NPT
Annual Report

For the year ended
31 March 2015

npt

Chairman's Report

On behalf of the Board of Directors of NPT Limited (the 'Company') I am pleased to present the 2015 Annual Report.

RESULTS

In the year under review the Company announced a Net Trading Profit of $6.959m. This compares to a Net Trading Profit of $5.986m in 2014, an increase of 10.8%.

NPT's Net Profit After Tax is $6.385m, down from $7.632m in the prior reporting period. This reduction is due to a smaller unrealised uplift in the fair value of its property portfolio.

NPT's portfolio of retail, commercial and industrial property increased in value to $158.225m, up from $156.060m in 2014.

DIVIDEND DISTRIBUTIONS

Shareholders will receive a dividend of 1.1 cents per share for the quarter ended 31 March 2015. That brings the total distribution for the year to date to 3.5 cents per share (cps). The record date will be 5pm on 19 June 2015 with payment being made on 3 July 2015.

For the 2016 year the Directors are expecting a minimum dividend of 3.5 cps with imputation credits attached where available.

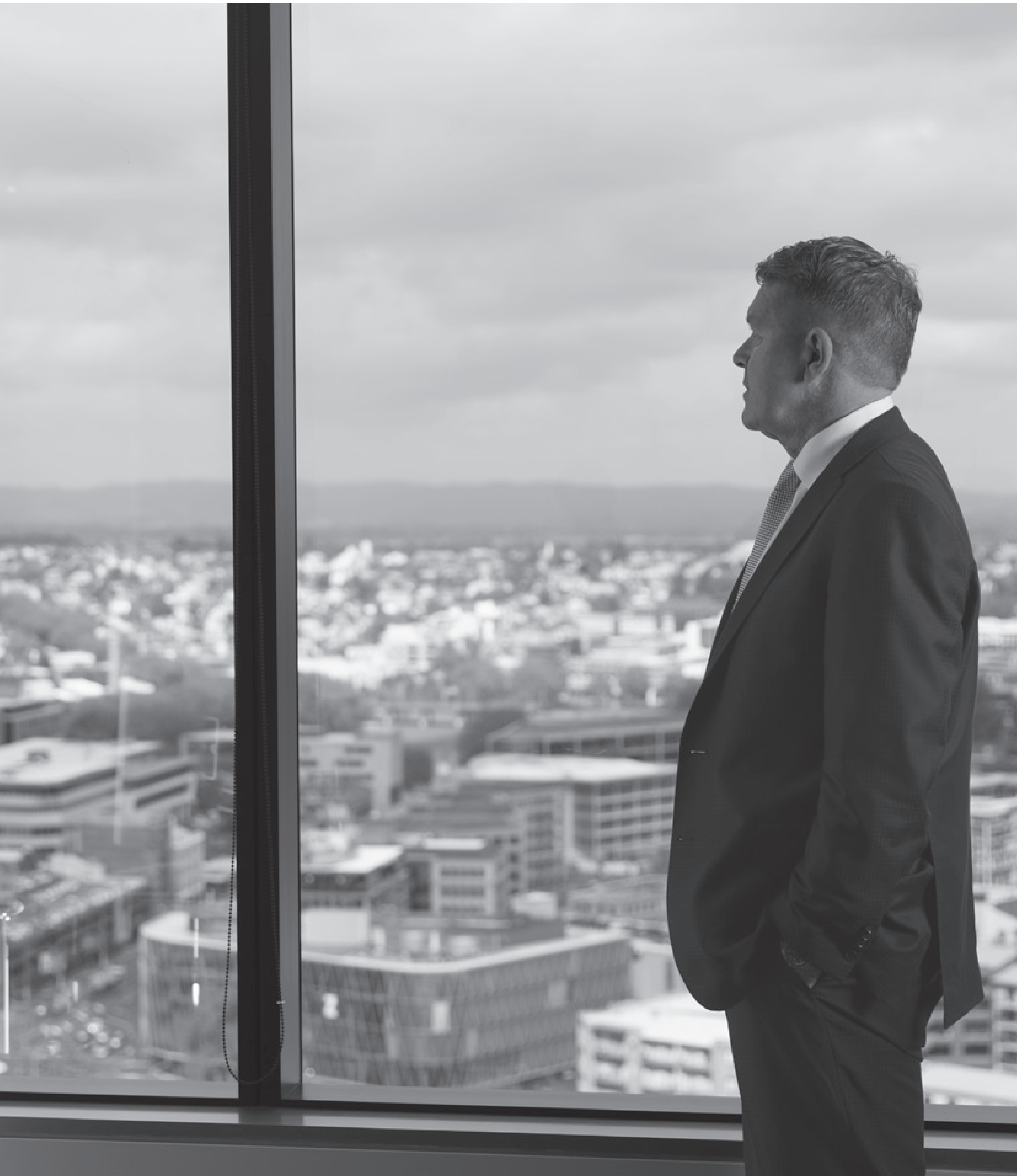
THE YEAR AHEAD

NPT will continue to maximise revenue, capital growth and seek efficiencies in management costs in its property portfolio. We will continue our search for appropriate property acquisitions, dispose of properties that have maximised value and cash flow, and where appropriate recycle the capital to more accretive profit opportunities.

The Board thanks the Managing Director, Kerry Hitchcock, Management and Staff for their contributions over the year.

J. A. Anderson

Sir John Anderson
Chairman



Managing Director's Report

The past year has seen NPT make significant progress on a number of key performance areas.

The total property portfolio has an occupancy ratio of 96.93% (97.08% in 2014) and the Weighted Average Lease Term (WALT) has increased to 5.96 years (5.90 years in 2014).

The increase in the WALT is due to the successful conclusion of The Warehouse and Warehouse Stationery leases at Eastgate Shopping Centre. NPT are in the closing stages of securing new tenants for the entire upper level of the Shopping Centre, providing an increase in foot traffic, significantly benefiting all tenants and shoppers in the Centre.

The final documentation of the leases is expected in the second quarter of the Financial Year March 2016.

An update of each of the Company's properties follows:

99 Albert Street
Auckland

Net Lettable Area: 12,284m2
Market Value: $33.8m

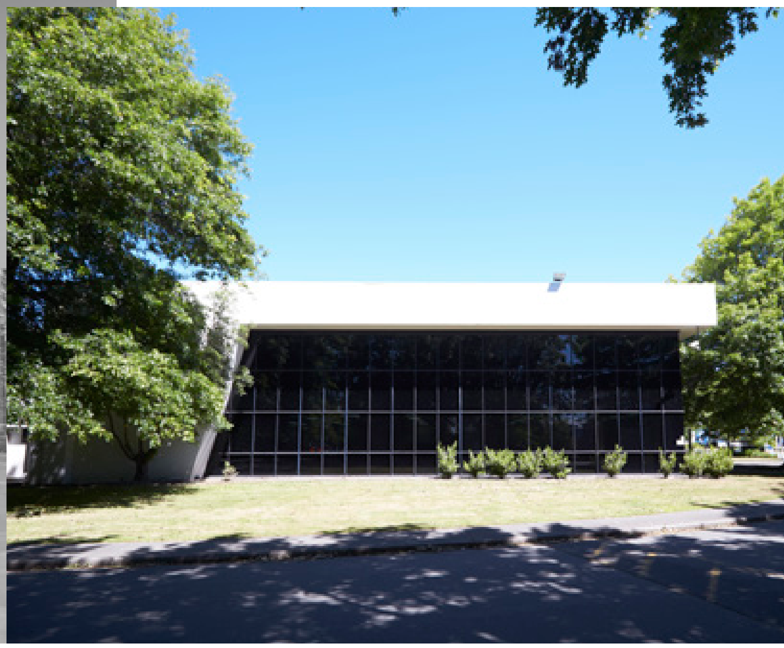
Located in central Auckland, 99 Albert Street is an 18 level high-rise office tower with ground floor retail space and a basement car park. The tower is fully equipped with all modern services and a quality fit out. The building is unit titled with NPT owning the majority of the floors excluding levels 16 and 17 and the ground floor retail.

Eastgate Shopping Centre
Christchurch

Net Lettable Area: 27,627m2
Market Value: $50.35m

Eastgate occupies a high profile position about 3km east of the Christchurch CBD. 36 specialty stores plus a food court compliment the anchor tenants. Foot count comparisons for March 2013 compared to March 2015 show a 32% increase. This significant increase is in part attributable to the relocation of the Linwood Library to the upper level. It is expected significant increases will also result from the Medical Centre/Alliance.

The current lease demand from Medical and Social Support Services will underpin strong demand for a stronger food offering and support some on-grade development on the property.



113 Elwood Road
Hastings

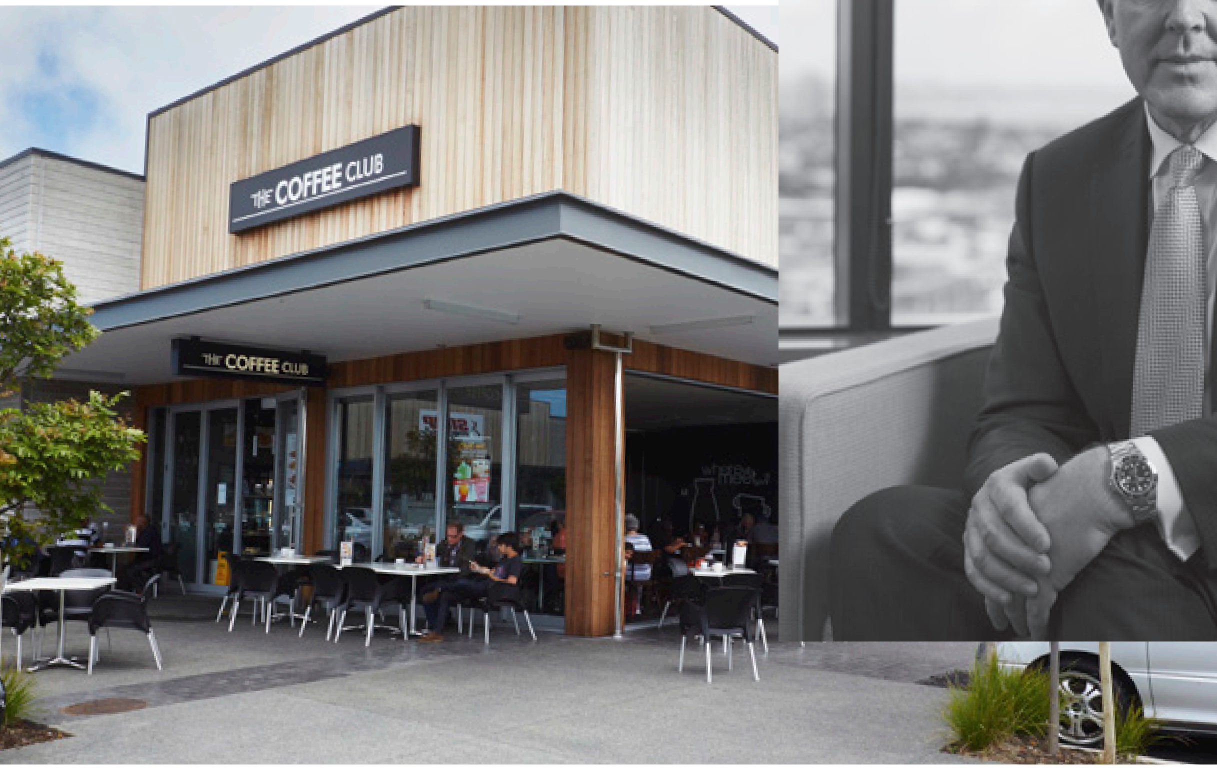
Net Lettable Area: 60,059m2
Market Value: $27.225m

A 6.293 hectare industrial site housing a contemporary dry storage facility with sealed yards, security fencing and operative rail siding. The site is next to the Heinz Wattie's Tomoana production facility on the northern fringe of Hastings. It is home to one of New Zealand's largest stand-alone warehouses with a floor area of 50,000m2. The property enjoys a significant lease to Heinz Wattie's and has eleven plus years to run and has indexed rent reviews.

17 Print Place
Christchurch

Net Lettable Area: 12,559m2
Market Value: $13.25m

A premium industrial property including a modern high-stud warehouse and factory space with associated office blocks. The property is located in the Middleton industrial area of Christchurch adjoining the southern motorway system.



22 Stoddard Road
Auckland

Net Lettable Area: 8,423m2
Market Value: $33.6m

This Centre was completed early 2013 and has been built to new seismic standards. With occupancy at 94.88%, the Centre has 20 specialty retail spaces and 335 carparks.

The modern centre is well located in a strong growing catchment.

Summary

Looking ahead, NPT will be working towards the conclusion of the Eastgate lease negotiations and the multiple growth and development opportunities as a result of the strengthening market for the Centre.

Ongoing work continues in repositioning the AA Centre for rental growth and development options.

NPT has balance sheet capacity for growth and the company's focus will remain on acquisition of property where both sound cashflow and growth opportunities exist.

Kerry Hitchcock
Managing Director

The Board

Sir John Anderson — Chairman

One of New Zealand's most respected business leaders, Sir John was appointed to the Board as Chairman of NPT Limited on 1 April 2011. His reputation was forged as the Chief Executive of the National Bank, and then ANZ National for two decades.

Until recently Sir John was Chairman of PGG Wrightson and is currently Chairman of Steel & Tube Holdings and Deputy Chair of Turners and Growers. Sir John is also a Director of the Commonwealth Bank of Australia and APN News and Media.

As well as many business awards Sir John also received a 2010 Halberg Award for leadership excellence in sport and in 2005 was the inaugural winner of the Blake Medal.

Kerry Hitchcock — Managing Director

Kerry Hitchcock joined the Board of NPT Limited on 1 April 2011, following an independent directorship at the National Property Trust. He became Managing Director in May 2013 following a period as acting CEO. He has unrivalled experience as a property investment and development specialist, having been involved in the property sector since 1983. Over the last 30 years he has seen the New Zealand property market grow rapidly, and has managed companies through the highs and lows.

Kerry is a Director of Port Marlborough New Zealand Limited and Northcote Road 1 Holdings Limited (Smales Farm). He is a Chartered Member of the Institute of Directors.

Tony McNeil — Non-Executive Independent Director

Tony McNeil joined the Board of NPT Limited on 1 April 2011. Tony brings a wealth of experience from the retail sector as Managing Director of Foodstuffs (Wellington) Co-operative Society Limited for 12 years, before retiring in 2010. Previous roles as Director of Ballance Agri-Nutrients, The Bell Tea Company, Kapiti Fine Foods and AF Logistics add to his stock.

Tony is Chairman of Payments (NZ) Limited and is a member of the Institute of Directors.

Jim Sherwin — Non-Executive Independent Director

Jim Sherwin joined the National Property Trust Board in March 2007 and was Chairman from April 2010 until the Trust was corporatised on 1 April 2011. A Chartered Accountant, Jim is the former Managing Partner of Crowe Horwath Wellington (formerly Sherwin Chan and Walshe and WHK), a Wellington-based accounting firm he established in 1984. His extensive financial accounting experience is a tremendous addition to the Board.

Jim is Chairman of Nees Hardware and Building Supplies Limited (Mega Mitre 10) and Preston Corp Limited. He is a Director of Cuthbert Stewart Limited, Energy Solution Providers Limited and a past Chairman of Te Omanga Hospice. He is a member of the Institute of Directors and acts as a strategic advisor to the motor industry and retailing sector.

Portfolio Summary

Property	Location	Type	Valuation	Net Lettable Area (m2)	Occupancy (%)	WALT (Yrs)	Major Tenants
99 Albert Street	99 Albert Street Auckland	Commercial	33.800 m	12,284	100.00	2.8	NZ Automobile Association, Department of Internal Affairs, AA Insurance, First Mortgages Services & Ministry of Justice
113 Elwood Road	113 Elwood Road Hastings	Industrial	27.225m	60,059	100.00	11.8	Heinz Wattie's Ltd & Tomoana Warehousing Ltd
Eastgate Shopping Centre	Cnr Buckleys Road & Linwood Avenue Christchurch	Retail	50.350m	27,627	88.10	5.6	The Warehouse, Countdown, Lincraft, Linwood Library & Medical Centre
17 Print Place	17 Print Place Christchurch	Industrial	13.250m	12,559	100.00	3.1	Dynamic Controls, Abnote NZ Ltd & Canterbury District Health Board
22 Stoddard Road	22 Stoddard Road Mt Roskill Auckland	Retail	33.600m	8,423	94.88	6.5	The Warehouse, ANZ , Stoddard Road Pharmacy, Snap Fitness, Reduced to Clear & Westpac
Group Total			**158.225m**	**120,952**	**96.93**	**5.96**	

Corporate Governance

NPT Limited's Board and Management are committed to ensure that the Company maintains the highest ethical standards and integrity while delivering their primary objective, building long-term security holder value.

NPT's Board has therefore developed a Corporate Governance Manual which guides directors, officers, employees and representatives of NPT so that their business conduct is consistent with NPT's business standards and best practice governance policies. The Governance Manual encompasses the decision-making policies and the mechanisms used to manage the Company.

NPT's corporate governance policies are also designed to ensure that the Company obtains maximum benefit from directors' expertise and judgement and creates an environment in which the Board can set a clear strategic direction and effectively monitor Company performance.

The Governance Manual incorporates the NZX Corporate Governance Best Practice Code Recommendations and the Securities Commission Governance Principles and Guidelines.

The Governance Manual is available to view on NPT's website (www.npt.co.nz).

NPT LIMITED'S BOARD CHARTER AND GOVERNING PRINCIPLES

THE ROLE OF THE BOARD

The Board establishes the Company's objectives, the major strategies for achieving those objectives, the overall policy framework within which the business of the Company is conducted, and monitors Management's performance with respect to these matters.

The Board delegates responsibility for the day-to-day operation and management of the Company to the Managing Director ("MD"). However, the Board has processes and systems in place to ensure that significant issues, risk and major strategic decisions are always considered at Board level. This allows the Company to operate on a day-to-day basis in a manner which maximises security holder value and manages risk while seeking to ensure that the interests of security holders are adequately protected.

Specific responsibilities of the Board and its Committees include:

oversight of the Company including its control and accountability procedures and systems;

setting the strategic direction and objectives of the Company;

overseeing audit and monitoring risk;

approval of operating plans including annual business plans and budgets;

monitoring actual results against the annual business plan, budget and strategic objectives;

appointment of the MD and Chief Financial Officer ("CFO"), and delegating the appropriate authority of the management of the Company, and monitoring Management's performance on a regular basis;

setting the remuneration of the Directors within parameters agreed by shareholders;

approval and monitoring of the progress of capital expenditure, capital management initiatives and acquisitions and divestments;

approval of capital structure and dividend policies; and

oversight of disclosure and monitoring of price sensitive matters affecting the Company.

BOARD PERFORMANCE

The Board reviews its performance as a whole on an annual basis and instigates additional comprehensive reviews as may be deemed necessary from time to time. External consultants may be commissioned as needed to assist in the assessment of an individual director's performance, the effectiveness of the Board's processes and/or the Board's own effectiveness.

COMPOSITION OF THE BOARD

During the year the Board of Directors comprised of five members, Sir John Anderson (Chairman), Messrs Jim Sherwin, Kerry Hitchcock, David Cushing and Tony McNeil - until David Cushing resigned at the Annual General Meeting on 21 August 2014. In accordance with NZX Listing Rule 3.3.1A the Board determined that Sir John Anderson, Jim Sherwin and Tony McNeil are independent directors as defined by NZX Listing Rule 1.1.2.

CONSTITUTION

The Board is subject to the rules in the Company's Constitution (last revised in November 2010). The Constitution, which provides further details on the Board composition, rotation of directors and Board meeting procedures, is available to view on the Company's website. The Company's Constitution allows for no less than three or no more than six directors and at least two of the directors must be resident in New Zealand. Each year one third of the directors shall retire but will be eligible for re-election.

BOARD COMMITTEES

Committees assist the Board to conduct its responsibilities in respect to all material matters and issues requiring Board decisions.

Standing committees of the Board are the Audit and Risk Committee, the Nominations Committee and the Remuneration Committee. The Board has considered that the Company's size

Corporate Governance —Continued

prevents them from establishing separate committees at this time and therefore the full Board will fulfil the obligations of the committee Charters. This decision will be reviewed from time to time. The Board may create ad hoc committees where necessary to examine specific issues on its behalf.

DIVERSITY POLICY

NPT Limited has established a diversity policy for the Group whereby the value of diversity is recognised as beneficial to decision making, improving and increasing corporate and shareholder value and enhancing the probability of achieving NPT's objectives. Management monitors, reviews and reports to the Board on NPT's progress under the policy.

With respect to gender diversity, the Board considers a merit-based approach for selection and promotion of employees and executives, and for determining the composition of the Board, and as such has not set specific targets for gender diversity.

At 31 March 2015, the NPT Board consisted of five male directors and no female directors.

Gender	Year Ending 2015	Year Ending 2014
Male	4	5
Female	-	-
	4	**5**

SHARE TRADING

Directors are encouraged to own securities in the Company in their own name or through associated interests. Directors' security trading is subject to the Company's Share Trading Policy (contained in the Governance Manual), the NZX Listing Rules and the Securities Markets Act 1988. All changes in the shareholdings of Directors are reported to the Board and the NZX. The Directors' shareholdings and changes to those shareholdings are also listed in this Annual Report on page [53].

GOVERNING PRINCIPLES

The Company's Directors and Management are strongly committed to high standards of corporate governance and adherence to the following guiding principles:

Principle 1 – The Company expects its directors, officers, employees and representatives to act in a manner consistent with its guiding principles and the values set out in its Code of Ethics section of the Company's Governance Manual.

Principle 2 – The Board will work effectively if it is composed of persons with a balance of independence, skills, knowledge, experience and perspectives.

Principle 3 – The Board enhances its effectiveness in key areas through the use of committees which develop, review and analyse Company policies and strategies and operate under specific charters. These charters are detailed in the Governance Manual.

Principle 4 – The Board demands integrity both in financial reporting and in the timeliness and balance of disclosures on Company affairs. The Company is committed to providing the investment market with prompt and accurate information on all major events that influence the Company. The Company's Disclosure Policy, contained in the Governance Manual, is designed to ensure a high standard of compliance with NZX's continuous disclosure requirements.

Principle 5 – The Board ensures that the remuneration of directors and executives is transparent, fair and reasonable.

Principle 6 – The Board regularly verifies that the Company has appropriate processes that identify and manage potential and relevant risk. It establishes an acceptable risk tolerance and actively identifies, analyses, evaluates and appropriately treats risk that may impact on the business.

Principle 7 – The Board ensures the quality and independence of the external audit process, monitors developments in the areas of audit and any threats to audit independence, to ensure its policies and practices are consistent with best practice.

Principle 8 – The Board fosters constructive relationships with security holders which encourage them to engage with the Company. The Board is committed to give all security holders comprehensive, timely and accessible information of all material matters concerning the Company, ensuring that security holders can assess the Company's performance.

Principle 9 – The Board respects the interests of stakeholders within the context of the Company's ownership type and its fundamental purpose: to work to protect and enhance, long-term, the value of the assets of the Company in the interests of its security holders.

SHARE TRADING POLICY

The Company is committed to transparency and fairness in dealing with all of its stakeholders and to ensure adherence to all applicable laws and regulations. No director, officer or employee may use their position of knowledge of the Company or its business to engage in securities trading for personal benefit or to provide benefit to any third party. The full share trading policy of the Company is contained in the Governance Manual.

AUDIT AND RISK COMMITTEE CHARTER

The Audit and Risk Committee oversees the Company's compliance with the Audit and Risk Charter. The Board has considered that the Company's size prevents them from establishing a separate Audit and Risk Committee and therefore the full Board fulfils the obligations and is guided by the Audit and Risk Charter.

The primary objectives of the Charter are as follows:

- to set the principles and standards with respect to internal controls, accounting policies and the nature, scope, objectives and functions of the external audit. This objective enables the Board to satisfy itself that Management is discharging its responsibilities in accordance with established processes and, wherever practical, best practice methodologies; and
- to ensure the efficient and effective management of all business risks, and the efficient and effective compliance with the Risk Management Policy.

  In respect to the external Audit, the Audit and Risk Committee:

  - establishes guidelines for the selection and appointment of the external auditor and the rotation of the principal external audit partner (at least once every five years).
  - determines the appointment and removal of the external auditor.
  - ensures through liaison with the external auditor that the Company is discharging its responsibilities to meet relevant legislation and regulatory requirements governing corporate entities, including generally accepted accounting practice and reporting standards.
  - approves the annual audit plan, timetable, audit fee and non-audit fees (if applicable).
  - monitors the effectiveness, objectivity and independence of the external auditor.
  - Full details of the Charter are set out in the Company's Governance Manual.

Investor Relations

SHARE LISTING ON THE NZX

The shares in NPT Limited can be bought or sold on the NZX. The Company's NZX code is "NPT".

ANNUAL AND INTERIM REPORTS

The Company's Annual Reports and Interim Reports are available to shareholders in June and December respectively on the Company's website (www.npt.co.nz). Printed reports will be provided to all shareholders who have requested these in writing.

ANNUAL MEETING

Shareholders in the Company are invited to attend NPT's Annual Meeting being held on 17 August 2015, at the Ellerslie Event Centre, Auckland at 2pm. Shareholders will be able to ask questions of the Directors and Management on the Annual Report and Audited Financial Statements of the Company for the year ended 31 March 2015 and the Company's property portfolio and strategic plans.

NPT WEBSITE

The Company's website is located at www.npt.co.nz. The website contains information on the history, structure and governance of NPT, including details of the property portfolio, historical annual and interim reports of the Company and of its predecessor Trust, together with copies of past newsletters and news releases.

ANNOUNCEMENTS

All announcements to the NZX are posted on the Company's website at www.npt.co.nz.

DIVIDEND DISTRIBUTIONS

Dividend Distributions are direct credited into a nominated New Zealand bank account or can be paid by cheque. Changes to bank account details should be directed in writing to the Registrar (see below).

SHARE REGISTRAR

The Registrar for the Company's shares is:

Link Market Services Limited

PO Box 91976, Auckland, 1142

Telephone: (09) 375 5998 Fax: (09) 375 5990

Email: enquiries@linkmarketservices.co.nz

Shareholders can view their holdings and make changes to their details by logging in to the Registrar's website www.linkmarketservices.co.nz and clicking on the "Investor Login" menu heading.

Shareholders will need their Holder or CSN Number and their FIN. Shareholders experiencing any problems with this service should contact Link Market Services directly.

CONTACT NPT

NPT can be contacted by phoning 0800 867 858 or emailing npt@npt.co.nz.

Treasury Management

MANAGING INTEREST RATE RISK

NPT's policy is to manage its cash flow interest rate risk by using floating-to-fixed Interest Rate Swaps. Such Interest Rate Swaps have the economic effect of converting borrowings from floating rates to fixed rates. Generally, NPT raises borrowings at floating rates and swaps them into fixed rates that are lower than those available if NPT borrowed at fixed rates directly. Under the Interest Rate Swaps, NPT agrees with other parties to exchange, at specific intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Changes in the fair value of swaps are recognised in the Statement of Comprehensive Income.

Interest Rate Swaps have been entered into by NPT to hedge against movements in the variable interest rates on its loan facility. This results in NPT holding fixed rate debt and hence there is a risk that the economic value of the Swap will fluctuate because of changes in market interest rates. Any unrealised gain or loss is expected to unwind over the longer term.

As at 31 March 2015, approximately 85.37% (2014: 35.00%) of the Group's bank loan is at a fixed rate of interest. The fair value of Swaps shown in the table below represents the amount of unrealised gains and losses, whereas the notional amount is an aggregate exposure value of all contracts. The fair value of Interest Rate Swaps at the reporting date is determined by discounting the future cash flows using the yield curves at reporting date and the credit risk inherent in the contract. The average interest rate is based on the outstanding balance at the end of the period.

INTEREST RATE SWAPS

	Average Fixed Interest Rate		Notional Principal Amount		Fair Value	
	2015	**2014**	**2015 $000**	**2014 $000**	**2015 $000**	**2014 $000**
Greater than 1 year	4.52%	4.73%	35,000	14,000	974	145
5 Years +	n/a	n/a	n/a	n/a	n/a	n/a
			35,000	**14,000**	**974**	**145**

Please refer to Note 21 in the Financial Statements for additional information on financial instruments.

BANK DEBT

As at 31 March 2015 total bank debt was $41 million, up from $40 million as at 31 March 2014. The debt-to-loan ratio for bank covenant purposes was 25.63% as at 31 March 2015, compared to 25.58% as at 31 March 2014. The current gearing ratio is comfortably within the bank covenant of 50%.

The Bank of New Zealand has provided the Group with a committed cash advance facility of $80 million under an agreement dated 4 August 2011. The Board elected to reduce the advance facility to $40 million to reduce finance costs on the basis that the facility could be increased up to $80 million on request. On 24 March 2014 the Board elected to increase the advance facility to $50 million. At reporting date $9 million was available for drawdown.

NPT's facility with the Bank of New Zealand was due to expire in August 2014, but on 16 October 2013 the Company received approval to extend the Group's facility for a further 3 years. Refer to Note 16 in the Financial Statements for further information on NPT's banking facility.

Financial Statements

Consolidated Statement of Comprehensive Income — For the year ended 31 March 2015

	Note	Group 2015 $000	Group 2014 $000
Gross Rental Income		16,521	15,498
Insurance Rental Recoveries	8	-	434
Direct Property Operating Expenses	5	(5,059)	(5,153)
Net Rental Income		**11,462**	**10,779**
Interest Income		116	204
Other Income		13	11
Total Operating Income		**11,591**	**10,994**
Interest Expense	6	2,520	1,893
Administration Expenses	7	2,112	3,115
Total Indirect Operating Expenses		**4,632**	**5,008**
Gross Operating Profit/(Loss) Before Other Gains/(Losses)		**6,959**	**5,986**
Net Gain/(Loss) from Canterbury Earthquake	8	-	(89)
Net Gain/(Loss) on Sale of Plant and Equipment		1	(6)
Unrealised Gain/(Loss) in Fair Value of Interest Rate Swaps	9	(829)	458
Unrealised Gain/(Loss) in Fair Value of Investment Properties	12	1,187	2,633
Total Other Gains/(Losses)		**359**	**2,996**
Net Profit/(Loss) Before Taxation		**7,318**	**8,982**
Taxation Expense/(Benefit)	10	933	1,350
Net Profit/(Loss) After Taxation		**6,385**	**7,632**
Other Comprehensive Income		-	-
Total Comprehensive Income		**6,385**	**7,632**
Earnings Per Share		CENTS PER SHARE	
Basic and Diluted Earnings per Share	22	3.94	4.71

The notes set out on pages 24 to 49 form part of, and should be read in conjunction with the financial statements

Consolidated Statement of Changes in Shareholders' Funds — For the year ended 31 March 2015

	Note	Group 2015 $000	Group 2014 $000
Shareholders' Funds at the Beginning of the Year		**116,219**	**114,334**
Net Profit/(Loss) after Taxation		6,385	7,632
Other Comprehensive Income		-	-
Total Comprehensive Profit/(Loss) for the Year		**6,385**	**7,632**
Distributions Paid and Payable to Shareholders	23	(5,179)	(5,747)
Shareholders' Funds at the End of the Year		**117,425**	**116,219**

The notes set out on pages 24 to 49 form part of, and should be read in conjunction with the financial statements

Consolidated Statement of Financial Position — As at 31 March 2015

	Note	Group 2015 $000	Group 2014 $000
Current Assets			
Cash and Cash Equivalents		2,549	4,290
Accounts Receivable	11	225	419
Prepayments		2,002	1,836
Total Current Assets		**4,776**	**6,545**
Non-Current Assets			
Investment Properties	12	158,225	156,060
Property Work in Progress		1,773	282
Plant & Equipment	14	699	630
Total Non-Current Assets		**160,697**	**156,972**
Total Assets		**165,473**	**163,517**
Current Liabilities			
Trade and Other Payables	15	1,585	1,922
Distribution Payable to Shareholders	23	1,295	1,294
Tax Payable	10	17	358
Total Current Liabilities		**2,897**	**3,574**
Non-Current Liabilities			
Bank and Other Loans	16	41,000	40,000
Trade and Other Payables	15	18	74
Deferred Tax Liability	10	3,159	3,505
Interest Rate Swaps	9	974	145
Total Non-Current Liabilities		**45,151**	**43,724**
Shareholders' Funds			
Contributed Capital	17	134,089	134,089
Reserves	18	(16,664)	(17,870)
Total Shareholders' Funds		**117,425**	**116,219**
Total Shareholders' Funds and Liabilities		**165,473**	**163,517**

The Board of NPT Limited approved the financial statements for issue on 25 May 2015.

Sir John Anderson
Chairman

JW Sherwin
Chairman of the audit committee

The notes set out on pages 24 to 49 form part of, and should be read in conjunction with the financial statements

Consolidated Statement of Cash Flows — For the year ended 31 March 2015

	Note	Group 2015 $000	Group 2014 $000
Cash Flows from Operating Activities			
Cash was provided from/(applied to):			
Gross Rental Income		16,787	15,553
Insurance Rental Recoveries		-	434
Interest Income		106	204
Insurance Material Damage Recoveries		-	32,411
Taxation Paid		(1,610)	(2,225)
Other Income		13	12
Operating Expenses		(7,741)	(7,912)
Interest Expense		(2,480)	(1,755)
Net Cash Inflow/(Outflow) from Operating Activities	19	**5,075**	**36,722**
Cash Flows from Investing Activities Cash was provided from/(applied to):			
Plant & Equipment		(168)	(303)
Property Work in Progress		(1,491)	(183)
Investment Properties under Development		(978)	(703)
Acquisition of Investment Properties		-	(36,286)
Net Cash Inflow/(Outflow) from Investing Activities		**(2,637)**	**(37,475)**
Cash Flows from Financing Activities			
Cash was provided from/(applied to):			
(Repayment)/Drawdown of Bank and Other Loans (Secured)		1,000	9,189
Distributions made to Shareholders	23	(5,179)	(4,452)
Net Cash Inflow/(Outflow) from Financing Activities		**(4,179)**	**4,737**
Net Increase in Cash and Cash Equivalents		**(1,741)**	**3,984**
Cash and Cash Equivalents at Beginning of Year		4,290	306
Cash and Cash Equivalents at the End of the Year		**2,549**	**4,290**

The notes set out on pages 24 to 49 form part of, and should be read in conjunction with the financial statements

Notes to the Consolidated Financial Statements

Notes to the Consolidated Financial Statements — For the year ended 31 March 2015

01. REPORTING ENTITY

The reporting entity is the consolidated group comprising NPT Limited and its New Zealand subsidiaries together referred to as ("The Group"). NPT Limited is a limited liability company incorporated and domiciled in New Zealand. NPT Limited is registered under the Companies Act 1993, is listed on the New Zealand Stock Exchange (NZX) and is an FMC Reporting Entity under the Financial Markets Conduct Act 2013.

The principal activity of the Company is the investment in industrial, retail and commercial property in New Zealand.

The consolidated financial statements presented are those of the Company and its subsidiaries ("The Group").

02. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with New Zealand equivalents to International Financial Reporting Standards ('NZ IFRS') and other applicable Financial Reporting Standards, as appropriate for a profit-oriented entity that falls into the Tier 1 for-profit category as determined by the External Reporting Board.

The consolidated financial statements comply with International Financial Reporting Standards ('IFRS').

The accounting policies below have been applied consistently to all periods presented in these financial statements.

Basis of Measurement

The financial statements have been prepared on the basis of historical cost, except for the revaluation of investment properties and certain financial instruments.

Cost is based on the fair value of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported.

Functional and Presentation Currency

The financial statements are presented in New Zealand Dollars (NZD), which is the Group's functional currency, rounded to the nearest thousand dollars ($'000).

Critical Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

In the application of NZ IFRS, management are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 10 Income Tax
- Note 12 Investment Properties

03. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Basis of Consolidation

(a) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities, equity, income, expenses and cash flows of entities controlled by NPT Limited at the end of the reporting period. A controlled entity is any entity over which NPT Limited has the power to direct relevant activities, exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of investors returns.

Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

Accounting policies of subsidiaries are consistent with the policies adopted by the Company.

All material intra-group transactions, balances, income and expenses are eliminated on consolidation.

(b) Investment Properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are initially brought to account at cost plus related costs of acquisition. After initial recognition, investment properties are stated at fair value as determined by an independent registered valuer. Investment properties are valued six monthly. The fair value is based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the absence of an active market, alternative valuation techniques are utilised which may include discounted cash flow projections, capitalisation of income, or sales comparison approach as appropriate to the property being valued. The valuations are prepared by considering the aggregate of the estimated cash flows expected from rental income, the occupancy rates, average lease terms and capitalisation rates which reflect the current market conditions. The estimate of fair value is a judgement which has been made based on the market conditions which apply at each reporting date.

Any gains or losses arising from changes in the fair value of investment properties are included in the Profit or Loss within the Statement of Comprehensive Income in the period in which they arise.

Subsequent expenditure is charged to the assets' carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The net gain or loss on disposal of assets is calculated as the difference between the carrying amount of the investment property at the time of the disposal and the proceeds on disposal and is included in the Profit or Loss within the Statement of Comprehensive Income in the period in which the disposal occurred.

(c) Plant & Equipment

Each class of fixed assets is stated at cost less accumulated depreciation and any impairment.

Depreciation

Depreciation is charged on a straight-line basis to write down the cost of fixed assets to its estimated residual value over its estimated useful life.

Summary of rates used:

Computer Equipment & Software	30% – 40%
Plant & Equipment	7% – 67%
Furniture & Fittings	8.5% – 30%
Lease Fitouts	8.4%

03. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Operating Leases

(i) Group as Lessor

Property leases under which all the risks and rewards of ownership are effectively retained by the lessor (the Group) are classified as operating leases. Annual rental income and expenditure are included in the Profit or Loss within the Statement of Comprehensive Income on a systematic basis over the term of the lease.

(ii) Group as Lessee

Property leases are recognised as an expense on a straight line basis over the lease term.

(e) Lease Incentives

In the event lease incentives are provided to lessees, such incentives are recognised as an asset. The aggregate benefits provided are amortised to the Profit or Loss within the Statement of Comprehensive Income on the straight line basis over the period of the lease as a reduction in rental income, except where another systematic basis is more representative of the time pattern in which benefits provided are consumed.

(f) Impairment of Assets

Assets other than investment properties and deferred tax assets are tested for impairment whenever events or changes in circumstance indicate that the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows that are largely independent of the cash flows from other assets or groups of assets (cash generating units).

(g) Borrowing Costs

All borrowing costs are recognised in the Profit or Loss within the Statement of Comprehensive Income in the period in which they were incurred. The Group does not have any qualifying assets that would require borrowing costs to be capitalised.

(h) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents rental received and property expenses recovered in the normal course of business. The following specific recognition criteria must be met before revenue is recognised:

(i) Rental Income

Rental Income from Operating Leases is recognised on a straight line basis over the term of the relevant lease including any lease incentives.

(ii) Insurance Reimbursement and Losses

Insurance reimbursements are recognised as receivable for damages or loss caused to insured assets when the expected loss can be reliably measured and the insurer has confirmed acceptance of the claim.

A contingent asset will be disclosed for expected recoveries from damage or loss to assets which can be reliably measured and the Directors believe will be fully reinstated by insurers.

(iii) Interest Income

Interest Income is recognised on an effective interest method.

(iv) Sale of Investment Properties/Non-Current Assets Held for Sale

Revenue on the sale of Investment Properties/Non-Current Assets Held for Sale is recognised when the risks and rewards have transferred to the buyer.

(i) Taxation

(i) Current Tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent it is unpaid (or refundable).

03. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Taxation

(ii) Deferred Tax

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

Deferred Tax Liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax credits can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

If a deferred tax liability or asset arises from investment property that is measured at fair value, there is rebuttable assumption that the carrying amount of the investment property will be recovered through sale. The presumption has not been rebutted.

The Group holds investment properties for the purpose of capital appreciation and rental income and therefore the measurement of any related deferred tax reflects the tax consequences of recovering the carrying amount of the investment property entirely through sale. In New Zealand there is no capital gains tax, therefore the tax consequences on sale will be limited to depreciation previously claimed for tax purposes (i.e. depreciation recovered).

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the consolidated entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax rates that have been enacted or substantively enacted at reporting date. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(j) Goods and Services Tax (GST)

All items in the Statement of Financial Position are stated exclusive of GST, with the exception of receivables and payables, which are stated inclusive of GST. All items in the Statement of Comprehensive Income are stated exclusive of GST.

Cash flows are included in the Statement of Cash Flow on a net basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to the taxation authority, are classified as an operating cash flow.

(k) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(l) Financial Instruments

Financial Assets and Financial Liabilities are recognised on the Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

(i) Accounts Receivable and Loans to Tenants

Accounts Receivable and Loans to Tenants are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the profit or loss within the Statement of Comprehensive Income when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

(ii) Accounts Payable

Accounts Payable are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

03. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial Instruments

(iii) Equity Instruments

Equity Instruments issued by the Company are recorded as the proceeds are received, net of direct issue costs.

Loans and Borrowings

All loans and borrowings are initially recognised at fair value plus transaction costs. After initial recognition, these loans and borrowings are subsequently measured at amortised cost using the effective interest rate method which allocates the cost through the expected life of the loan or borrowing. Amortised cost is calculated taking into account any issue costs and any discount or premium on drawdown. Interest accrued on Loans and Borrowings is separately disclosed under Trade & Other Payables (refer Note 15).

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period, to the net carrying amount of the financial instrument.

Loans and borrowings are classified as current liabilities (either advances or current portion of term debt) unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(iv) Derivative Financial Instruments

The Group's activities expose it primarily to the financial risks of changes in interest rates. The Group uses Interest Rate Swap contracts to manage these exposures.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at reporting balance date. The gain/loss on remeasurement to fair value is recognised in the Profit or Loss within the Statement of Comprehensive Income.

In determining the fair value of derivatives, a credit valuation adjustment (CVA) is included to reflect the credit-worthiness of the counterparty only if material.

(v) Fair Value Estimation

The fair value of financial instruments traded in active markets is based on quoted market prices as at each reporting date.

The fair value of derivative financial instruments is based on quoted market prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments.

The nominal value less estimated credit risk adjustments of accounts receivable and payable are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market vs. interest rate that is available to the Group for similar financial instruments.

(vi) Changes in Accounting Policy

A number of new and revised standards came into effect for annual periods beginning on or after 1 January 2014 and unless otherwise indicated, comparatives have also been adjusted. Information on these new standards is presented below.

Offsetting Financial Assets and Financial Liabilities (Amendments to NZ IAS 32 and NZ IFRS 7)

Application guidance has now been added to NZ IAS 32 to address inconsistencies identified in applying some of the offsetting criteria of NZ IAS32, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

This amendment is applicable to annual reporting periods beginning on or after 1 January 2014.

The adoption of these amendments has not had a material impact on the Group as the amendments merely clarify the existing requirements in NZ IAS 32.

Recoverable Amount Disclosures for Non-Financial Assets (Amendments to NZ IAS 36)

These narrow-scope amendments address disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

03. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial Instruments

(vi) Changes in Accounting Policy

When developing IFRS 13 Fair Value Measurement, the IASB decided to amend IAS 36 Impairment of Assets to require disclosures about the recoverable amount of impaired assets. The IASB noticed, however, that some of the amendments made in introducing those requirements resulted in the requirement being more broadly applicable than the IASB had intended. These amendments to IAS 36 therefore clarify the IASB's original intention that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal.

The XRB has made equivalent amendments to IAS 36 Impairment of Assets and is applicable to annual reporting periods beginning on or after 1 January 2014.

The adoption of these amendments has not had a material impact on the Group as they are largely of the nature of clarification of existing requirements.

04. STANDARDS AND INTERPRETATIONS ON ISSUE NOT YET ADOPTED

The Group has elected not to early adopt the following standards, which have been issued by the International Accounting Standards Board and the External Reporting Board in New Zealand.

NZ IFRS 9 – Financial instruments (Effective 1 January 2018)

The New Zealand Accounting Standards Board (NZASB) issued the completed version of NZ IFRS 9 Financial Instruments, bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace NZ IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of NZ IFRS 9.

NZ IFRS 15 Revenue from Contracts with Customers (Effective from 1 January 2017)

NZ IFRS 15 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

The core principle of NZ IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Amendments to NZ IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests (Effective 1 January 2016)

The amendments to NZ IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business, must apply the relevant NZ IFRS 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to NZ IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

The Directors are currently evaluating the impact of these new standards.

05. DIRECT PROPERTY OPERATING EXPENSES

	Group 2015 $000	Group 2014 $000
Tenant Operating Expenses	(3,634)	(4,033)
Owner Operating Expenses	(1,372)	(1,062)
Bad Debts	(47)	(46)
Movement in Allowance for Doubtful Debts	(6)	(12)
Total Direct Property Operating Expenses	**(5,059)**	**(5,153)**

06. INTEREST EXPENSE

	Group 2015 $000	Group 2014 $000
Bank Interest	2,520	1,893
Total Interest Expense	**2,520**	**1,893**

07. ADMINISTRATION EXPENSES

	Group 2015 $000	Group 2014 $000
Fees paid to Auditor	69	64
Directors' Fees	197	220
Employee Costs	1,059	1,296
Rent	133	120
Professional Fees	154	768
Registry and Stock Exchange Fees	83	93
Shareholder Communications	38	26
Other Operating Expenses	379	528
Total Administration Expenses	**2,112**	**3,115**

	Group 2015 $000	Group 2014 $000
Fees paid to Auditor comprise the following:		
Statutory Audit	44	34
Review Engagement	25	25
Consulting Advice	-	5
	69	**64**

Employee Remuneration

The number of employees within the Group receiving remuneration and benefits above $100,000 in relation to the year ended 31 March 2015 was:

	Group 2015 (No of Employees)	Group 2014 (No of Employees)
$410,000 pa – $419,999 pa	1	-
$300,000 pa – $309,999 pa	-	1
$260,000 pa – $269,999 pa	1	-
$230,000 pa – $239,999 pa	-	1
$210,000 pa – $219,999 pa	1	-
$100,000 pa – $109,999 pa	-	1

08. CANTEBURY EARTHQUAKE

	Group 2015 $000	Group 2014 $000
Insurance reimbursement received from 1 April 2013 to 31 March 2014	-	33,043
Total Insurance Reimbursements Recognised	**-**	**33,043**
Less: Material Damage and Land Settlement of 195 Hereford Street recognised in prior year	-	(32,501)
Less Reclassified as Insurance Rental Recoveries	-	(434)
Material Damage Claim Receipts Recognised	**-**	**108**
Earthquake Related Expenses	-	(197)
Net Earthquake Related Insurance Recoveries/(Expense)	**-**	**(89)**

As at 31 March 2014 all insurance claims have been settled.

09. NON-OPERATING ITEMS

Interest Rate Swaps

The Group manages its interest rate risk by using floating-to-fixed Interest Rate Swaps which have the economic effect of converting interest on borrowings from floating rates to fixed rates.

Changes in the fair value of Swaps are recognised in the Statement of Comprehensive Income. Any unrealised loss is expected to unwind over the longer term.

During the year two swaps terminated, $4m swap on 28 April 2014 and $5m swap on 20 March 2015.

Also during the year the group entered into two interest rate swaps; the first for $10m will expire on 8th May 2017 and the second for $20m will expire on 7th May 2019. For details of swaps in place at year end refer to note 16 and 21.

	Group 2015 $000	Group 2014 $000
Balance, Beginning of Year	**145**	**603**
Current Year Fair Value Change of Swaps	829	(458)
Balance, End of Year	**974**	**145**

10. INCOME TAX

	Group 2015 $000	Group 2014 $000
Net Profit/(Loss) Before Taxation	7,318	8,982
Taxation at 28%	2,049	2,515
Less Taxation Effect of Permanent Differences		
Investment Properties (Gain)/Loss	(1,111)	(1,367)
Additional Earthquake, Depreciation and Lease Incentive Deductions	-	169
Other	(5)	33
Taxation Expense/(Benefit) per the Statement of Comprehensive Income	**933**	**1,350**

The Income Tax Expense is represented by:

Current Tax		
Current Year Tax Provision	(1,291)	(2,123)
Additional Earthquake, Depreciation and Lease Incentive Deductions	13	852
Total Current Tax Movement	**(1,278)**	**(1,271)**

Current Tax Asset/(Liability)		
Opening Balance	(358)	(1,312)
Current Year Tax Provision	(1,291)	(2,123)
Additional Earthquake, Depreciation and Lease Incentive Deductions	13	852
Tax Paid/(refunded)	1,619	2,225
Total Current Tax Asset/(Liability)	**(17)**	**(358)**

Deferred Tax		
Lease Incentives	73	42
Unrealised Interest Rate Swap Gain/(Loss)	232	(128)
Investment Properties Gain/(Loss)	-	1,081
Provisions	29	13
Release of Prior Deferred Tax Liability on Depreciation and Insurance Recovered	(1)	(1,021)
Other	13	(65)
Total Deferred Tax Movement	**346**	**(78)**

Deferred Tax Asset/(Liability)		
Investment Properties Depreciation Recovery	(3,350)	(3,350)
Interest Rate Swaps	273	41
Other	(82)	(196)
Total Deferred Tax Asset/(Liability)	**(3,159)**	**(3,505)**

10. INCOME TAX (CONTINUED)

Imputation Credit Account	Group 2015 $000	Group 2014 $000
Balance at the End of the Year	**358**	**449**

11. ACCOUNTS RECEIVABLE

	Group 2015 $000	Group 2014 $000
Trade Receivable	214	183
Allowance for Doubtful Debts	(7)	(52)
Total Trade Receivable	207	131
Sundry Debtors	18	288
Total Accounts Receivable - Current	**225**	**419**

12. INVESTMENT PROPERTIES

Reconciliation of Carrying Amount	Group 2015 $000	Group 2014 $000
Balance at the Beginning of the Year	156,060	116,350
Acquisition of Investment Properties	-	36,287
Capitalised Costs	978	790
Revaluation of Investment Properties	1,187	2,633
Balance at the End of the Year	**158,225**	**156,060**

All properties were valued on a fair value basis as at reporting date by independent registered valuers, listed below, who are members of the Institute of Valuers of New Zealand. These valuers are experienced in valuing commercial properties.

The fair values of the Investment Properties at each reporting date were as follows:

Group 2015

Description	Valuer	Capitalisation Rate	Occupancy Rate	Walt Year	Group 2015 $000	Group 2014 $000
AA Centre		8.38%	100.00%	2.8	33,800	33,800
99 Albert Street, Auckland	Jones Lang LaSalle					
Eastgate Shopping Centre		8.50%	88.10%	5.6	50,350	47,860
Cnr Buckleys Road & Linwood Avenue, Christchurch	Jones Lang LaSalle					
Print Place						
17 Print Place, Christchurch	Jones Lang LaSalle	10.00%	100.00%	3.1	13,250	13,750
Heinz Wattie Warehouse						
113 Elwood Road, Hastings	Jones Lang LaSalle	8.25%	100.00%	11.8	27,225	27,150
Roskill Centre						
22 Stoddard Road, Auckland	Jones Lang LaSalle	6.88%	94.88%	6.5	33,600	33,500
					158,225	**156,060**

279–285 Linwood & 2-6 Cranley have been incorporated into the Eastgate Shopping Mall.

12. INVESTMENT PROPERTIES (CONTINUED)

Group 2014 **Description**	**Valuer**	**Capitalisation Rate**	**Occupancy Rate**	**Walt Year**	**Group 2014 $000**	**Group 2013 $000**
AA Centre 99 Albert Street, Auckland	Jones Lang LaSalle	8.63%	100.00%	3.7	33,800	31,800
Eastgate Shopping Centre Cnr Buckleys Road & Linwood Avenue, Christchurch	Jones Lang LaSalle	9.13%	88.04%	3.0	44,650	44,150
Linwood & Cranley 279-285 Linwood & 2-6 Cranley, Christchurch	Jones Lang LaSalle	7.00%	100.00%	6.5	3,210	n/a
Print Place 17 Print Place, Christchurch	Jones Lang LaSalle	9.50%	100.00%	4.0	13,750	13,400
Heinz Wattie Warehouse 113 Elwood Road, Hastings	Jones Lang LaSalle	8.25%	100.00%	12.8	27,150	27,000
Roskill Centre 22 Stoddard Road, Auckland	Jones Lang LaSalle	7.00%	100.00%	8.0	33,500	n/a
					156,060	**116,350**

(a) Measurement of Fair Value

(i) Fair Value Hierarchy

The Group's investment properties were valued at 31 March 2015 by independent registered valuers who have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use.

Discussions of valuation processes and results are held between the Management Team and the Audit Committee on a six monthly basis where they verify all major inputs to the independent valuation report, assess property valuation movements when compared to the prior year valuation report and determine whether there are any changes in fair values.

The investment properties are stated at fair value as determined by independent registered valuers. The valuation basis, which conforms to the New Zealand Property Institute's Valuation for Financial Reporting Purposes Practice Standard, was determined by reference to market evidence of transaction prices for similar properties. Accordingly, fair value is the amount at which the properties could be sold in an arm's length transaction between willing parties, in an active market for similar properties in the same location and condition and subject to similar leases. However, where an active market is absent, in line with usual commercial valuation practice, the valuations are prepared by considering the historical transactions, the aggregate of the estimated cash flows expected from rental income, the occupancy rates, average lease terms and capitalisation rates which reflect the current market conditions.

In deriving fair value under each approach all assumptions are compared, where possible, to the Direct Comparison Approach using the market based evidence and transactions for properties with similar locations, condition and quality of accommodation and analysis of the rate per square metre of net lettable area. The adopted fair value is a weighted combination of both the Capitalisation and Discounted Cashflow approaches.

Where recent comparable market based evidence and transactions are not available, alternative valuation techniques are utilised which may include discounted cashflow projections, capitalisation of income and sales comparison approaches as appropriate to the property being valued. As each of the investment properties are under $100 million, most of the properties have recent transactional evidence to support their valuation.

Based on the inputs used, the Direct Comparison valuation has been categorised as Level 2 fair value and Capitalisation of Net Income and Discounted Cash Flow have been categorised as Level 3. The Group has adopted the Jones Lang LaSalle's valuations for financial reporting purposes.

12. INVESTMENT PROPERTIES (CONTINUED)

(ii) Level 3 Fair Value

Valuation Techniques and Significant Unobservable Inputs

The following table shows the Capitalisation of Net Income and Discounted Cash Flow Level 3 valuation techniques used in measuring the fair value of investment property. All investment properties in 2015 have been categorised within Level 3 of the fair value hierarchy.

DESCRIPTION	VALUATION $000	VALUATION TECHNIQUE	UNOBSERVABLE INPUTS	SENSITIVITY OF FAIR VALUE TO CHANGES IN INPUTS The Estimated Fair Value would increase/ (decrease) if:
Investment Properties	158,225	Capitalisation of Net Income Approach	The capitalisation rate range applied is 8.25% - 10.00%.	Retail and office rental growth was higher (lower).
			The rental reversion as a rate of investment property value rate range is -1.22% - 6.35%. This is an adjustment for those tenancies whose rental is above or below the market rate.	Retail and office rental growth was higher (lower).
			The capital expenditure as a rate of investment property value rate range is 0.00% - 19.46% over the next 24 months.	Rental reversions was higher (lower).
		Discounted Cash Flow Approach	The discount rate range applied is 8.88% - 11.50%.	Capital expenditure was lower (higher).
			Occupancy rate range applied is 88.34% - 100.00%.	The occupancy rate was higher (lower).
			Rental growth rate range is 1.95% - 2.60% over 10 years.	Office rental growth was higher (lower).
			A letting up period range of 3 - 9 months has been allowed at the end of each existing lease of the properties.	Capital expenditure was lower (higher).

13. INVESTMENT IN SUBSIDIARIES

	Percentage Held	
	Group 2015	Group 2014
Eastgate Shopping Centre Limited	100%	100%
Hornby Mall Limited	100%	100%
Ocean Boulevard Shopping Centre Limited	100%	100%
Sel Peacock Drive Limited	100%	100%
The National Property Trust Investments Limited	100%	100%
The National Property Trust No 1 Limited	100%	100%
The National Property Trust No 2 Limited	100%	100%
22 Stoddard Road Limited	100%	100%
99 Albert Street Limited	100%	100%
342 Lambton Quay Limited	100%	100%
NPT Management Team Limited	100%	100%

All of the subsidiaries are wholly owned companies incorporated in New Zealand with a 31 March annual reporting date.

All investments in subsidiaries are carried at cost less any impairment allowances.

Any investment in subsidiary impairment allowance recognised is eliminated on a Group basis.

14. PLANT & EQUIPMENT

Group 2015	Lease Fitouts	Plant & Equipment	Furniture & Fittings	Computer Equipment	Total
Cost					
Balance at the Beginning of the Year	335	117	347	187	986
Additions	87	14	22	45	168
Disposals	-	(27)	(28)	(129)	(184)
Balance at the End of the Year	**422**	**104**	**341**	**103**	**970**
Accumulated Depreciation					
Balance at the Beginning of the Year	(74)	(65)	(55)	(162)	(356)
Depreciation	(35)	(15)	(29)	(20)	(99)
Disposals	-	25	27	132	184
Balance at the End of the Year	**(109)**	**(55)**	**(57)**	**(50)**	**(271)**
Net Book Value at the End of the Year	**313**	**49**	**284**	**53**	**699**

14. PLANT & EQUIPMENT (CONTINUED)

Group 2014	Lease Fitouts	Plant & Equipment	Furniture & Fittings	Computer Equipment	Total
Cost					
Balance at the Beginning of the Year	335	102	77	161	675
Additions	-	15	270	26	311
Disposals	-	-	-	-	-
Balance at the End of the Year	**335**	**117**	**347**	**187**	**986**
Accumulated Depreciation					
Balance at the Beginning of the Year	(42)	(45)	(34)	(112)	(233)
Depreciation	(32)	(20)	(21)	(45)	(118)
Disposals	-	-	-	(5)	(5)
Balance at the End of the Year	**(74)**	**(65)**	**(55)**	**(162)**	**(356)**
Net Book Value at the End of the Year	**261**	**52**	**292**	**25**	**630**

15. TRADE AND OTHER PAYABLES

	Group 2015 $000	Group 2014 $000
Accrued Interest and Fees paid to Bank	291	252
Rent in Advance	300	214
GST Payable	22	114
Other Creditors and Accruals	972	1,342
Total Trade and Other Payables - Current	**1,585**	**1,922**
Other Creditors and Accruals	18	74
Total Trade and Other Payables - Non-Current	**18**	**74**

16. BANK AND OTHER LOANS

	Group 2015 $000	Group 2014 $000
Bank of New Zealand (Secured)	41,000	40,000
Total Bank and Other Loans - Non-Current	**41,000**	**40,000**

The Bank of New Zealand provided the Group with a committed cash advance facility of $80 million under an agreement dated 4 August 2011. On 14 March 2013 the facility was reduced to $40m to reduce finance costs. On 24 March 2014 the Board elected to increase the advance facility to $50m. At reporting date $9 million was avaliable for drawdown. There is a fixed line fee payable on the facility limit. The facility is secured by way of General Security Agreements granted by NPT Limited and by each subsidiary of that Company. In addition, the facility is secured by registered first mortgages over all of the real property assets and the cross guarantee of each of the Group's subsidiary companies. The Group facility is made up of a thirty-six-month renewable terms and was due to expire on 3 August 2014. However, the Company received approval on 16 October 2013 to extend the Group facility for a further 3 years.

The weighted average cost of funds for bank debt under the facility, including margin but excluding line fee, as at Reporting Date was 4.47% (31 March 2014: 4.56%). The Group's policy is to manage its interest cost using a mix of fixed and variable rate debt by using Interest Rate Swaps. As at Reporting Date, Interest Rate Swaps with a notional value of $35m (31 March 2014: $14m) were in place at a weighted average interest rate of 5.42% including margin but excluding line fee (31 March 2014: 5.85%) with a weighted average term of 3.05 years (31 March 2014: 0.76 years).

The Group manages its cash flow interest rate risk by using floating-to-fixed Interest Rate Swaps. Such Interest Rate Swaps have the economic effect of converting borrowings from floating rates to fixed rates. Generally, the Group raises borrowings at floating rates and swaps them into fixed rates that are lower than those available if the Group borrowed at fixed rates directly. Under the Interest Rate Swaps, the Group agrees with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Changes in the fair value of interest rate swaps are recognised in the Statement of Comprehensive Income.

The Group recognises the risk of the fluctuating economic value of the financial instruments because of changes in interest rates in its attempt to manage its cash flow interest rate risk.

Refer to Note 21 for additional information on financial instruments.

17. CONTRIBUTED CAPITAL

	Group		Group	
	2015 No of Shares	2015 $000	2014 No of Shares	2014 $000
Fully Paid Shares on Issue	161,920,433	134,089	161,920,433	134,089
Movement in Shares on Issue				
Balance at the Beginning of the Year	161,920,433	134,089	161,920,433	134,089
Balance at the End of the Year	**161,920,433**	**134,089**	**161,920,433**	**134,089**

All shares have equal voting rights and share equally in distributions and any surplus on winding up.

18. RESERVES

(i) Retained Profit /(Accumulated Losses)

	Group 2015 $000	Group 2014 $000
Balance at the Beginning of the Year	1,887	2,635
Net (Loss)/Gain	6,385	7,632
Transfer to Revaluation Reserve	(1,187)	(2,633)
Distribution to Shareholders	(5,179)	(5,747)
Balance at the End of the Year	**1,906**	**1,887**

(ii) Revaluation Reserve

Balance at the Beginning of the Year	(19,757)	(22,390)
Transfer from Retained Profit/Accumulated Losses	1,187	2,633
Balance at the End of the Year	**(18,570)**	**(19,757)**
Total Reserves at the End of the Year	**(16,664)**	**(17,870)**

Description of Reserves:

Retained Profit/(Accumulated Losses)

Cumulative gains/losses retained by the Group after transfers to other reserves and distributions to Shareholders.

Revaluation Reserve

Revaluation reserve for the revaluations of Investment Properties held by the Group

19. RECONCILIATION OF NET PROFIT/(LOSS) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2015 $000	Group 2014 $000
Net Profit/(Loss) after Taxation	**6,385**	**7,632**
Items Classified as Investing or Financing Activities:		
Unrealised (Gain)/Loss in Fair Value of Investment Properties	(1,187)	(2,633)
Net (Gain)/Loss on Sale of Plant and Equipment	(1)	6
Unrealised (Gain)/Loss in Fair Value of Interest Rate Swaps	829	(458)
Movement in Deferred Taxation	(345)	78
Movements in Working Capital Items:		
Accounts Receivable	30	37,043
Trade and Other Payables	(393)	(4,110)
Taxation Receivable	(342)	(954)
Non-Cash Item		
Depreciation	99	118
Net Cash Inflow/(Outflow) from Operating Activities	**5,075**	**36,722**

20. SEGMENT REPORTING

The principal business activity of the Group is to invest in New Zealand properties. The Group's Investment Properties are divided into three business sectors: industrial, commercial and retail.

The segment result is the measure of operating profit reported to the Board and reflects the total profit or loss for the period including non-cash and non-recurring items. The Board assesses the segment performance and decides on the resource allocation.

The segment results for the year ended 31 March 2015 were as follows:

	Industrial $000	Commercial $000	Retail $000	Unallocated $000	Total $000
Segment Revenue	3,884	4,109	8,528	-	16,521
Net Segment Revenue	3,289	2,829	5,344	-	11,462
Net Profit/(Loss) before Taxation	2,864	2,829	6,970	(5,345)	7,318
Change in Fair Value of Investment Properties	(425)	-	1,612	-	1,187
Total Liabilities	**4,075**	**3,301**	**5,489**	**35,183**	**48,048**
Total Assets	**41,045**	**34,495**	**87,043**	**2,890**	**165,473**

The segment results for the year ended 31 March 2014 were as follows:

	Industrial $000	Commercial $000	Retail $000	Unallocated $000	Total $000
Segment Revenue	3,840	4,595	7,497	-	15,932
Net Segment Revenue	3,296	3,428	4,055	-	10,779
Net Profit/(Loss) before Taxation	3,815	5,003	4,511	(4,347)	8,982
Change in Fair Value of Investment Properties	411	1,776	446	-	2,633
Total Liabilities	**3,617**	**5,713**	**5,765**	**32,203**	**47,298**
Total Assets	**41,433**	**34,602**	**81,710**	**5,772**	**163,517**

21. FINANCIAL INSTRUMENTS

Exposure to interest rate, credit, liquidity and other market risks arise in the normal course of the Group's business.

The main risks, arising from the Group's Financial Instruments, are interest rate risk and credit risk.

Interest Rate Risk

The Group's exposure to interest rate risk primarily arises from its long term variable rate borrowings. Interest Rate Swaps are used to reduce exposure to fluctuating interest rates arising on floating rate borrowings.

Management monitors the level of interest rates on an ongoing basis, and from time to time, will recommend to the Board that fixed rates are locked in.

The notional principal or contract amounts of interest rate contracts outstanding at balance date were $35m (2014: $14m).

The Group's exposure to interest rate risk and the effective weighted interest rates for each class of financial asset and liability were:

Group 2015	Effective Interest Rate range	Less than 1 Year $000	1–2 Years $000	2 Years + $000
Financial Assets				
Cash and Cash Equivalents	2.50%	2,549	-	-
Accounts Receivable and Prepayments		2,227	-	-
Total Financial Assets		**4,776**	**-**	**-**
Financial Liabilities				
Trade and Other Payables		1,585	18	-
Bank and Other Loans	4.26% - 4.82%	-	41,000	-
Tax Payable		17	-	-
Total Financial Liabilities		**1,602**	**41,018**	**-**

Group 2014	Effective Interest Rate Range	Less than 1 Year $000	1-2 Years $000	2 Years + $000
Financial Assets				
Cash and Cash Equivalents	2.50%	4,290	-	-
Accounts Receivable and Prepayments		2,255	-	-
Total Financial Assets		**6,545**	**-**	**-**
Financial Liabilities				
Trade and Other Payables		1,876	17	29
Bank and Other Loans	3.79% - 6.02%	-	40,000	-
Tax Payable		358	-	-
Total Financial Liabilities		**2,234**	**40,017**	**29**

21. FINANCIAL INSTRUMENTS (CONTINUED)

Interest Rate Swaps

(a) Accounting classifications and fair values

	Average Fixed Interest Rate		Notional Principal amount		Fair Value - Level 2	
	2015	**2014**	**2015 $000**	**2014 $000**	**2015 $000**	**2014 $000**
Less than 1 year	-	-	-	-	-	-
Greater than 1 year but less than 5 years	4.52%	4.73%	35,000	14,000	974	145
5 years +	n/a	n/a	n/a	n/a	n/a	n/a
			35,000	**14,000**	**974**	**145**

Interest Rate Swaps have been entered into by the Group to hedge against movements in the variable interest rates on its loan facility. This results in the Group holding fixed rate debt and hence there is a risk that the economic value of the Swap will fluctuate because of changes in market interest rates. Any unrealised gain or loss is expected to unwind over the longer term. The average interest rate is based on the outstanding balance at the end of the period.

The Group fully covered secured bank debt to 20th March 2015 by hedging floating rate Tranch drawdowns with fixed rate financial swaps. As at 31 March 2015, approximately 85.37% (2014: 35:00%) of the Group's bank loan is at a fixed rate. The fair value of Swaps shown represents the amount of unrealised gains and losses, whereas the notional amount is an aggregate exposure value of all contracts.

The Group holds interest rate swaps at fair value through Profit or Loss. The fair value of Interest Rate Swaps fall into Level 2 of the fair value hierarchy. Level 2 inputs are inputs other than quoted prices included within Level 1 (quoted prices in active market for identical assets or liabilities) that are observable for the asset or liability, either directly (by price) or indirectly (derived from prices). The fair value is determined using a valuation technique being swap models, discounting the future cash flows and using the yield curves at reporting date and the credit risk inherent in the contract.

Interest Rate Sensitivity

Cash Flow Sensitivity

The Group's assets and liabilities which are subject to interest rate changes, consist of cash and cash equivalents and secured bank loans. A change of 1% in interest rates would have increased/(decreased) profit after income tax and equity in respect of these items by the amounts shown below. This analysis assumes all other variables remain constant.

1% Increase	**Group 2015 $000**	**Group 2014 $000**
Cash and Cash Equivalents	28	37
Bank and Other Loans	(2)	(260)

1% (Decrease)	**Group 2015 $000**	**Group 2014 $000**
Cash and Cash Equivalents	(28)	(37)
Bank and Other Loans	2	260

21. FINANCIAL INSTRUMENTS (CONTINUED)

Fair Value Risk

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at reporting date. The net fair value of Financial Assets and Liabilities is not materially different from the net carrying amounts disclosed in the consolidated financial statements. The methods used for determining the fair values of financial instruments are discussed in Note 3.

Group 2015	Designated as Fair value $000	Loans and Receivables $000	Financial Liabilities at Amortised Cost $000	Total Carrying Amount $000	Fair Value $000
Financial Assets					
Cash and Cash Equivalents	-	2,549	-	2,549	2,549
Accounts Receivable	-	225	-	225	225
Total Financial Assets	**-**	**2,774**	**-**	**2,774**	**2,774**
Financial Liabilities					
Bank and Other Loans	-	-	41,000	41,000	41,000
Trade and Other Payables	-	-	1,603	1,603	1,603
Interest Rate Swaps	974	-	-	974	974
Total Financial Liabilities	**974**	**-**	**42,603**	**43,577**	**43,577**

Group 2014	Designated as Fair Value $000	Loans and Receivables $000	Financial Liabilities at Amortised Cost $000	Total Carrying Amount $000	Fair Value $000
Financial Assets					
Cash and Cash Equivalents	-	4,290	-	4,290	4,290
Accounts Receivable	-	419	-	419	419
Total Financial Assets	**-**	**4,709**	**-**	**4,709**	**4,709**
Financial Liabilities					
Bank and Other Loans	-	-	40,000	40,000	40,000
Trade and Other Payables	-	-	1,996	1,996	1,996
Interest Rate Swaps	145	-	-	145	145
Total Financial Liabilities	**145**	**-**	**41,996**	**42,141**	**42,141**

21. FINANCIAL INSTRUMENTS (CONTINUED)

Fair Value Estimation

The fair value of financial instruments that are not traded in an active market such as derivative financial instruments, are determined using a valuation technique such as discounted cash flows. The carrying value less impairment provision of other financial assets and liabilities is not expected to be materially different to their fair values.

The only financial instruments measured at fair value in the Statement of Financial Position are derivatives (Interest Rate Swaps). The fair value of Interest Rate Swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. As this valuation technique maximises the use of observable market data as an input, the instrument is classified as Level 2 under NZ IFRS 7 Financial Instruments Disclosure.

Credit Risk

To the extent the Group has a receivable from another party there is a credit risk in the event of non-performance by that party. Financial instruments, which potentially subject the Group to credit risk, principally consist of bank balances, receivables and advances to tenants.

The Group manages its exposure to credit risk. Actions include:

- Reviewing each new lease contract on an individual basis and imposing appropriate terms as considered necessary.
- Monitoring the credit quality of major financial institutions that are counterparties to its financial instruments. The Group does not anticipate non-performance by the counterparties.

The maximum exposure for all financial assets is the balance recorded in the consolidated financial statements. Collateral is not required in support of other financial instruments.

Concentrations of Credit Risk

The Group has placed its cash and short-term investments with the Bank of New Zealand. The Group is not exposed to any other concentrations of credit risk other than advances to wholly owned subsidiaries.

Currency Risk

The Group does not have any exposure to foreign currency risk.

Liquidity Risk

Liquidity risk is the risk that the Group will have insufficient funds on hand to meet its commitments. The Group actively monitors its position to ensure that sufficient funds are available to meet liabilities as they arise. Liquidity is monitored on a regular basis and reported to the Board monthly.

21. FINANCIAL INSTRUMENTS (CONTINUED)

The following table sets out the contractual cash flows for all financial liabilities and for derivatives that are settled on a gross cash flow basis.

Group 2015	Balance $000	Contractual Cash Flows $000	On Demand $000	Less than 1 Year $000	1-2 Years $000	2-5 Years $000	More than 5 Years $000
Trade and Other Payables	1,603	1,603	26	1,559	18	-	-
Bank and Other Loans	41,000	46,413	-	2,212	2,212	41,988	-
Interest Rate Swaps	974	215	-	180	35	-	-
Distribution Payable to Shareholders	1,295	1,295	-	1,295	-	-	-
Total Non-Derivative Net Financial Liabilities	**44,872**	**49,526**	**26**	**5,246**	**2,265**	**41,988**	**-**

Group 2014	Balance $000	Contractual Cash Flows $000	On Demand $000	Less Than 1 Year $000	1-2 Years $000	2-5 Years $000	More than 5 Years $000
Trade and Other Payables	1,996	1,996	26	1,924	17	29	-
Bank and Other Loans	40,000	45,299	-	2,002	2,007	41,290	-
Interest Rate Swaps	145	253	-	185	68	-	-
Distribution Payable to Shareholders	1,294	1,294	-	1,294	-	-	-
Total Non-Derivative Net Financial Liabilities	**43,435**	**48,842**	**26**	**5,405**	**2,092**	**41,319**	**-**

21. FINANCIAL INSTRUMENTS (CONTINUED)

Capital Management

The Group's capital includes contributed capital, reserves and retained earnings.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The impact of the level of capital on Shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantage and security afforded by a sound capital position.

The Bank of New Zealand which is the provider of the loan facility to the Group requires the Group to meet the following covenants:

- Bank debt is less than 50% of gross property value
- EBIT > 175% of total debt interest costs

The Group met all these covenants during both reporting periods and at all times during each reporting period.

The Group's policies in respect of capital management and allocation are reviewed quarterly by the Board of Directors. There are no changes in capital management subsequent to 31 March 2015.

22. EARNINGS PER SHARE

Earnings per Share is calculated by dividing the Profit or Loss attributable to Shareholders (excluding distributions) of the Company by the weighted average number of ordinary Shares on issue during the period.

	Group 2015 $000	**Group 2014 $000**
Profit/(Loss) attributable to Shareholders of the Company	6,385	7,632
Number of Shares on Issue	161,920	161,920
Basic Earnings per Share (cents)	3.94	4.71
Number of Ordinary Shares		
At the Beginning of the Year	161,920	161,920
At the End of the Year	161,920	161,920
Number of Ordinary Shares for Basic and Diluted Earnings Per Share	**161,920**	**161,920**

23. DISTRIBUTIONS PAID AND PAYABLE

			Number of Shares	Group 2015 $000	Group 2014 $000
The following distribution was paid in respect of the previous year	0.8000 cents		161,920,433	1,295	-
The following distribution was declared and paid in respect of the previous year	0.8000 cents	(2014: 1.1000 cents)	161,920,433	1,294	1,862
The following distributions were declared and paid during the year	1.6000 cents	(2014: 1.6000 cents)	161,920,433	2,590	2,590
Total Distribution Paid				**5,179**	**4,452**
The following distribution was declared but unpaid at Reporting Date	0.8000 cents		161,920,433	1,295	1,295
Less: Distributions paid in respect of previous year				(1,295)	-
Distributions Paid or Payable to Shareholders				**5,179**	**5,747**

Dividend distributions for the third quarter ended 31 December 2014 were declared on 19 March 2015 and were paid on 2 April 2015.

24. LEASE COMMITMENTS

Operating Lease Commitments Receivable - As Lessor

The Group has entered into commercial property leases on its investment properties. These non-cancellable leases have remaining terms of between 1 month and 12 years and 1 month.

	Group 2015 $000	Group 2014 $000
Future minimum rentals receivable under non-cancellable Operating Leases		
Within one year	14,467	12,869
After one year but not more than five years	36,630	29,632
Later than five years	24,968	32,648
Total minimum lease receivables	**76,065**	**75,149**

The above rental receivables are based on contracted amounts as at 31 March 2015 and 31 March 2014. Actual rental amounts collected in future will differ due to rental review provisions within the lease agreements.

24. LEASE COMMITMENTS (CONTINUED)

Operating Lease Commitments - As Lessee

The Group has entered into a commercial property lease for its Head Office premises in Auckland. This non-cancellable lease is $124,922 pa. and has a remaining term of 5 years and 9 months.

	Group 2015 $000	Group 2014 $000
Future minimum rentals payable under non-cancellable Operating Leases		
Within one year	125	119
After one year but not more than five years	500	328
Later than five years	85	-
Total minimum lease payables	**710**	**447**

25. RELATED PARTY TRANSACTIONS

Key Management Personnel

The Group has a related party relationship with their key personnel. Key management personnel include the Directors of the Parent and Managing Director. Remuneration provided to key management personnel was:

Group 2015	Salary $000	Kiwisaver Contribution $000	Consulting Fees $000	Directors Fees $000	Total $000
Sir John Anderson (Chairman)	-	-	-	60	60
J W Sherwin	-	-	4	40	44
Tony McNeil	-	-	-	40	40
David Cushing (resigned 22 August 2014)	-	-	-	20	20
Kerry Hitchcock	410	12	-	40	462
Total	**410**	**12**	**4**	**200**	**626**

Group 2014	Salary $000	Kiwisaver Contribution $000	Consulting Fees $000	Directors Fees $000	Total $000
Sir John Anderson (Chairman)	-	-	-	60	60
J W Sherwin	-	-	14	40	54
Tony McNeil	-	-	-	40	40
David Cushing	-	-	-	40	40
Kerry Hitchcock	309	9	114	40	472
Total	**309**	**9**	**128**	**220**	**666**

No long term employee benefits or post-employment benefits are provided to key management personnel.

25. RELATED PARTY TRANSACTIONS (CONTINUED)

Basis of Transactions

Transactions with related parties have been entered into in the ordinary course of business and undertaken on normal commercial terms.

The following disclosures are provided in respect of related parties external to the Group:

(a) Consultancy fees relating to meetings and reviewing the interim and annual financial statements totalling $3,924 were paid to J W Sherwin (Director) during the year (2014: $13,749).

(b) No fees relating to the role of Managing Director and earthquake related issues were paid to K. Hitchcock (Director) via his consultancy company Charta Funds Management Limited (2014: $114,272).

26. CAPITAL COMMITMENTS

At reporting date the Group had $1.92 million committed to capital expenditure (2014: Nil).

27. CONTINGENT LIABILITIES

At reporting date the Group had no material contingent liabilities (2014: Nil).

28. CONTINGENT ASSETS

At reporting date the Group had no material contingent assets (2014: Nil).

29. SUBSEQUENT EVENTS

Payment of Final Dividend

On 25 May 2015, the Board of NPT Limited declared the final distribution payment of 1.1 cents per share which is to be paid 3 July 2015.

Independent Auditor's Report

Audit

Grant Thornton New Zealand Audit Partnership
L4, Grant Thornton House
152 Fanshawe Street
PO Box 1961
Auckland 1140

Telephone +64 (0)9 308 2570
Fax +64 (0)9 309 4892
www.grantthornton.co.nz

To the Shareholders of NPT Limited

Report on the financial statements

We have audited the accompanying Group financial statements of NPT Limited ("the Company") on pages 19 to 49 which comprise the statement of financial position as at 31 March 2015, and the statement of comprehensive income, statement of changes in shareholders' funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information for the Group. The Group comprises the Company and the entities it controlled at 31 March 2015 or from time to time during the financial year.

Directors' responsibility for the financial statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in the Group.

Opinion

In our opinion, the financial statements on pages 19 to 49 present fairly, in all material respects, the financial position of the Group as at 31 March 2015 and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

Grant Thornton

Auckland, New Zealand
25 May 2015

Statutory Disclosure

PRINCIPAL ACTIVITIES

NPT Limited is a listed commercial property investment company investing solely in New Zealand. There have been no changes to the investment policy of the Company during the year to 31 March 2015.

BOARD COMPOSITION

Persons holding office as Directors of the Company as at 31 March 2015 and the names of those persons who ceased to hold office as Directors of the Company during the financial year ended 31 March 2015:

	Date Appointed	Date Resigned
Sir John Anderson (Chairman)	1 April 2011	-
Kerry Hitchcock	10 August 2010	-
Jim Sherwin	10 August 2010	-
Tony McNeil	1 April 2011	-
David Cushing	1 April 2011	21/8/2014

DIRECTOR REMUNERATION

The Parent and Group have a related party relationship with their key personnel including the Directors of the Parent and MD. The following disclosures are provided in respect of payments to Directors as related parties external to the Group.

	Group 2015 $000
Sir John Anderson (Chairman)	60
Jim Sherwin (Chairman of Audit Committee)	40
Tony McNeil	40
David Cushing	20
Kerry Hitchcock	40
Total	**200**

- Consultancy fees relating to meetings and reviewing the interim and annual financial statements totalling $3,924 were paid to J Sherwin (Director) during the year (2014: $13,749).
- No fees relating to the role of Managing Director were paid to K Hitchcock (Director) via his consultancy company Charta Funds Management Limited (2014: $114,272).

BOARD ATTENDANCE

Directors attended the following formal meetings of the Board and Audit Committee in the year to 31 March 2015:

	Board Meetings		Audit Meetings	
	Held	Attended	Held	Attended
Sir John Anderson	6	6	6	6
Jim Sherwin	6	6	6	6
Tony McNeil	6	6	6	6
David Cushing (resigned 21 August 2014)	4	4	4	4
Kerry Hitchcock	6	6	6	6

INTERESTS REGISTER RECORD

The following general disclosures were made in the year ended 31 March 2015. In respect to the Company under Section 140(2) of the Companies Act 1993.

Director	Holding	Security Held	Nature of Relevant Interest
Sir John Anderson	125,000	Shares	Beneficial interest in shares held by JA and CM Anderson Family Trust No.2
Jim Sherwin	120,000	Shares	Beneficial interest in shares held by Willow Trust
Tony McNeil	10,000	Shares	Beneficial Interest

INDEMNITY AND INSURANCE

The Company has affected Directors and Officers liability insurance at prevailing rates for all its Directors.

The Company and its subsidiaries have continued to indemnify the Directors for any costs referred to in section 162(3) of the Companies Act 1993 and any liability or costs referred to in section 162(4) of the Act.

EMPLOYEE REMUNERATION

The number of employees within the Group (other than Directors) receiving remuneration and benefits above $100,000 in relation to the year ended 31 March 2015 was:

	Group 2015 $000	Group 2014 $000
$410,000 pa - $419,999 pa	1	-
$300,000 pa - $309,999 pa	-	1
$260,000 pa - $269,999 pa	1	-
$230,000 pa - $239,999 pa	-	1
$210,000 pa - $219,999 pa	1	-
$100,000 pa - $109,999 pa	-	1

DONATIONS

The Company did not make any donations in the year to 31 March 2015 (2014: Nil).

AUDIT FEES

Amounts due to and receivable (excluding GST) by auditors of the Company:

	Group 2015 $000	Group 2014 $000
Grant Thornton Audit Fees	69	64
In addition to the audit fee the following other fees were paid to Auditors:		
Consulting Advice & Review Engagement (Grant Thornton)	25	27
Consulting Advice Tax (Grant Thornton)	-	5
	25	**32**

Investor Statistics — As at 25 May 2015

TWENTY LARGEST SHAREHOLDERS

	Holder Name	No. of Shares	% of Total Shares
01	Guardian Nominees No 2 Limited	20,169,057	12.46
02	Accident Compensation	19,412,410	11.99
03	Cogent Nominees Limited	11,486,111	7.09
04	Premier Nominees Limited	9,721,616	6.00
05	MFL Mutual Fund Limited	7,533,849	4.65
06	Premier Nominees Ltd	5,184,275	3.20
07	Superlife Trustee Nominees Limited	3,070,733	1.90
08	FNZ Custodians Limited	2,794,626	1.73
09	Investment Custodial Services limited	2,637,463	1.63
10	NZ Permanent Trustees Ltd	2,493,177	1.54
11	BT NZ Unit Trust Nominees Ltd	2,465,645	1.52
12	Forhomes investments Ltd	1,466,394	0.91
13	Daphne Lois Bannan	1,288,000	0.80
14	Forsyth Barr Custodians Limited	1,254,769	0.77
15	New Zealand Permanent Trustees	1,250,605	0.77
16	Forsyth Barr Custodians Limited	1,202,526	0.74
17	Leslie Burgess	1,021,542	0.63
18	Albert John Harwood & Marlene Mary Harwood	1,000,000	0.62
19	Forsyth Barr Custodians Limited	816,160	0.50
20	Roger Edward Hayward & Susan E Hayward & Carolyn D Coronno & Helen Foster	685,157	0.42

SPREAD OF SHAREHOLDERS

Holdings	Holders	Total Shares	%
1-1000	67	43,683	0.03
1001-5000	405	1,228,423	0.76
5001-10000	388	3,056,143	1.89
10001-50000	899	21,617,158	13.35
50001-100000	159	11,790,243	7.28
Greater than 100000	138	124,184,783	76.69

SUBSTANTIAL SECURITY HOLDERS

As at 31 May 2015 the following shareholders had filed substantial security holder notices in accordance with the Securities Market Act. The disclosure includes associated companies and nominees of the security holder.

Shareholder	No. Of Shares in Which Holder had a Relevant Interest	Holding (%)
Westpac Banking Corporation	22,507,326	13.9

Investor Statistics
— As at 31 March 2015

TWENTY LARGEST SHAREHOLDERS

	Holder Name	No. of Shares	% of Total Shares
01	Guardian Nominees No2 Limited	20,169,057	12.46
02	Accident Compensation Corporation	19,412,410	11.99
03	Cogent Nominees Limited	11,221,404	6.93
04	Premier Nominees Limited	9,721,616	6.00
05	MFL Mutual Fund Limited	7,469,869	4.61
06	Premier Nominees Ltd Armstrong Jones Property Securities Fund	5,184,275	3.20
07	Superlife Trustee Nominees Limited	3,070,733	1.89
08	FNZ Custodians Limited	2,975,456	1.84
09	Investment Custodial Services Limited	2,657,463	1.64
10	NZ Permanent Trustees Ltd Grp Invstmnt Fund No 20	2,465,645	1.52
11	BT NZ Unit Trust Nominees Ltd	1,471,809	0.92
12	Forhomes Investments Ltd	1,466,394	0.90
13	Daphne Lois Bannan	1,288,000	0.79
14	Forsyth Barr Custodians Limited	1,213,146	0.75
15	New Zealand Permanent Trustees Limited	1,209,269	0.74
16	Forsyth Barr Custodians Limited	1,172,888	0.72
17	Leslie Burgess	1,021,542	0.63
18	Albert John Harwood & Marlene Mary Harwood	1,000,000	0.62
19	Forsyth Barr Custodians Limited	816,160	0.50
20	Roger Edward Hayward & Susan E Hayward & Carolyn D Coronno & Helen Foste	685,157	0.42

SPREAD OF SHAREHOLDERS

Holdings	Holders	Total Shares	%
1-1000	66	43,268	0.03
1001-5000	407	1,233,673	0.76
5001-10000	402	3,166,407	1.96
10001-50000	920	2,180,263	13.70
50001-100000	162	12,052,485	7.44
Greater than 100000	141	123,244,337	76.11

SUBSTANTIAL SECURITY HOLDERS

As at 31 March 2015 the following shareholders had filed substantial security holder notices in accordance with the Securities Market Act.

Shareholder	No. Of Shares in Which Holder had a Relevant Interest	Holding (%)
Guardian Nominees No2 Limited	22,138,147	13.67
Mint Asset Management	10,167,492	6.28
ANZ New Zealand Investment Limited	22,078,671	13.64
Westpac Banking Corporation	20,681,557	12.77
Accident Compensation Corporation	18,467,168	11.41
AMP Capital Investors (New Zealand)	10,817,877	6.68

Directory

COMPANY

NPT Limited
PO Box 105 090
Auckland City Post
Auckland 1143

Phone: 09 375 9081
Fax: 09 302 4589

REGISTRAR

Link Market Services Limited
138 Tancred Street
PO Box 384
Ashburton

Phone: 03 308 8887
Fax: 03 308 1311

BANKERS

Bank of New Zealand
Level 6
Deloitte Centre
80 Queen Street
Auckland

LEGAL ADVISOR

David Stock
Barrister & Solicitor
Level 3
22 Moorhouse Avenue
Christchurch

Phone: 03 353 1036

AUDITORS

Grant Thornton New Zealand
Audit Partnership Level 15
Grant Thornton House
215 Lambton Quay
PO Box 10 712
Wellington