

NZX announcement – 29 June 2018

50% sale of ANZ Centre agreed

Following the announcement made on 23 April 2018, Precinct Properties New Zealand Limited (Precinct) (NZX: PCT) announced today that it has now entered into a binding agreement with a fund controlled by Invesco for the sale of a 50% interest in ANZ Centre in Auckland for \$181 million. The sale price is consistent with the 30 June 2018 independent valuation and reflects a 12% premium to 30 June 2017 valuation on a pro-rata basis.

Acquired by Precinct in 1997, ANZ Centre has performed well since it became part of the portfolio generating a property level IRR of 9.0%. Precinct completed a \$76 million upgrade in 2013 and remains committed to maintaining this building as one of New Zealand's premium office towers.

Following settlement of this sale and assuming the draft portfolio revaluation gain of \$202 million, Precinct's gearing will reduce to around 19.5%, pro forma gearing after allowing for all commitments including Commercial Bay and Bowen Campus will sit at around 29%.

Scott Pritchard, Precinct's CEO said, "The successful sale of a 50% interest in ANZ Centre further demonstrates our active management approach. It is in line with our business strategy and enables us to recycle capital out of assets like ANZ Centre into higher yielding development opportunities".

The sale transaction remains subject to Overseas Investment Office approval.

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About Precinct (PCT)

Precinct is New Zealand's only listed city centre specialist investing predominately in premium and A-grade commercial office property. Listed on the NZX Main Board, PCT currently owns 14 New Zealand buildings – Auckland's PwC Tower, AMP Centre, ANZ Centre, Zurich House, HSBC House, Mason Brothers Building, 12 Madden Street and Commercial Bay; and Wellington's AON Centre, Dimension Data House, No. 1 and No. 3 The Terrace, Pastoral House, Mayfair House and Bowen Campus.

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