

Quarterly update

December 2015

Financial information is shown as at 30 September 2015



DEAR SHAREHOLDER,

It has been an active year for the company and we are now well positioned for the future.

During the 2015 calendar year we have sold \$274 million of assets, continued to diversify our borrowing sources, progressed our key developments and raised \$174 million of equity from shareholders.

This activity has seen us increase our weighting to Auckland, reflecting the growth opportunity we see in Auckland, and strengthen our balance sheet to put the company in a strong position to progress our opportunities.

The opportunities at Downtown Shopping Centre and Bowen Campus are progressing well and we look forward to sharing more with you in 2016.

WYNYARD QUARTER - STAGE 1

At Wynyard Quarter we will invest around \$84 million in stage one developing two buildings, which are already 70% leased. Hawkins Construction have been appointed to construct the 8,100m² Innovation building, while NZ Strong will construct the 5,300m² Mason Brothers building (pictured overleaf). Physical works have now commenced with excavation planned to occur over summer.

The expected annual rental, fully leased, is \$6.7 million, representing an 8% yield on cost, with an expected valuation of \$98 million on completion.

2016 OUTLOOK

The key theme emerging from both the year just gone and the outlook for the future is that the company is in a strong position to grow and continue to reshape its portfolio in a strong market. We have a clear strategy and will continue to execute it during 2016.

The Board expects full year earnings for the 2016 financial year of approximately 6.0 cps.

I thank you for your continued support. I wish you a merry Christmas, safe travels and an enjoyable summer break.

Yours faithfully,

Craig Stobo

Chairman

DIVIDEND

Payment date	10 December 2015
Excluded dividend per share	1.0232 cents per share (cps)
Fully imputed dividend per share	0.3268 cps
Cash dividend per share	1.35 cps
Imputation credits	0.1271 cps

INDICATIVE DIVIDEND PAYMENT DATES

	Proposed
2 nd Quarter 2016 financial year	16 March 2016
3 rd Quarter 2016 financial year	2 June 2016

These dates represent the current expectation of Precinct(PCT) as at the date of publication, are subject to PCT board approval, may change without notice and are not a guarantee or warranty as to the payment of a dividend or the actual payment dates.

FINANCIAL SUMMARY

as at 30.09.2015

Year to date (Unaudited)

Dividends declared	1.35 cps
Full year forecast operating earnings per share (before performance fees)	6.00 cps
Full year forecast dividend per share	5.40 cps

Balance sheet	Unaudited 30 Sept 15	Audited 30 June 15
Total assets	\$1,598 m	\$1,753 m
Net equity	\$1,333 m	\$1,338 m
Number of shares on issue	1,211.1 m	1,211 m
Net tangible assets per share	\$1.10	\$1.11
Bank covenant gearing (%)	12.5%	20.1%

SHAREHOLDER RETURNS

Total gross return	Precinct (NZX: PCT)	Listed Property
Sept quarter	1.1%	(0.2%)

Returns are based on close price, and assume reinvestment of dividend (returns exclude imputation credits). Listed property is the S&P/NZX All Real Estate Gross index. Source IRESS

Mason Brothers - Wynyard Stage 1



Above pictures: Artist impression Mason Brothers

Become Someone's Angel

Precinct Properties are again pleased to be able to support the Auckland City Mission and the Wellington City Mission in their upcoming Christmas campaign's.

Precinct engages with our clients and provides them an opportunity to participate in these worthwhile campaign's by providing sleighs for gifts under the Christmas trees in our lobby's. The support provided by clients last year was incredibly positive.

If you would like to donate to these great causes you can do so via their websites:



Auckland:

www.aucklandcitymission.org.nz

Wellington:

www.ChristmasStar.org.nz or
text STAR to 4847 to donate \$3

PRECINCT KEY METRICS (30.09.15)

\$1.5bn

Portfolio value

97%

Overall occupancy

4.8years

Weighted average lease term

\$1.4bn

Market cap

7.0%

Weighted average cap rate

67%

Weighting to Auckland (by value)

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Please contact our registrar, Computershare

- To change investment details such as name, postal address or method of payment, and
- For questions on your dividend and shareholding

REGISTRAR: Computershare Investor Services Limited. T +64-9-488-8777 Email: enquiry@computershare.co.nz

If you have any questions please feel free to email us at hello@precinct.co.nz