

NZX and media announcement – 4 November 2014

Precinct successfully issues long term debt

Precinct Properties New Zealand (NZX: PCT) announced today that it has borrowed US\$75 million (NZ\$98 million) for 10 and 12 year terms in the United States Private Placement (USPP) market.

The USPP issuance comprised two tranches, a US\$50 million 10 year note with a coupon of 4.13% and a US\$25 million 12 year note with a coupon of 4.23%. To remove all currency risk the proceeds have been fully swapped back to New Zealand dollars. The resulting pricing reflects 10 and 12 year funding at 2.17% and 2.19% over the New Zealand three month bank bill rate (3 m BKBM) and will be drawn on 27 January 2015.

George Crawford, Precinct's CFO, said, "We are very pleased with this transaction and the strong levels of interest we have received from US investors."

"This transaction is a first for the NZ property sector and positions Precinct well to execute on its strategy over coming years. The support we received from US investors was particularly pleasing given this is Precinct's first debt issue to non-bank investors and recognises the quality of the Precinct portfolio and the position it holds in the market. Importantly, the pricing achieved was comparable with recent issuance from investment grade rated Australian property entities."

The proceeds of the issue will initially be used to repay bank debt and will increase the weighted average debt maturity profile by 1 year to 4.5 years

Earnings guidance for the 2015 financial year remains unchanged at 6.2 cents per share (before performance fees).

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About Precinct (PCT)

Precinct is New Zealand's only specialist listed investor in prime and A-grade commercial office property. Listed on the New Zealand Exchange, PCT currently owns 17 New Zealand buildings – Auckland's PricewaterhouseCoopers Tower, ANZ Centre, SAP Tower, AMP Centre, Zurich House, HSBC House and Downtown Shopping Centre; and Wellington's State Insurance Tower, Vodafone on the Quay, 171 Featherston Street, 125 The Terrace, No. 1 and 3 The Terrace, Pastoral House, Mayfair House, 80 The Terrace, Deloitte House and Bowen Campus.