

Quarterly update

June 2017

Financial information is shown as at 31 March 2017



Wynyard Stage 1 – Innovation Building

DEAR SHAREHOLDER,

DIVIDEND

Shareholders will receive a third-quarter dividend of 1.40 cents per share. The payment date will be 8 June 2017. The next dividend is expected to be paid on 28 September 2017.

GENERATOR SETTLEMENT

We are pleased to announce that we have acquired a 50% interest in Generator New Zealand Ltd. Generator, established in 2011, operates 3,000sqm of co-working space over three sites within the Britomart precinct in Auckland's CBD. Generator is well aligned with Precinct's values and its strategy of being a city centre specialist.

This acquisition sees Precinct enhance its offering, and will enable Precinct to expand its client base with smaller businesses, growing occupancy and demand.

DELOITTE HOUSE

Deloitte House was fully reopened on the 27th of March following completion of more detailed assessments and after minor repair works that were required as a result of the November Kaikoura earthquake. Notwithstanding this, office occupiers have chosen not to move back into the building at this stage.

Detailed structural assessments of the building identified that the seismic strength of the building was lower than previously understood. We continue to investigate approaches to improve the seismic strength of the building and will provide a further update at the August results.

OUTLOOK

Full-year operating earnings after tax are expected to be around 6.2 cents per share. Dividend guidance for the 2017 financial year remains unchanged at 5.6 cents per share, consistent with the 90% pay out dividend policy.

Our 2017 year end results announcement will be on the 17th of August where the Board will provide 2018 earnings and dividend guidance.

Craig Stobo

Chairman

DIVIDEND

| | |
|----------------------------------|------------------------------|
| Payment date | 8 June 2017 |
| Excluded dividend per share | 0.8269 cents per share (cps) |
| Fully imputed dividend per share | 0.5731 cps |
| Cash dividend per share | 1.40 cps |
| Imputation credits | 0.2229 cps |

INDICATIVE DIVIDEND PAYMENT DATES

| | Proposed |
|---------------------------------|--------------|
| 4th Quarter 2017 financial year | 28 Sept 2017 |
| 1st Quarter 2018 financial year | 14 Dec 2017 |

These dates represent the current expectation of Precinct as at the date of publication, are subject to 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 31.03.2017

Year to date (Unaudited)

| | |
|---|-----------------|
| Dividends declared | 4.20 cps |
| Full year forecast operating earnings per share (before performance fees) | 6.20 cps |
| Full year forecast dividend per share | 5.60 cps |

| Balance sheet | Unaudited 31 March 17 | Audited 30 June 16 |
|-------------------------------|--------------------------|-----------------------|
| Total assets | \$1,780 m | \$1,739 m |
| Net equity | \$1,417 m | \$1,411 m |
| Number of shares on issue | 1,211.1 m | 1,211.1 m |
| Net tangible assets per share | \$1.17 | \$1.17 |
| Bank covenant gearing (%) | 21.7% | 14.4% |

SHAREHOLDER RETURNS

| Total gross return | Precinct (NZX: PCT) | Listed Property |
|--------------------|---------------------|-----------------|
| March quarter | 2.8% | 1.4% |

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

Development Update

COMMERCIAL BAY

Bulk excavation is over 50% complete with the excavation cut for the CRL tunnels to commence in the coming months.

Good progress is being made on retail leasing. The centre is attracting significant interest from both local and off-shore retailers.

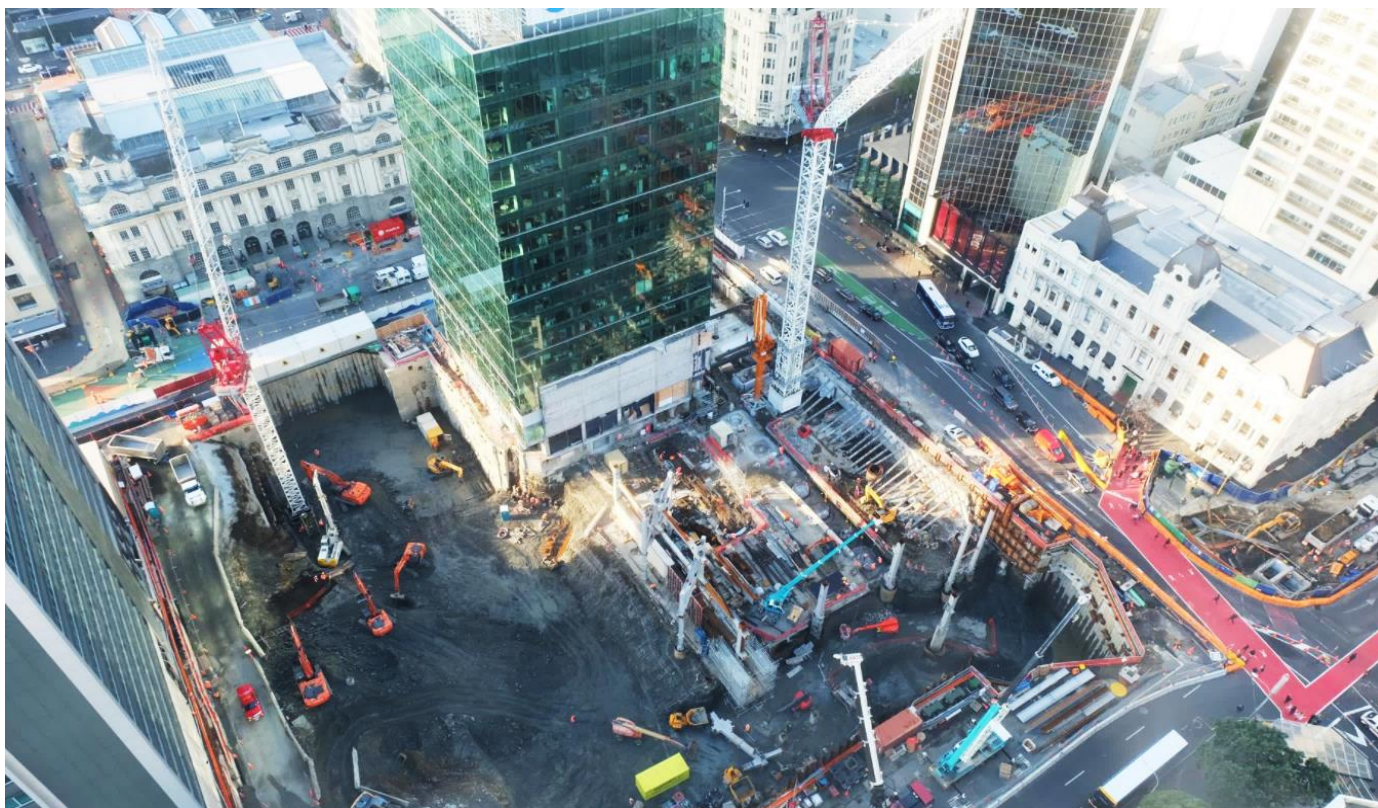
Similar with the office tower, leasing momentum continues with negotiations underway on the remaining space.

BOWEN CAMPUS

Façade installation is progressing well at Charles Fergusson Tower with installation complete on 2 levels. The frames for the Bowen State extension have been erected with floors now being installed.

WYNYARD QUARTER

The Innovation Building will reach practical completion this month concluding the first stage at Wynyard Quarter. The stage is 100% fully let across a combined net lettable area of 13,000m².



PRECINCT KEY METRICS (31.03.17)

\$1.85bn

Portfolio value

99%

Overall occupancy

5.9 years

Weighted average lease term

\$360m

Development work in progress

6.5%

Weighted average cap rate

69%

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

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