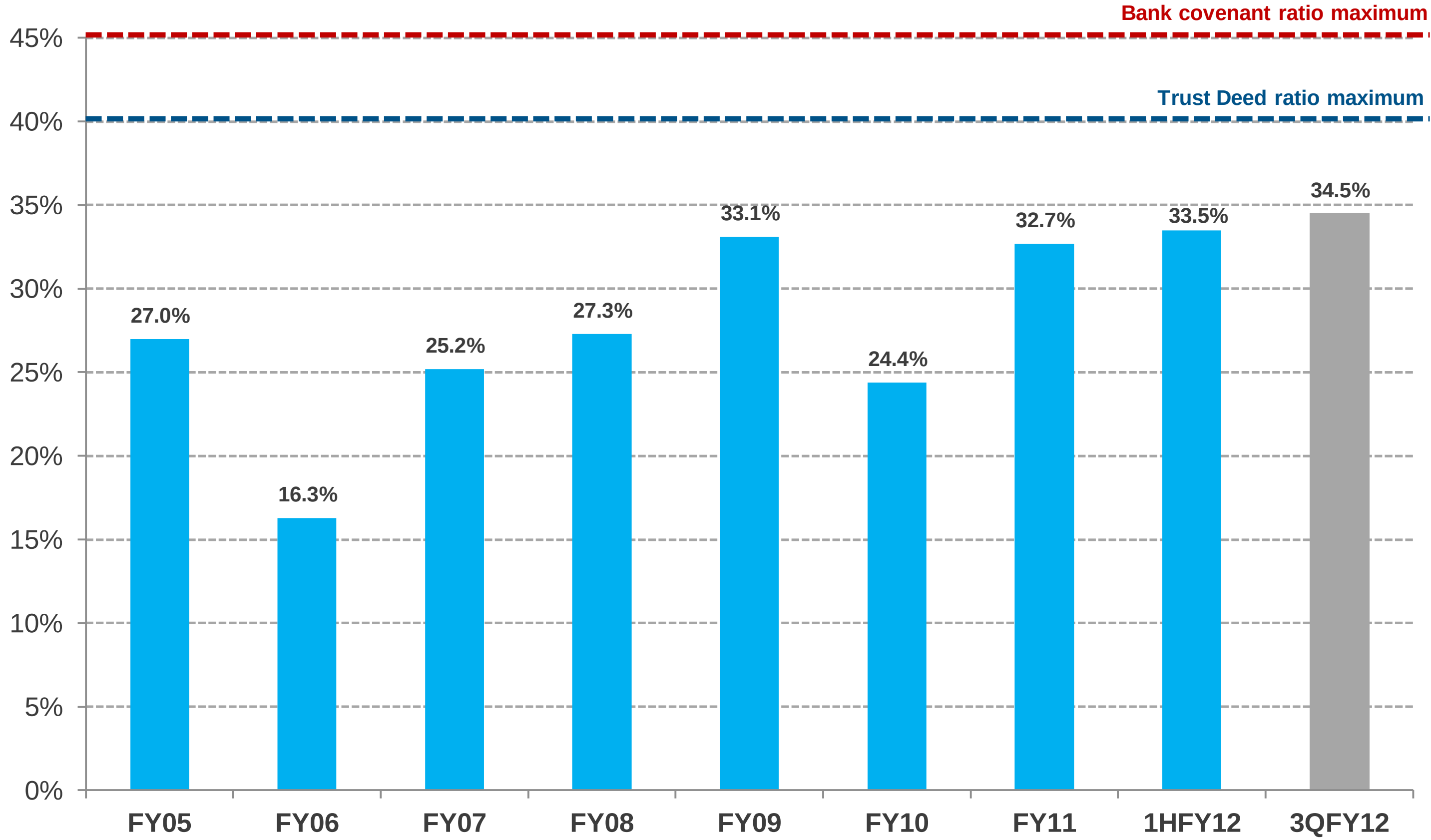
Maximising income and investment performance

– Adding value through investment

Optimising earnings through strategic acquisition, divestment and development of property assets

Strategy – Protect the balance sheet
History of conservative gearing

Net bank debt to total assets ratio



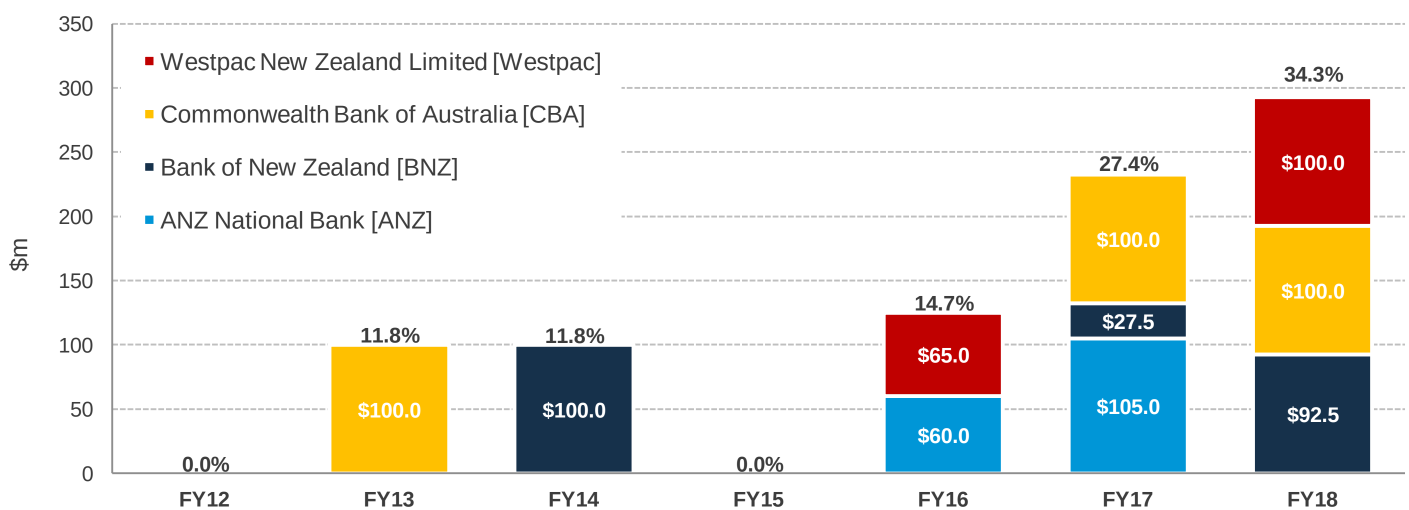
Interest cover ratio	Threshold	31-Dec-11
Calculated as net rental income over net interest expense (net interest expense excludes interest on mandatory convertible notes)	>2.25 times	3.12 times

Strategy – Protect the balance sheet

Well diversified debt facilities with strong bank support

Details	31-Dec-11
Bilateral facilities [ANZ, BNZ, CBA and Westpac]	$850.0m
Balance drawn	$773.5m
Balance undrawn	$76.5m
MCN proceeds on deposit	$71.2m
Weighted average cost of bank debt (incl. margin and line fees)	6.56%
Weighted average term to maturity of bank facilities	3.8 years
Percentage of drawn bank debt hedged (fixed rate)	76%
Weighted average interest rate on hedged bank debt (excl. margin and fees)	6.33%
Weighted average term to maturity of interest rate hedges	2.8 years

Bank debt maturity profile as at 31-Dec-11



Strategy – Intensive asset management

Strong focus on driving retail sales growth and maintaining high occupancy rates

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

Total sales by centre **All statistics to 31-Dec-11 and incl. GST**	**MAT $m**	**Mvmt %**	**Occupancy rate %**
Sylvia Park	440.8	+7.0	100.0
Northlands	390.5	+24.5	99.7
LynnMall	221.6	+5.3	97.9
The Plaza	192.3	+7.5	100.0
North City	101.9	+4.2	98.4
Centre Place	70.4	-21.4	82.6
Total portfolio	**1,417.5**	**+8.8**	**97.8**

Unaffected centre sales by category[1] **All statistics to 31-Dec-11 and incl. GST**	**MAT $m**	**Mvmt %**
Supermarkets	186.6	+5.3
Department and discount department stores	81.2	+2.5
Cinemas	14.4	-6.1
Mini-majors	122.1	+15.6
Specialty	319.6	+4.4
Commercial services	41.0	+10.8
Total portfolio	**764.9**	**+6.2**

Specialist shopping centre managers

– CFSGAM Property manages 45 shopping centres across Australasia, generating retail sales of ~**NZ$13 billion**

Specialty gross occupancy cost (GOC)

– Affordability for retailers maintained, with specialty GOC ratio improving from 14.4% to **13.4%** over the 12 months to 31-Dec-11

Forecast sales[2]

– Growth in 2012 is expected to be ~3-4%
  – Supported by stronger economic and employment growth and improving consumer sentiment

– Growth over the long term is expected to be in line with nominal GDP at ~4%

1 Unaffected centre sales looks to provide a more 'normalised' picture of sales trends. Sales:
- Include only those centres which have not undergone redevelopment in either period of comparison and therefore excludes The Plaza and Centre Place
- Excludes Northlands which has seen significant increased trading levels post the February 2011 earthquake

2 CFSGAM Research December 2011

Sylvia Park Shopping Centre: Positioned for future expansion

- Sylvia Park is New Zealand's largest enclosed shopping centre and the Trust's most valuable asset ($474.3 million)

- Private plan change approved by Council in September 2010
  - The plan change supports Council's vision for a comprehensively planned sub-regional centre with provision for retail, entertainment, office and residential activities

- Key provisions of the plan change include:
  - Increase in total allowable GFA to 250,000 sqm
  - Increase in allowable GFA for retail and entertainment activities to 130,000 sqm (currently 72,595 sqm)

- The successful conclusion of this plan change is an important and necessary step in the long-term strategic planning of the Trust's most valuable asset

Sylvia Park Shopping Centre, Auckland

Strategy – Adding value through investment decisions

ASB Bank North Wharf: Pre-leased development adds premium office asset to portfolio at 8.5% initial yield

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

Key project metrics

Total development cost	$132.1m
Projected value on completion	$140-$150m
Net rental pre-commitment	~93%
Target initial yield	~8.5%
ASB net lettable area	19,466 sqm
ASB initial lease term	18 years
Construction commenced	Apr-11
ASB lease commencement	Jul-13

Construction progress at Dec-11

Strategy – Adding value through investment decisions

LynnMall Shopping Centre: Strategic acquisition represented good buying at cyclical low

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

At acquisition (Dec10)	
Purchase price / value	$174m
Occupancy	99.6%
Initial yield	9.0%
Equivalent yield	8.4%
Rentable area	30,661 sqm

Strategy – Adding value through investment decisions

Centre Place Shopping Centre: Redevelopment

– **$39.9 million stage 2 redevelopment** to reposition Centre Place as a competitive CBD specialty centre with a focus on fashion, dining and entertainment

- A new 7,000 sqm full-line *Farmers department store* anchoring the Centre on a 15-year lease to open in October 2013
- First stage ($10 million) foodcourt and dining lane successfully completed September 2011
- New relocated mini-major *Rebel Sport* store opens June 2012
- Complements Hamilton City Council's "City Heart" revitalisation scheme
  - Road closure facilitates improved pedestrian flows and urban environment
  - Improved availability and access for shopper parking

Key metrics

September 2011 valuation	$86.5m
Project cost	$39.9m
Forecast value on completion	$140.0m
Forecast NOI on completion	$11.0m
Incremental yield on total cost	8.4%
Centre NLA on completion	26,293 sqm
Number of shops on completion	118
MAT forecast on completion[1]	$116.0m

1 Urbis Research (Aug-11)


Bryce Street entrance


New dining lane


New foodcourt

National Bank Centre, Auckland

Outlook

Outlook
NZ's economy forecast to build momentum

Strong economic fundamentals

- New Zealand's economic recovery has been underpinned by improved export incomes
- ASB Economics forecast economic growth to lift to 3.4%[1] by end of 2013 compared to the 20-year average of 2.8%
- Economic growth will be driven by export incomes, increased household demand and reconstruction activity

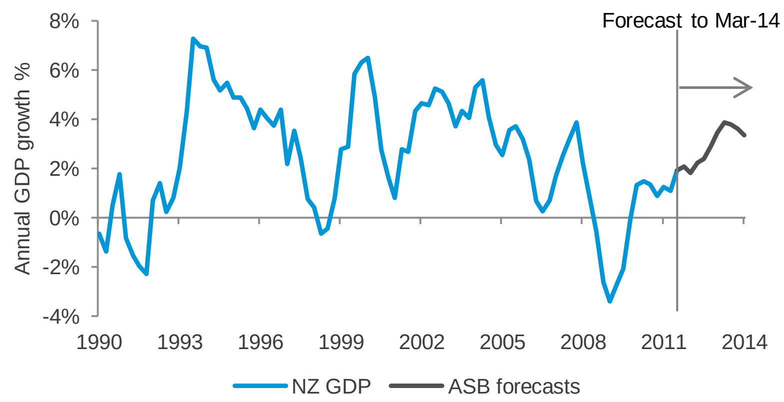
Improving employment conditions

- Unemployment is in line with the long-term average of 6.3%[2]
- As the economy expands, ASB Economics is forecasting the unemployment rate will fall to 4.7% by early 2014
- Outside of Canterbury, employment demand has recovered robustly
- Improving labour conditions likely to underpin wages growth

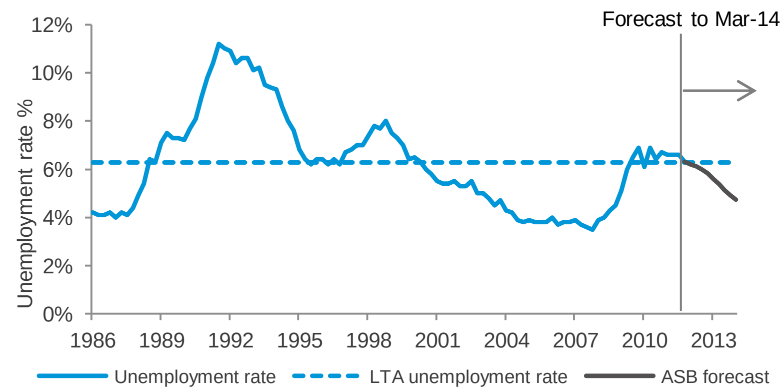
Stable investment environment

- New Zealand has a AA foreign credit rating[3]
- Eighth lowest sovereign debt level in OECD at 30.5% of GDP[4]
  - US at 61.3% and UK at 85.5% of GDP
- Stable and transparent political and legal system
- Equal 4th most transparent real estate market in the world[5]
- Stable, Australian owned, banking system. Australia has four of the world's top 20 safest banks[6] including parent of CFSGAM, Commonwealth Bank of Australia

NZ annual GDP forecast



NZ unemployment rate forecast to head below 20-yr average



1 As at 26 January 2012
2 Statistics New Zealand December 2011
3 Standard & Poor's Ratings
4 OECD Stat Extracts 2010
5 JLL Transparency Index 2010
6 Global Finance World's 50 Safest Banks 2011 - selected through a comparison of the long-term credit ratings and total assets of the 500 largest banks around the world

Sources:
Statistics New Zealand
ASB forecasts
CFSGAM Research

Outlook

Steady rate of retail sales growth expected

Retail sales improving

- New Zealand retail trade is gaining momentum following a pause in late 2010
- Nominal retail sales grew by 6.4% pa as at 30 September 2011, aided by the Rugby World Cup and higher inflation from an increase in GST
- Real retail sales up 4.0% pa as at 30 September 2011

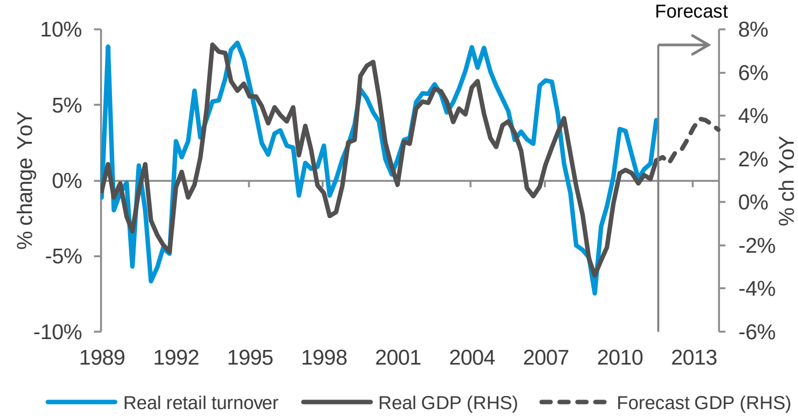
Retail sales outlook

- Outlook for New Zealand's retail sales growth is one of steady improvement, supported by economic and employment growth
- Consumer likely to remain cautious while global economy remains uncertain
- Outlook 2012: 2% to 4% growth
- Outlook long-term: 4.0% or CPI plus 2% growth

Canterbury

- Whilst the Canterbury earthquakes have been significant events for the people of Christchurch, the area represents a relatively small proportion of the population, around 13%
- 65% of New Zealand's population lives in the North Island and 33% live in Auckland.
- Reconstruction activity in Canterbury is expected to be one factor underpinning New Zealand's economic growth over the next few years

Retail turnover and economic growth



Retail turnover and population

Region	Retail sales $m[1]	Population millions[2]	Sales per capita
Auckland	18,193	1,460	$12,464
Waikato	4,649	412	$11,298
Wellington	5,916	483	$12,241
Remainder of North Island	10,763	974	$11,046
Canterbury	6,747	566	$11,927
Remainder of South Island	5,751	473	$12,171
Total	**52,019**	**4,368**	**$11,911**

Source: Statistics New Zealand, OECD, ASB forecasts and CFSGAM Research

1 Core retail sales for 12 months ending 30 September 2011

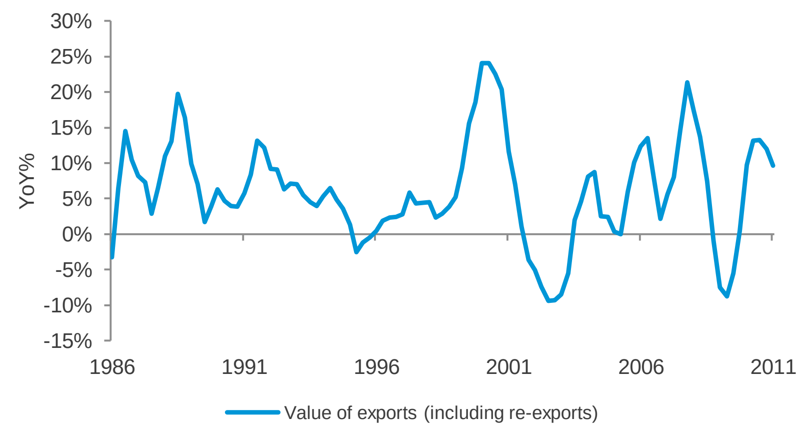
2 Estimated resident population at 30 June 2010

Outlook

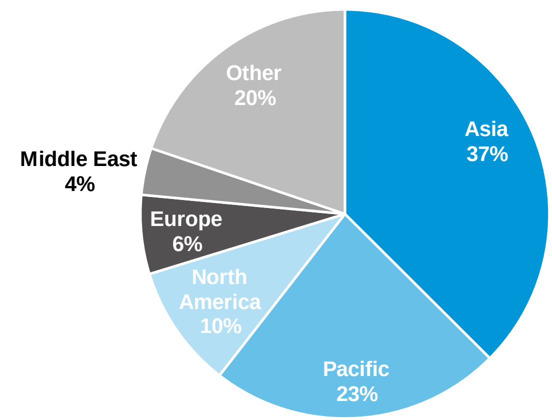
Exports key driver of economic growth

Exports driving economic growth	– New Zealand exports were up 9.7% to $47.7 billion in calendar year 2011 – Dairy products accounted for 25% of New Zealand's exports in 2011 – Global dairy prices have eased over 2011, but remain at strong levels – New Zealand's Terms of Trade are at their highest level since 1974 – Global dairy demand remains firm and with elevated feed prices will continue to support prices over the next year
Asia Pacific key region for exports	– The Asia Pacific region is a key destination for New Zealand's exports – In 2011 the majority of exports went to Asia Pacific region including 12% to China – Exports to Europe are a small slice of New Zealand's export market so downsides surrounding the Euro debt crisis should be more limited
Key trading partner outlook	– **Australia** (23% of NZ's exports**)**: economic growth forecast to improve in 2012 due to rebuilding (IMF forecast 2012: +3.3%) – **China** (12% of NZ's exports): economic growth forecast to soften, but will still remain healthy (IMF forecast 2012: +8.2%) – **United States** (8% of NZ's exports**)**: steady improvement in the economy anticipated (IMF forecast 2012: 1.8%)

Value of exports growth (including re-exports)



Top 20 export countries by region



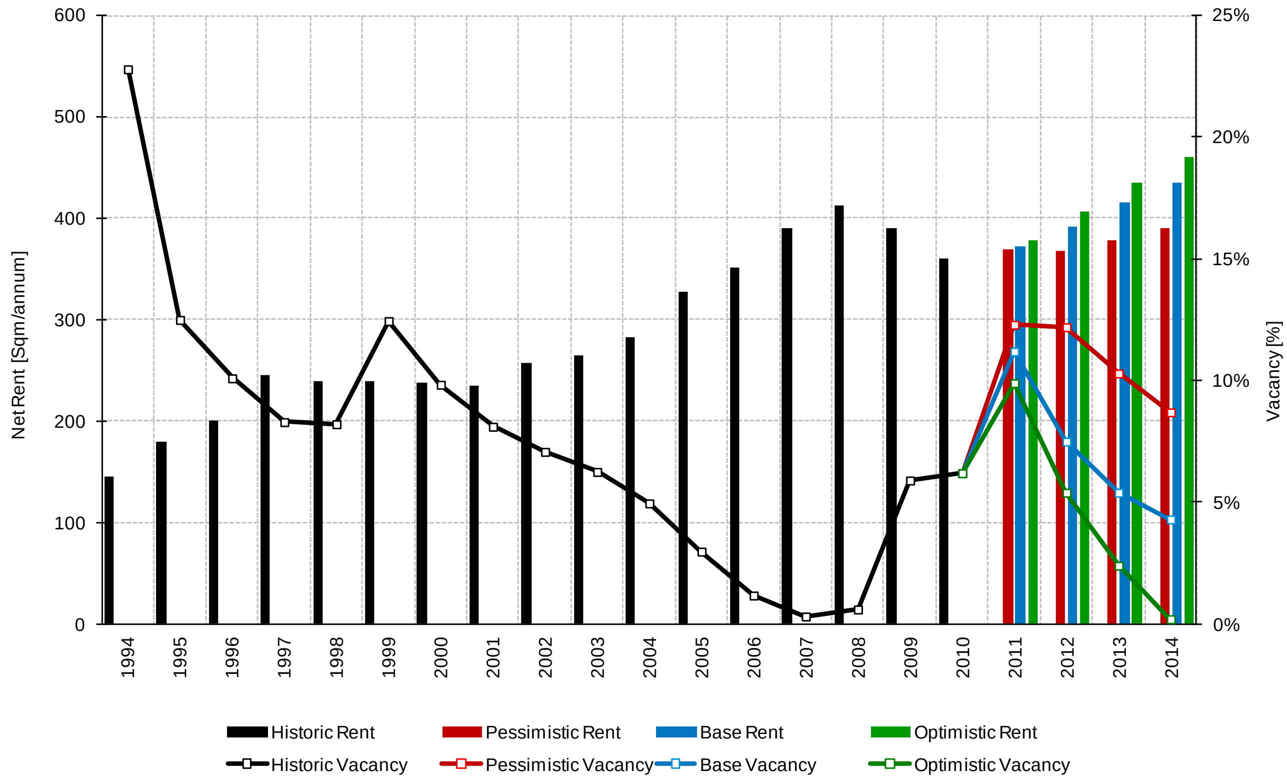
Note: Other incorporates all other countries' NZ exports too. These countries could form part of the regions separated in the chart

Source: Statistics New Zealand and CFSGAM Research

Outlook

Auckland office

Auckland CBD Office Premium net rent and vacancy



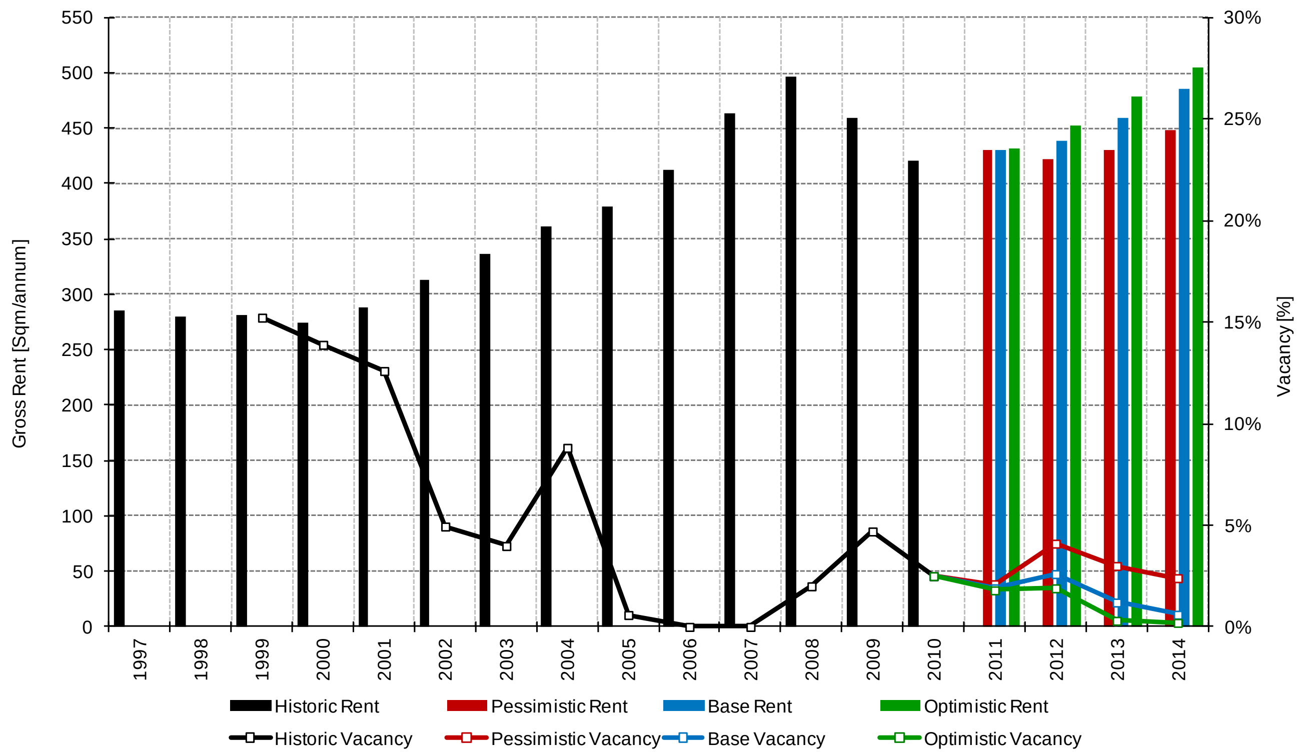
Key indicator	12 month outlook for Premium CBD office space	
Supply	↔	Only expected 31,000 sqm of refurbished space to come on line in 2013
Tenant demand	↑	Will increase with improvement in economic conditions and employment growth later in 2012
Vacancy rates	↓	Reducing with neutral supply line and rising occupier demand
Rent	↑	Moderate growth expected in 2012 but momentum gathering thereafter
Buyer demand	↗	Investment activity increasing
Investment yields	↔	Forecast to remain stable

Positive trend   Stable trend

Source: CBRE Auckland Property Market Outlook (December 2011)

Outlook
Wellington office

Wellington CBD Office Premium gross rent and vacancy



Key indicator		12 month outlook for <u>Premium</u> CBD office space
Supply	↔	No premium space coming on-stream. ~100,000 sqm of other grades coming to market in 2011/2012.
Tenant demand	↔	Some occupier relocation/contraction expected in 2012 but demand for this space is expected to be positive minimising vacancy downtime
Vacancy rates	↔	Expected to remain low
Rent	↗	Moderate growth expected. Opex increasing reflecting higher insurance premiums
Buyer demand	↔	Investment activity will increase once rental growth expectations firm
Investment yields	↔	Forecast to remain stable, with more substantial firming by 2013/2014

Positive trend Stable trend

Source: CBRE Wellington Property Market Outlook (December 2011)

The Trust is well placed to benefit from improving economic conditions

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

- **Positive exposure to continuing Asia Pacific growth**
  - Export led economic recovery with favourable terms of trade
- **Recovering economic indicators**
  - Increasing domestic sales and consumption forecasts
  - Declining unemployment
- **Improving property fundamentals**
  - Sector at cyclical low with improving outlook for rents and occupancy rates
  - Anticipated capitalisation rate compression

Sylvia Park Shopping Centre, Auckland

Portfolio overview

Key portfolio metrics

Core portfolio metrics	Retail	Office	TOTAL
Number of investment properties[1,2]	6	6	**12**
Value[2,3]	$1.24b	$0.57b	**$1.81b**
Percentage of investment portfolio [by value][3]	68%	32%	**100%**
Net lettable area [sqm][1,2]	224,027	138,755	**362,782**
Number of tenants[1,2]	788	114	**902**
Occupancy[1,2]	97.8%	94.9%	**96.7%**
Weighted average capitalisation rate [like-for-like][4]	7.71%	8.27%	**7.88%**
Weighted average lease term [years][1,2]	3.9	4.1	**3.9**

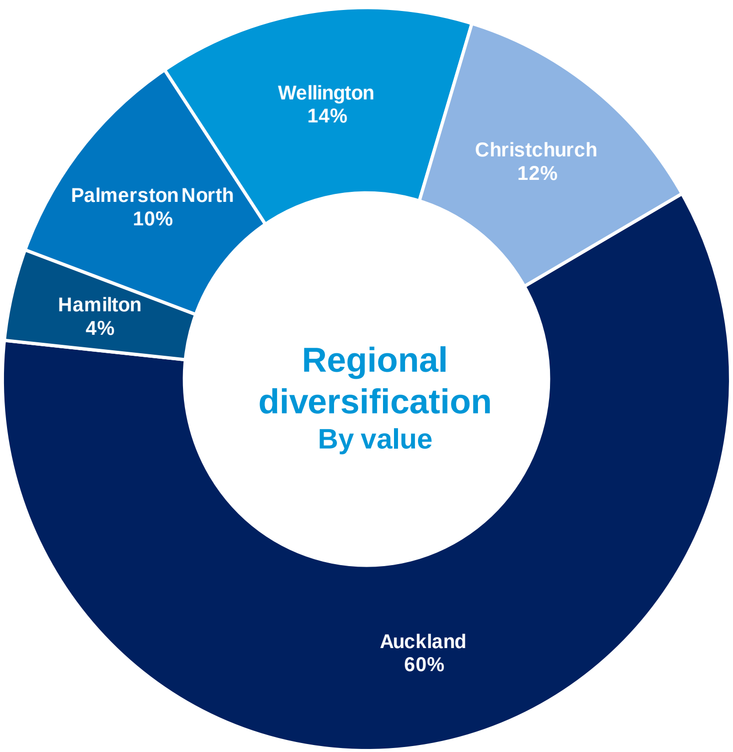
Notes:

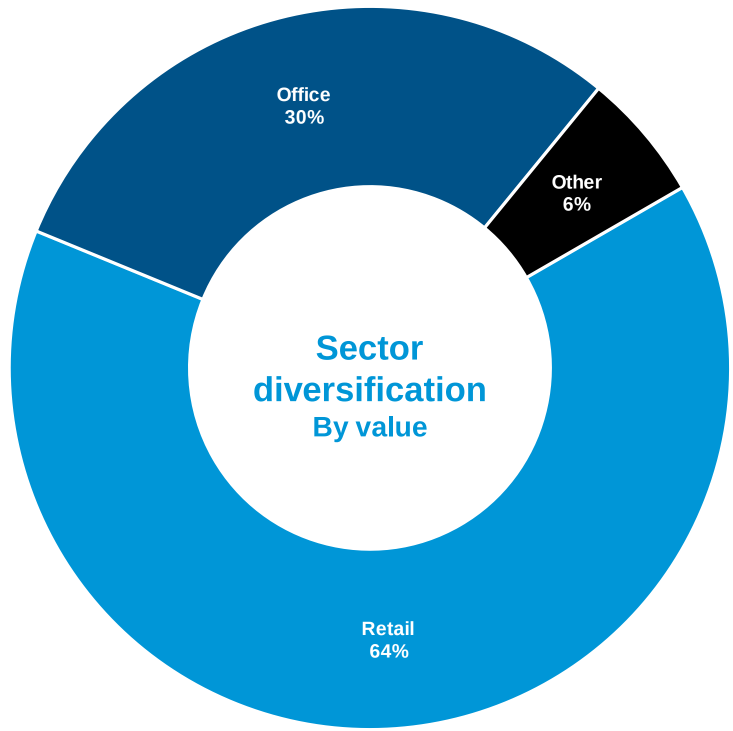
1. As at 31 December 2011
2. Excludes Investment Properties classified as “Other Property”, ie adjoining, development and non-core properties (value $110.7m / 5.8% of total portfolio)
3. All property values are stated at 30 September 2011
4. With the exception of Centre Place, capitalisation rates are stated as at 31 March 2011 in accordance with annual independent valuations undertaken as at that date. Centre Place was independently valued at 30 September 2011 and the capitalisation rate is as at that date

Portfolio overview

Sector and regional diversification

By value [As at 30-Sep-11]	Auckland	Wellington	Christchurch	Palmerston North	Hamilton	TOTAL % total by sector
Retail	34	5	11	10	4	**64**
Office	21	9	-	-	-	**30**
Other	5	-	1	-	-	**6**
TOTAL % total by region	**60**	**14**	**12**	**10**	**4**	**100**



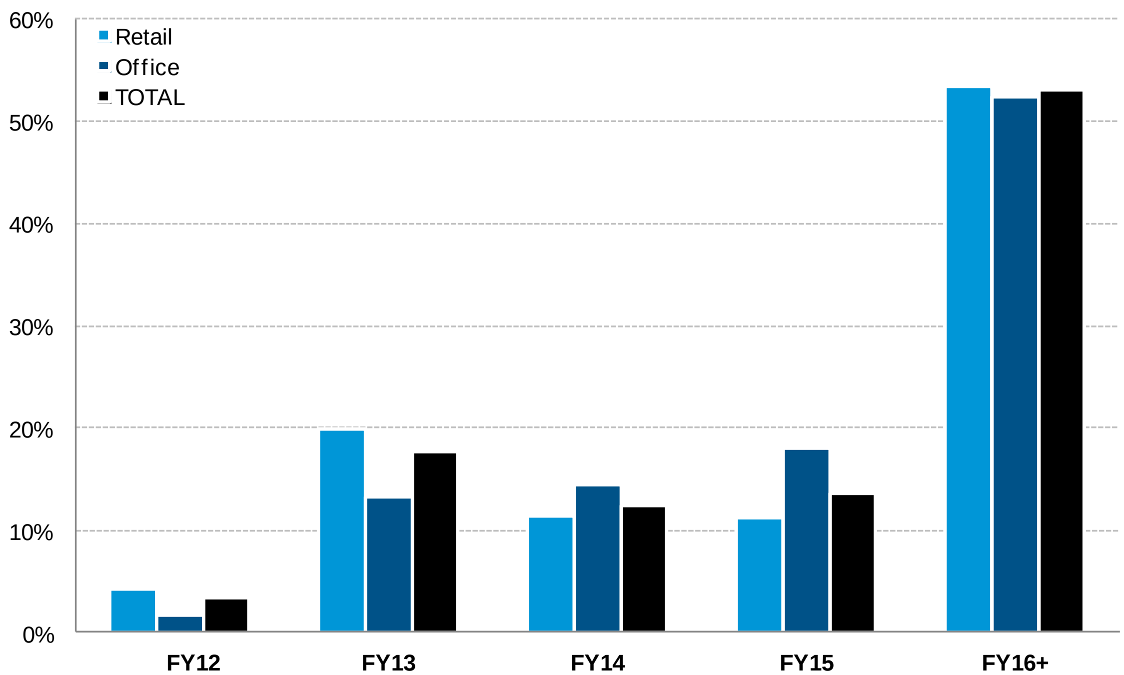


Portfolio overview

Lease profile

Lease expiry profile

By gross income [% income expiring in each financial year]



Weighted average lease term: **3.9 years**

Office portfolio

FY	Property	Tenant	NLA [sqm]
13	Vero Centre	Russell McVeagh	7,452
13	Unisys House	Crown Law	4,806
14	Unisys House	Dept. of Labour	9,345
14	Nat. Bank Centre	ANZ National Bank	6,462

Retail portfolio

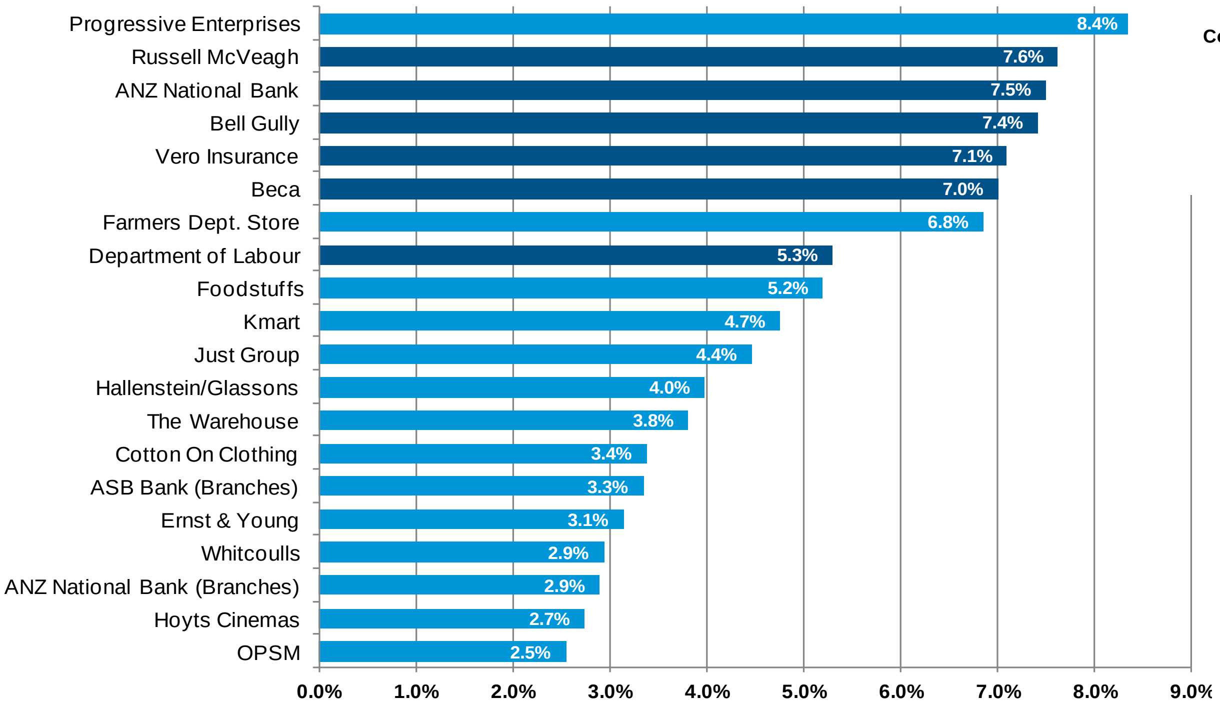
FY	Property	Tenant	NLA [sqm]
12	LynnMall	Farmers	4,913
13	Sylvia Park	~91 specialty stores	~11,000
13	North City	Farmers	4,589
14	Northlands	Hoyts Cinemas	2,875

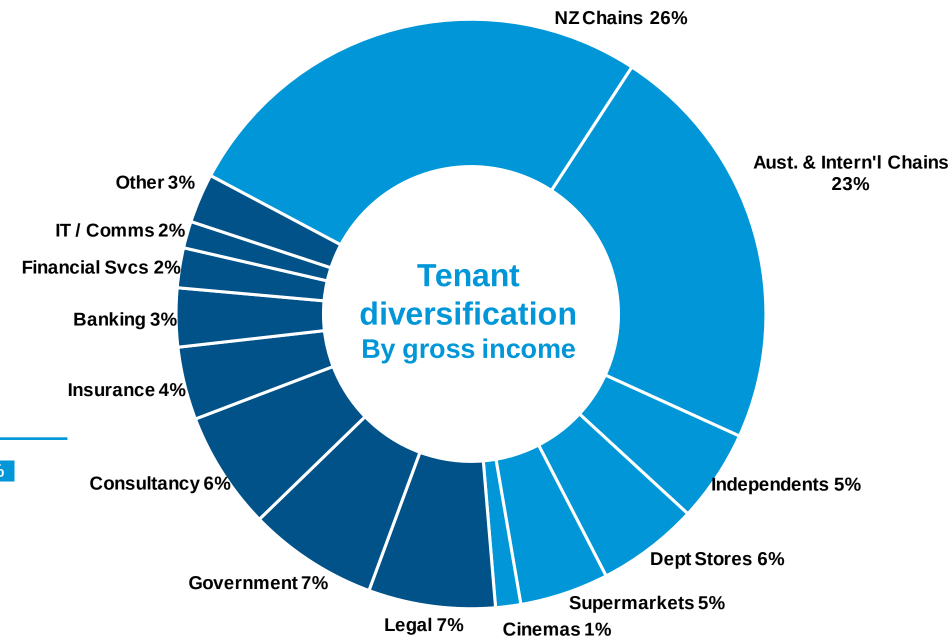
Tenant profile

Analysis of property portfolio [~900 tenants]

Portfolio	Total no. tenants	No. tenants	NLA	Gross income
Retail	788	87%	62%	66%
Office	114	13%	38%	34%
Top 20 tenants		2%	50%	37%

Top 20 tenants by gross income
% of investment portfolio

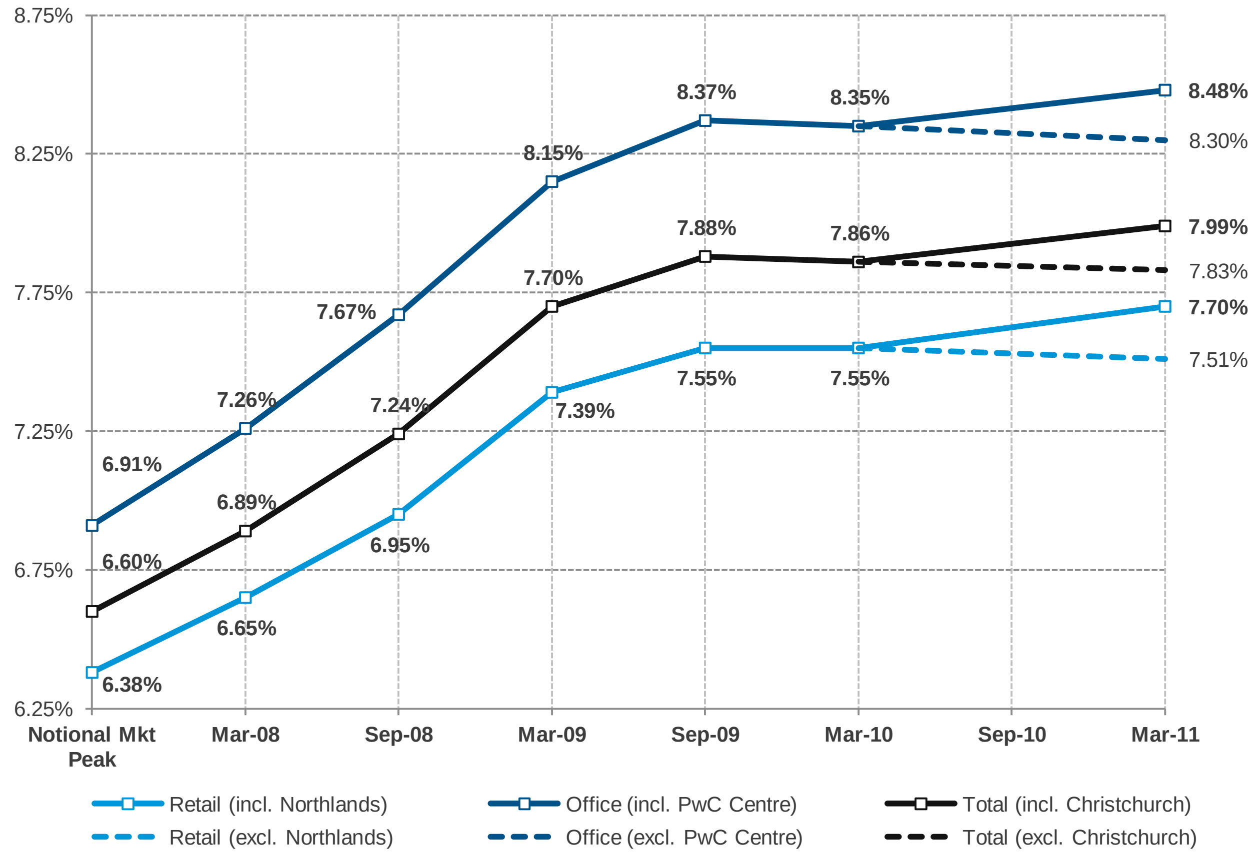




Portfolio overview
Valuations

- Capitalisation rates softened ~128 bps (~19%) from the market peak, est. Q3 2007, through to Sep-09
- The Christchurch earthquakes impacted the Mar-11 value of the Trust's assets in that city and led to a softening in the weighted cap rate across the investment portfolio
- If the Christchurch assets are excluded, the weighted cap rate firmed slightly as at March 2011

Like-for-like portfolio capitalisation rates



Notes:
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

Earthquake impacts

Events

- Four significant earthquakes in Christchurch region since September 2010, ranging from magnitude 5.8 to 7.1. Christchurch accounts for 13% of NZ population
- Widespread damage recorded, particularly in CBD (cordon still in place)
- Trust has two assets in Christchurch: Northlands Shopping Centre and PricewaterhouseCoopers Centre (office building)
- Both assets were fully insured for material damage and business interruption

Direct impacts

- Minor damage sustained at Northlands Shopping Centre, with post-quake sales up 24.5% for year to 31-Dec-11 due to reduced retail space in Christchurch
- PricewaterhouseCoopers Centre is a constructive total loss. Insurance receivable of $71.2 million recognised in interim accounts, pending claim settlement.

Indirect impacts

- $35 million strengthening works to be undertaken at The Majestic Centre, Wellington to bring building to a ‘low risk’ classification
- Insurance premiums have increased from ~$2.7 million pa to ~$4.5 million pa, with consequent property operating expense increase of ~$4.60 per sqm/pa across portfolio

Appendices

Appendix 1: Corporate strength
Appendix 2: Register analysis
Appendix 3: Property portfolio summary
Appendix 4: Economic and market summaries
Appendix 5: Interim financial results (for the six months ended 30 September 2011)

The Majestic Centre, Wellington

Appendix 1: Corporate strength

Appendix 1 – Corporate strength
Colonial First State Global Asset Management

1 As at 31 December 2011

Commonwealth Bank of Australia
Market Cap A$77.8 billion[1]

- Business & Private Banking
- Institutional Banking & Markets
- **Wealth Management**
- International Financial Services
- Retail Banking Services

Wealth Management:
- CommInsure
- **Colonial First State Global Asset Management – FUM A$141.9 billion[1]**
- Colonial First State

Colonial First State Global Asset Management:
- Australasia: **Colonial First State Global Asset Management – FUM A$93.9 billion[1]**
  - **Listed Property**
- Ex-Australasia: First State Investments – FUM A$48.6 billion

Listed Property:

Kiwi Income Property Trust
(KIP)
New Zealand diversified

Portfolio Statistics[1]
- Assets under Mgmt: **NZ$2.1b**
- Net gearing ratio: **34.5%**
- NTA p/unit: **$1.01**
- Portfolio occupancy: **96.7%**

CFS Retail Property Trust
(CFX)
Australian retail

Portfolio statistics[1]
- Assets under Mgmt: **A$8.7b**
- Gearing: **28.1%**
- NTA p/unit: **$2.06**
- Portfolio occupancy: **99.7%**

Commonwealth Property Office Fund
(CPA)
Australian office

Portfolio statistics[1]
- Assets under Mgmt: A$3.5b
- Gearing: 19.0%
- NTA p/unit: $1.13
- Portfolio occupancy: 97.2%

Appendix 1 – Corporate strength
Australasian listed property entities

Rank	Code	Fund	Market Cap (NZ$m)
1	WDC	Westfield Group	24,533
2	SCP	Stockland	9,729
3	WRT	Westfield Retail Trust	9,659
4	GPT	GPT Group	7,001
5	GMG	Goodman Group	6,160
6	**CFX**	**CFS Retail Property Trust**	6,086
7	DXS	Dexus Property Group	5,384
8	MGR	Mirvac Group	5,275
9	**CPA**	**Commonwealth Property Office Fund**	**2,980**
10	CQO	Charter Hall Office	2,189
11	IOF	Investa Office Fund	2,109
12	ALZ	Australand Property	1,875
13	CQR	Charter Hall Retail	1,218
14	BWP	Bunnings Warehouse	1,134
15	**KIP**	**Kiwi Income Property Trust**	**1,016**
16	GMT	Goodman Property Trust	891
17	ABP	Abacus Property Group	885
18	ANO	AMP New Zealand Office	667
19	ARG	Argosy Property Trust	362

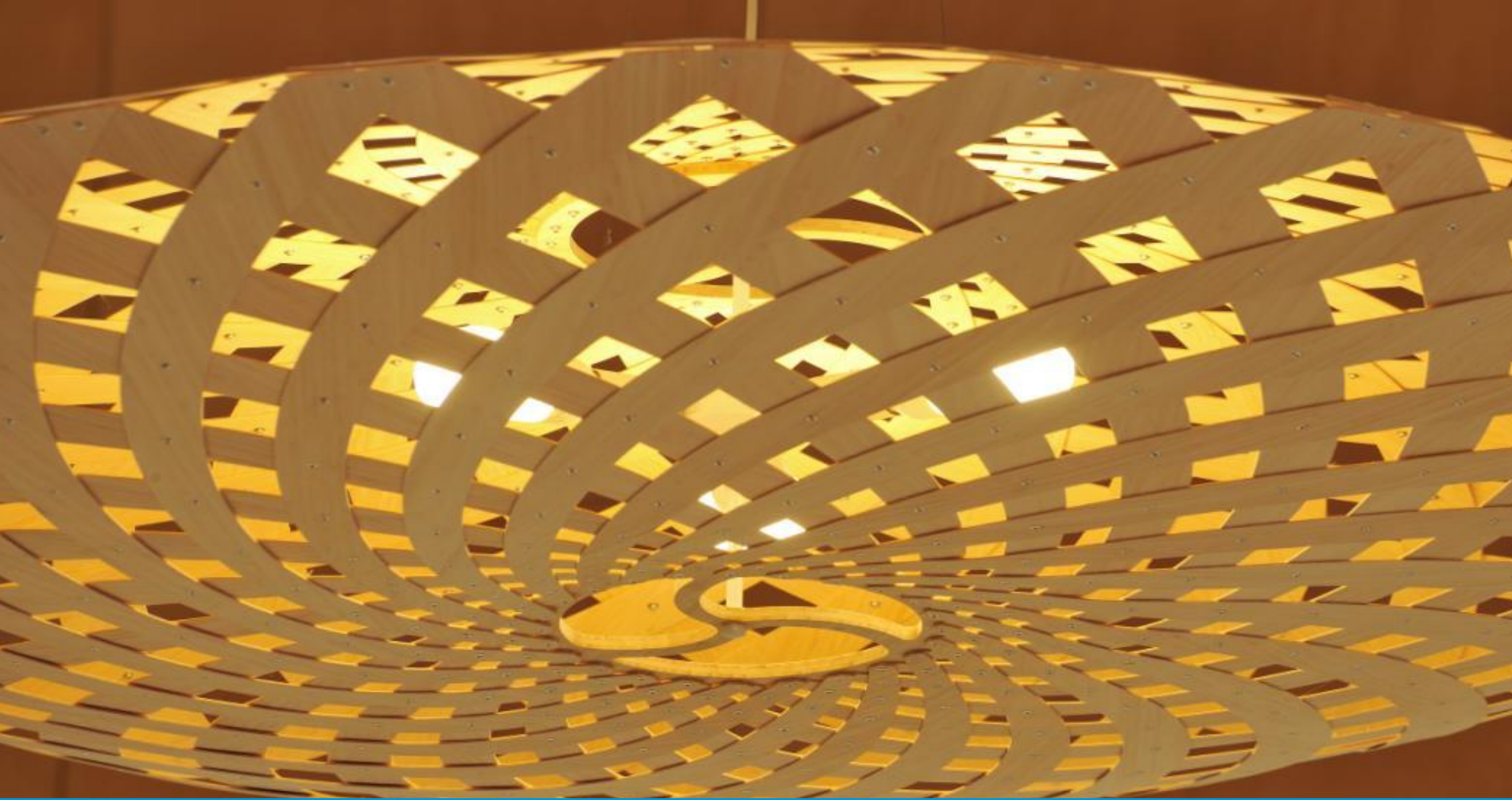
– The top three entities represent ~50% of the total market capitalisation

– Kiwi Income Property Trust is the largest in New Zealand and the 15th largest in Australasia

Source: IRESS (as at 31 January 2012). Australian entities are included in the S&P/ASX 200 AREIT Index. All data converted at NZ$1=A$0.80

Key:

- Three entities managed by Colonial First State Global Asset Management
- New Zealand listed property entities
- Australian listed property entities



Appendix 2: Register analysis

Appendix 2 – Register analysis
Trust ownership

Geographical spread of unit holders[1]	
New Zealand	73%
United States	12%
Australia	10%
Europe	3%
Asia	2%

Retail versus institutional unit holders[1]	
Retail	40%
Institutional	60%

Substantial security holders (as at the date of last notice)	
The Colonial Mutual Life Association (Australia)	9.43%
Accident Compensation Corporation (New Zealand)	9.53%
OnePath (New Zealand)	6.80%

– The Trust has **~11,500 investors in over 25 countries**[2]

– Average daily turnover of **~1.0 million units**

– Consistently top 10 most liquid stock on NZX

1 As at last register Survey October 2011
2 As at January 2012

21 Pitt Street, Auckland

Appendix 3: Property portfolio summary

Appendix 3 – Property portfolio summary

Portfolio diversification overview

Auckland

Auckland region: Pop. 1,303,000

(Largest region, 32.4% of NZ)

2 x shopping centres

3 x office buildings

Hamilton

Waikato region: Pop. 383,000

(4th largest region, 9.5% of NZ)

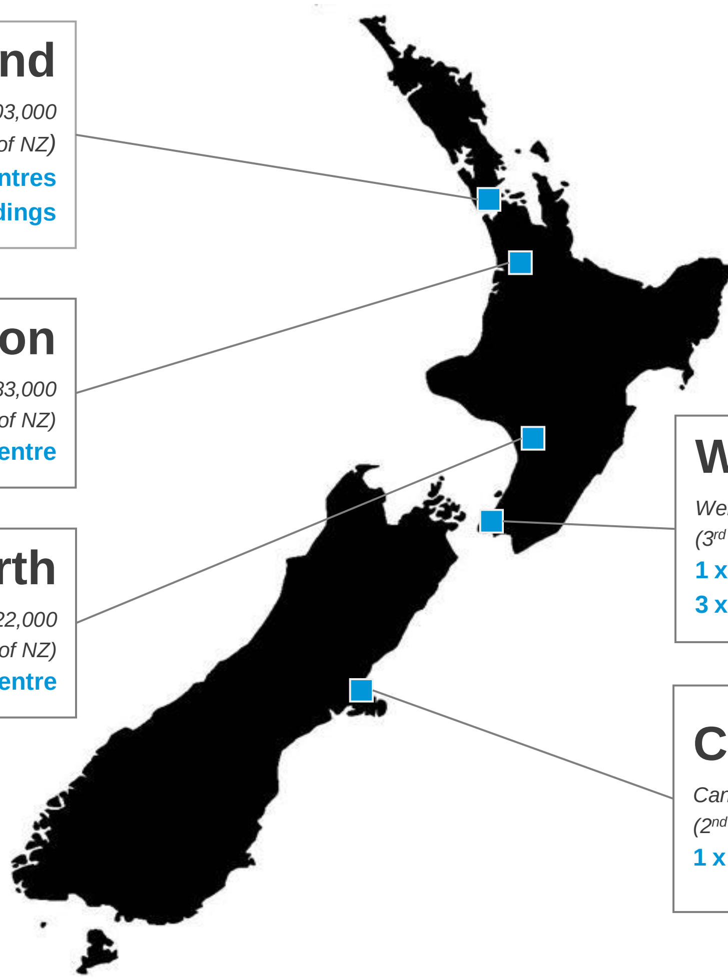
1 x shopping centre

Palmerston North

Manawatu-Wanganui region: Pop. 222,000

(6th largest region, 5.5% of NZ)

1 x shopping centre



Wellington

Wellington region: Pop. 449,000

(3rd largest region, 11.2% of NZ)

1 x shopping centre

3 x office buildings

Christchurch

Canterbury region: Pop.522,000

(2nd largest region, 13.0% of NZ)

1 x shopping centre

Source: Statistics New Zealand (2006 Census results)

Appendix 3 – Property portfolio summary

Valuation and occupancy summary

Portfolio / property	Value $m 30-Sep-11	Cap rate % Last valuation[1]	Occupancy % 31-Dec-11
Sylvia Park	474.3	6.75	100.0
Northlands	208.0	8.50	99.7
The Plaza	192.8	7.50	100.0
LynnMall	176.3	8.00	97.9
North City	103.1	8.75	98.4
Centre Place	86.5	9.65	82.6
Total: Retail	**1,241.0**	**7.71**	**97.8**
Vero Centre	259.4	7.75	94.2
National Bank Centre	95.0	9.00	88.2
Unisys House	69.7	8.75	97.0
The Majestic Centre	66.2	8.50	100.0
21 Pitt Street	53.5	8.38	100.0
44 The Terrace	27.7	8.75	89.6
Total: Office	**571.6**	**8.27**	**94.9**
Total: Investment portfolio	**1,812.6**	**7.88**	**96.7**
Other property	110.7		
Total: Property portfolio	**1,923.3**		

1 All properties were last independently valued at 31-Mar-11, except Centre Place which was last valued at 30-Sep-11

Retail assets

Sylvia Park
Auckland

Building grade:	NZ Regional SC
Date completed:	June 2007
Net lettable area:	71,152 sqm
Number of tenants:	207
Occupancy rate:	100.0%
Current valuation:	$474.3m
Capitalisation rate:	6.75%

Northlands
Christchurch

Building grade:	NZ Regional SC
Date built:	1967
Last refurbished:	2004
Net lettable area:	42,124 sqm
Number of tenants:	129
Occupancy rate:	99.7%
Current valuation:	$208.0m
Capitalisation rate:	8.50%

The Plaza
Palmerston North

Building grade:	NZ Regional SC
Date built:	1986
Last redeveloped:	2009-2010
Net lettable area:	32,442 sqm
Number of tenants:	109
Occupancy rate:	100.0%
Current valuation:	$192.8m
Capitalisation rate:	7.50%

Notes: Property values as at 30-Sep-11. Property statistics as at 31-Dec-11. With the exception of Centre Place, capitalisation rates are stated as at 31-Mar-11 in accordance with annual independent valuations undertaken as at that date. Centre Place was independently valued at 30-Sep-11 and the capitalisation rate is as at that date

Appendix 3 – Property portfolio summary
Retail assets

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

LynnMall
Auckland

Building grade:	NZ Regional SC
Date built:	1963
Last refurbished:	2011
Net lettable area:	31,497 sqm
Number of tenants:	134
Occupancy rate:	97.9%
Current valuation:	$176.3m
Capitalisation rate:	8.00%

Centre Place
Hamilton

Building grade:	CBD SC
Date built:	1985 / 1994
Last refurbished:	2011
Net lettable area:	21,089 sqm
Number of tenants:	106
Occupancy rate:	82.6%
Current valuation:	$86.5m
Capitalisation rate:	9.65%

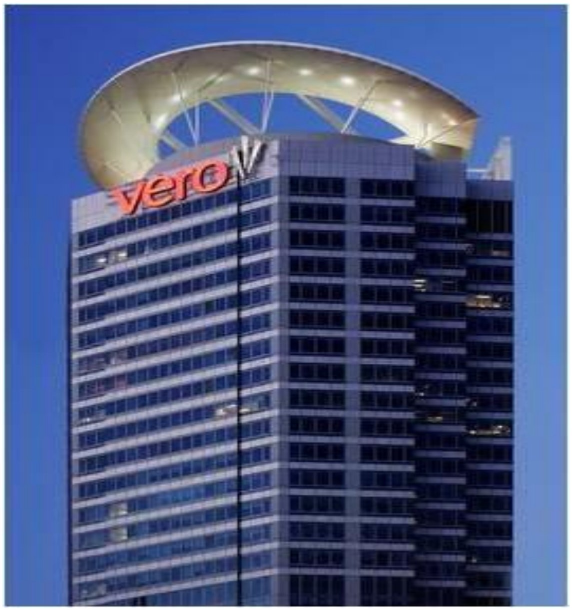
North City
Porirua

Building grade:	NZ Regional SC
Date built:	1990
Last refurbished:	2004
Net lettable area:	25,723 sqm
Number of tenants:	103
Occupancy rate:	98.4%
Current valuation:	$103.1m
Capitalisation rate:	8.75%

Notes: Property values as at 30-Sep-11. Property statistics as at 31-Dec-11. With the exception of Centre Place, capitalisation rates are stated as at 31-Mar-11 in accordance with annual independent valuations undertaken as at that date. Centre Place was independently valued at 30-Sep-11 and the capitalisation rate is as at that date

Appendix 3 – Property portfolio summary
Office assets

Vero Centre
Auckland



Building grade:	Premium
Date built:	2000
Net lettable area:	39,490 sqm
Number of tenants:	29
Tenant type:	Professional
Occupancy rate:	94.2%
Current valuation:	$259.4m
Capitalisation rate:	7.75%

National Bank Centre
Auckland

Building grade:	A-Grade
Date built:	1990
Net lettable area:	25,672 sqm
Number of tenants:	42
Tenant type:	Professional
Occupancy rate:	88.2%
Current valuation:	$95.0m
Capitalisation rate:	9.00%

Unisys House
Wellington

Building grade:	B-Grade
Date built:	1968
Net lettable area:	22,158 sqm
Number of tenants:	8
Tenant type:	Government
Occupancy rate:	97.0%
Current valuation:	$69.7m
Capitalisation rate:	8.75%

Notes: Property values as at 30-Sep-11. Property statistics as at 31-Dec-11. With the exception of Centre Place, capitalisation rates are stated as at 31-Mar-11 in accordance with annual independent valuations undertaken as at that date. Centre Place was independently valued at 30-Sep-11 and the capitalisation rate is as at that date

Appendix 3 – Property portfolio summary
Office assets

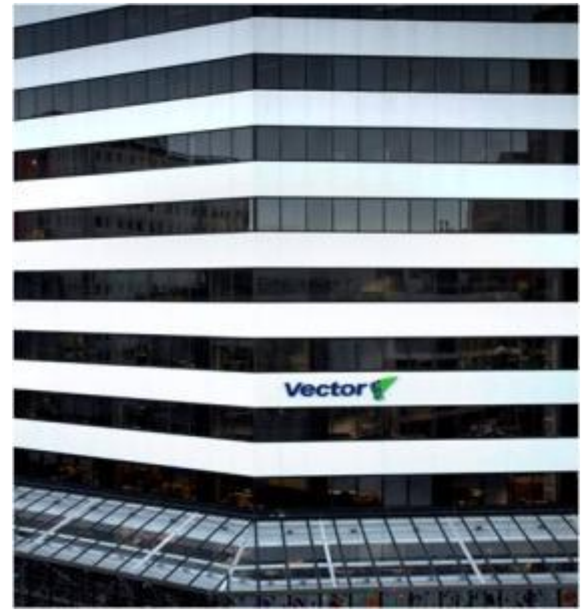
The Majestic Centre
Wellington

Building grade:	A-Grade
Date built:	1991
Net lettable area:	24,488 sqm
Number of tenants:	23
Tenant type:	Professional
Occupancy rate:	100.0%
Current valuation:	$66.2m
Capitalisation rate:	8.50%

21 Pitt Street
Auckland

Building grade:	A-Grade
Date built:	1990
Net lettable area:	16,837 sqm
Number of tenants:	3
Tenant type:	Consultancy
Occupancy rate:	100.0%
Current valuation:	$53.5m
Capitalisation rate:	8.38%

44 The Terrace
Wellington



Building grade:	B-Grade
Date built:	1988
Net lettable area:	10,109 sqm
Number of tenants:	8
Tenant type:	Government
Occupancy rate:	89.6%
Current valuation:	$27.7m
Capitalisation rate:	8.75%

Notes: Property values as at 30-Sep-11. Property statistics as at 31-Dec-11. With the exception of Centre Place, capitalisation rates are stated as at 31-Mar-11 in accordance with annual independent valuations undertaken as at that date. Centre Place was independently valued at 30-Sep-11 and the capitalisation rate is as at that date

The Majestic Centre, Wellington

Appendix 4: Economic and market summaries

International comparison of key economic indicators

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

	GDP growth[1]		Inflation rate[2]		Population growth[3]		Unemployment rate[4]	
	1990 to 2010	Forecast 2011 to 2015	1990 to 2010	Forecast 2011 to 2015	1990 to 2010	Forecast 2011 to 2015	1990 to 2010	Forecast 2011 to 2015
New Zealand[5]	**2.5%**	**2.8%**	**2.4%**	**2.9%**	**1.2%**	**1.0%**	**6.5%**	**5.2%**
Australia	3.2%	3.0%	2.8%	3.2%	1.3%	1.2%	7.1%	4.8%
China	10.2%	9.1%	4.7%	3.6%	0.8%	0.5%	3.4%	4.0%
United States	2.5%	2.4%	2.7%	1.5%	1.1%	1.0%	5.8%	8.3%
Japan	1.2%	1.3%	0.4%	0.0%	0.2%	-0.1%	3.9%	4.6%
United Kingdom	1.9%	1.8%	2.6%	2.6%	0.4%[6]	0.7%	6.9%[5]	7.5%
Germany	1.6%	1.5%	2.0%	1.8%	0.3%	-0.2%	8.4%	6.2%
Italy	1.0%	0.0%	3.1%	1.9%	0.3%	0.4%	9.1%[5]	8.3%

New Zealand has relatively low unemployment, high economic and population growth forecasts

Source: IMF September 2011

Notes:

1 Gross domestic product, constant prices. Percent change, national currency. Average annual rate

2 Inflation, average consumer prices. Average annual rate

3 Average annual growth rate

4 Average rate

5 Estimates after 2009

6 Estimates after 2007

Trading aligned to growth regions

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

World economic forecasts

- IMF world economic growth forecasts as at January 2012
  - 2012: 3.3%
  - 2013: 3.9%

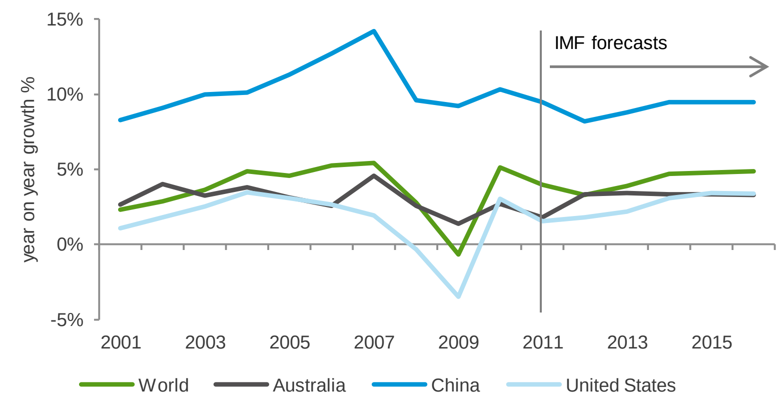
Contribution to world growth

- New Zealand is aligned to key world growth areas
- The Asia Pacific region is forecast to be a key contributor to the world's economic growth in 2012
- North America, another key trading partner for New Zealand will also be a key contributor to world growth

Key trading partner outlook

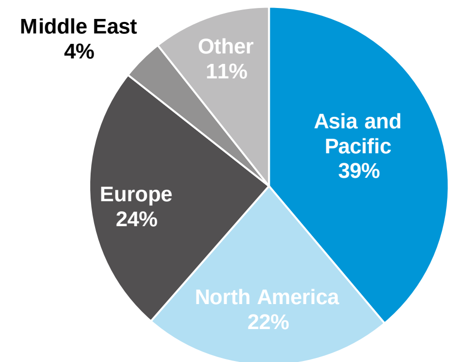
- **Australia:** economic growth forecast to improve in 2012 due to rebuilding (IMF forecast 2012: +3.3%)
- **China**: economic growth forecast to soften, but will still remain healthy (IMF forecast 2012: +8.2%)
- **United States:** steady improvement in the economy anticipated (IMF forecast 2012: 1.8%)

NZ trading partner economic growth forecasts



Source: IMF & CFSGAM Research
Note: 2012-13 forecasts for World, China and USA are as at January 2012. Australia as at September 2011

Forecast contribution to world economic growth in 2012
(based on purchasing price parity)



Source: IMF and CFSGAM Research
Note: as at September 2011 World Economic Outlook

Appendix 4 – Economic and market summaries
Office sector

	AUCKLAND[1,3]		WELLINGTON[2, 3]	
	Current	**Forecast**	**Current**	**Forecast**
Supply	**~52,000 sqm** of new space over 2011/2012	Further **50,000 sqm** of new space due to come on stream in 2013. No projects confirmed beyond this horizon	**~101,000 sqm** of new space over 2011/2012	No projects confirmed beyond 2012
Vacancy	Current / (Prior year):[1] - Core CBD total **13.1%** (13.8%) - Core Premium 11.2% (6.2%) - Core A-grade 8.1% (9.8%)	*Overall CBD*: Vacancy peaked at 13.8% and now recovering, reducing to ~9% by 2015 *Core Premium:* Vacancy now peaked and expected to strongly improve, reducing to 4% by 2015 *Core A-grade:* Volatile vacancy expected with vacancies arising from new builds coming on-line	Current / (Prior year): - Core CBD total **11.3%** (9.4%) - Core Premium 2.1% (2.5%) - Core B-grade 12.9% 10.5%)	*Core CBD*: Increasing to a peak of 13.4% during 2012 recovering to 11% by 2015 *Core Premium:* Forecast to remain at low levels *Core B-grade:* Increasing to a peak of 14.8% during 2013 then recovering thereafter
Rents	CBD avg <u>net</u> effective:[1] Current / (Prior year) - Premium **$372/sqm** ($360) - A-grade $234/sqm ($224)	Both Premium and A-grade forecast to increase moderately during 2012 with good growth subsequently as economic conditions and vacancy improve	CBD avg <u>gross</u> effective: Current / (Prior year) - Premium **$431/sqm** ($420) - B-grade $254/sqm ($257)	*Premium*: Moderate growth expected in 2012 then good growth subsequently *B-grade*: Further falls expected through to 2012 with subsequent strong rebound as vacancy improves
Yields	Current / (Prior year) - Premium **7.88%** (7.90%) - A-grade 9.23% (9.43%)	Moderate improvement in investment yields in 2012 for all grades expected to firm strongly over the next four years, Premium by 62bps and A-grade by 80bps	Current / (Prior year) - Premium **8.47%** (8.47%) - B-grade 10.10% (10.03%)	Moderate improvement in investment yields in 2012 for all grades expected to firm strongly over the next four years, Premium by 60bps and B-grade by 33bps

Source:
1 CBRE Auckland Property Market Outlook (December 2011)
2 CBRE Wellington Property Market Outlook (December 2011)
3 All data is expressed in calendar years. “Current” data is the forecast 2011 data. All prior year data is as at December 2010

Appendix 5: Interim financial results

KIWI INCOME PROPERTY TRUST

Colonial First State Global Asset Management

Appendix 5 – Interim financial results
Financial performance

Financial performance For the six months ended	30-Sep-11	Restated[1] 30-Sep-10	Variance	
	$m	$m	$m	%
Gross rental income	100.7	93.2	*+7.5*	*+8.0*
Property operating expenditure	-28.7	-25.8	*-2.9*	*-11.2*
Net rental income	**72.0**	**67.4**	***+4.6***	***+6.8***
Net interest expense[2]	-23.8	-24.9	*+1.1*	*+4.4*
Manager's fees	-5.4	-5.1	*-0.3*	*-5.9*
Other expenses	-1.6	-1.3	*-0.3*	*-23.1*
Operating expenses	**-30.8**	**-31.3**	***+0.5***	***+1.6***
Operating profit before tax	**41.2**	**36.1**	***+5.1***	***+14.1***
Property revaluations [fair value change]	-65.0	-0.8	*-64.2*	*-100.0*
Impairment of investment properties	-27.3	-	*-27.3*	*-100.0*
Interest rate derivatives [fair value change]	-8.8	-14.4	*+5.6*	*+38.9*
Insurance proceeds	71.2	-	*+71.2*	*+100.0*
Other non-operating items	-0.4	-0.7	*+0.3*	*+42.9*
Profit before tax	**10.9**	**20.2**	***-9.3***	***-46.0***
Tax expense[1]	-9.4	-6.5	*-2.9*	*-44.6*
Profit after tax	**1.5**	**13.7**	***-12.2***	***-89.1***

Key movements in net rental income	$m
Sylvia Park	+0.7
LynnMall	+7.7
Centre Place	-2.0
PwC Centre	-2.2
Other	+0.4
Net rental income movement	**+4.6**

1 Due to an amendment to NZ IAS 12 – Income Taxes, the 30 September 2010 deferred tax expense was restated by $132.2 million. This had a corresponding impact on the profit/(loss) after tax. The loss after tax was previously $118.5 million
2 Shown net of interest income and interest capitalised

Appendix 5 – Interim financial results
Distributable profit

Distributable profit For the six months ended	30-Sep-11	30-Sep-10	Variance	
	$m	$m	$m	%
Operating profit before tax	41.2	36.1	*+5.1*	*+14.1*
Business interruption insurance proceeds received	2.1	-	*+2.1*	*+100.0*
Non-cash rental adjustments[1]	0.5	0.9	*-0.4*	*-44.4*
Distributable profit before tax	**43.8**	**37.0**	***+6.8***	***+18.4***
Current tax expense	-7.8	-4.0	*-3.8*	*-95.0*
Distributable profit after tax	**36.0**	**33.0**	***+3.0***	***+9.1***

Interim distribution [cpu] For the six months ended	30-Sep-11	30-Sep-10	Variance	
Distributable profit after tax[2]	3.71	3.39	*+0.32*	*+9.4%*
Cash distribution	3.50	3.50	-	-
Imputation credits	0.65	0.49	*+0.16*	*32.7%*
Gross distribution	4.15	3.99	*+0.16*	*4.0%*

1 Includes rental income resulting from straight-lining of fixed rental increases and other non-cash adjustments
2 Calculated using the number of units entitled to the distribution

Appendix 5 – Interim financial results

Financial position

Financial position As at	30-Sep-11 $m	31-Mar-11 $m	Movement $m	Movement %
Assets				
Property assets	1,923.3	1,984.7	*-61.4*	*-3.1*
Cash on deposit	89.5	107.3	*-17.8*	*-16.6*
Insurance proceeds	67.5	-	*+67.5*	*+100.0*
Other assets	25.5	20.6	*+4.9*	*+23.8*
Total assets	**2,105.8**	**2,112.6**	***-6.8***	***-0.3***
Liabilities				
Secured bank debt	760.5	759.0	*+1.5*	*+0.2*
Mandatory convertible notes	117.9	117.6	*+0.3*	*+0.3*
Deferred tax liability	103.7	99.6	*+4.1*	*+4.1*
Other liabilities	113.3	93.5	*+19.8*	*+21.2*
Total liabilities	**1,095.4**	**1,069.7**	***+25.7***	***+2.4***
Unit holder funds	**1,010.4**	**1,042.9**	***-32.5***	***-3.1***
Net bank debt to total assets[1]	*33.5%*	*32.7%*		*-0.8%*
Trust Deed gearing [requirement <40%] [2]	*36.1%*	*35.9%*		*-0.2%*
Net tangible asset backing	*$1.04*	*$1.07*	*-$0.03*	*-2.8%*

Key NTA movements	$m	$/unit
Fair value movements		
Centre Place	-30	-0.03
The Majestic Centre	-35	-0.04
Derivatives	-8	-0.01
PwC write-off	-27	-0.03
Insurance proceeds	+71	+0.07
Other /rounding	-4	+0.01
Net movement	**-33**	**-0.03**

1 Calculated as secured bank debt less $84.3 million (Mar-11: $102.0 million) MCN proceeds over total assets (excluding MCN proceeds on deposit)
2 Calculated as secured bank debt over total assets

Further information

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March 2012