



ASSET PLUS+
AUGUSTA

2018 / AGM

17 August 2018



2018 /

Annual General Meeting



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Bruce Cotterill





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FY2018
Annual Results



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Highlights

Financial Performance Against Prior Year

Net profit after
tax of **\$3.095
million** up from
\$3.073 million

Adjusted funds
from operations of
\$6.15 million

Net rental
income of **\$11.7
million**, reduced
from \$11.9
million

Portfolio
occupancy
is **97.4%**,
increased from
96% due to the
sale of Print
Place

The **WALE**
is **4.4 years**,
reduced from
4.6 years in the
prior year

Loan to value
ratio is **26.6%**
(33.1% in 2017)

Net tangible
assets of **70.6
cents per share
(cps)** reduced
from 72.3 cps

The sale of both
Print Place and the
AA Centre creates
balance sheet
capacity to execute
the new value add
strategy

Externalisation
of management
to Augusta for
\$4.5 million



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Portfolio Summary

	Occupancy %	WALT as at 31 July (years)	31 March 2018 Valuation (\$m)	Passing Rent (\$000s)	Passing Rent Yield %	Market Cap Rate 2018 %
Eastgate Shopping Centre	94.30%	4.0 yrs	58.00	3,908	6.74%	8.00%
Heinz Wattie's Warehouse	100.00%	8.6 yrs	27.30	2,134	7.82%	8.13%
Roskill Centre	100.00%	3.3 yrs	38.00	2,499	6.58%	6.25%
Total			123.30	8,541	6.93%	7.49%



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Managing Director
Of Augusta Address

Mark Francis



Our Strategic Approach



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Why A Re-Brand?

We agreed with the Board it was important to re-position the brand and re-set the barometer of the shareholders' and broader market's expectations

It's about redefining what the company stands for with an identity that matches its purpose and sits consistently with its new investment direction

We chose Asset Plus as it lends itself to simplicity, clarity, is easily recalled and easily recognised. It fulfils its purpose and starts to tell the 'bigger' story by defining its strategic direction in the brand name







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Property
Updates

22 Stoddard Road Auckland

- > 13 lease expiries in calendar year 2019
- > Early engagement with majority of tenants
- > Leases are being extended and stabilising asset cashflow security
- > Centre continues to benefit from geographic location where there is limited speciality competition



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Eastgate Shopping Centre Christchurch

- > Significant master planning exercise now complete for the regeneration of the asset
- > Tenant discussions and costing of the revised centre plan are underway
- > Foot traffic increased by 3.16% to 9.1m
- > Gross passing income down 0.3% - Rent increases achieved were offset by loss of 3 specialty tenants – OPSM, Finesse Gym and I-Zone Repairs
- > WALT (by income) increased by 0.31 years.



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133 Elwood Road Hastings

- > Asset continues to provide strong cashflow for Asset Plus
- > Remaining WALT – 8.6 years
- > Ongoing engagement with Heinz Watties about further asset enhancement



AA Centre 99 Albert Street Auckland

- > Settlement occurred in July 2018
- > Retentions held by Purchaser for Vendor works
- > Finalisation of Vendor works is priority for Asset Plus management team



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Asset Plus Strategy



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Overarching Strategic Objective

Close the NTA gap by resolving existing asset issues and restoring faith in Asset Plus asset valuations through active management

Create sustainable shareholder growth through disciplined acquisition

Investment Mandate

- > Target assets for their ability to contribute to a yield plus growth orientation
- > Wide ranging diversified, value-add strategy that is sector agnostic
- > Geographical capability to invest in major regions with a focus North of Taupo
- > Seek assets capable of benchmark outperformance through active management and development
- > Poised to take advantage of inevitable changing economic conditions



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Resolutions



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Resolution

01 /

Re-election of Allen Bollard



That Robert Allen
Bollard be re-elected as
a director of the
Company.



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Resolution

02 /

Remuneration
of the Auditors



That the Board be authorised to fix the auditors' fees & expenses from time to time.



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Financial Performance

	2018 \$m	2017 \$m	Change \$m	Change %
Net Rental Income	11.7	11.9	(0.2)	(1.7%)
Administration Expenses	(3.0)	(2.6)	(0.4)	
EBIT	8.7	9.3	(0.6)	(6.5%)
Net Finance Costs	(2.8)	(2.7)	(0.1)	
Net Profit before tax, reval's and one-offs	5.9	6.6	(0.7)	(10.6%)
Sale of Management Rights	4.5	-	4.5	
Transaction Costs	(0.7)	(1.3)	0.6	
Unrealised Change in Fair Value of Interest Rate Swaps	0.1	0.7	(0.6)	
Net Loss on Sale of Plant and Equipment	-	(0.1)	0.1	
Unrealised Change in Fair Value of Property	(2.9)	(1.6)	(1.3)	
Net (Loss) on Sale of Investment Property	(3.0)	-	(3.0)	
Net Profit before taxation	3.9	4.3	(0.4)	(9.3%)
Income Tax Expense	(0.8)	(1.2)	0.4	
Net Profit after taxation	3.1	3.1	-	0.0 %



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Financial Position

	2017	2018	July 2018 Pro-forma	
Description	\$000	\$000	\$000	Comments
Current assets	3,108	1,151	2,623	
Invst. Pty Held for Sale	-	43,814	-	AA Centre - now sold
Investment Property	179,241	124,636	126,934	3 remaining assets
Total Assets	182,349	169,601	129,557	
Current liabilities	2,885	7,389	1,413	Included \$4.7m deposit on AA Centre
Debt	58,500	44,500	10,500	\$34.0m of debt repaid. \$59.5m undrawn
Deferred tax liability	2,972	2,533	2,533	
Fair value of swaps	919	840	-	
Total Liabilities	65,276	55,262	14,446	
Equity	117,073	114,339	115,111	