

Kiwi Income Property Trust (KIP)

Citi Global Property CEO Conference

1 – 4 March 2009

Agenda

Presentation by **Kiwi Income Properties Ltd**, as Manager of **Kiwi Income Property Trust**

- **Chris Gudgeon**, Chief Executive
- **Gavin Parker**, Chief Financial Officer

- Fund overview
- Portfolio overview
- Capital management
- Investment merits
- Appendices
 1. Corporate strength
 2. Property portfolio summary
 3. New Zealand economic, retail and office market summaries
 4. Financial results

Unless otherwise specified:

- All data as at 30 September 2008
- All amounts stated in New Zealand dollars

Fund Overview

Kiwi Income Property Trust

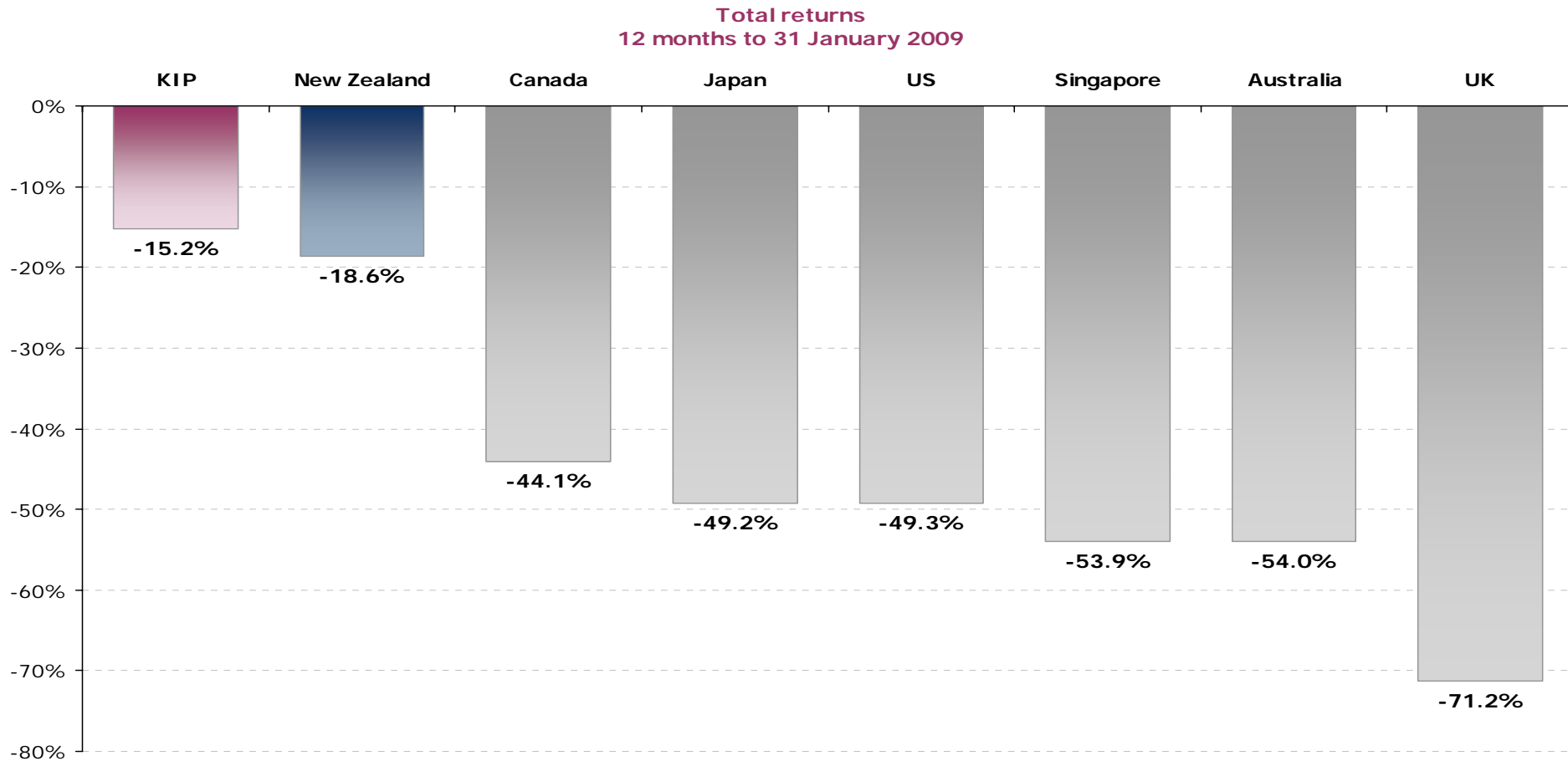
- New Zealand's largest listed property trust (listed 1993)
- Diversified portfolio of retail and office assets
- Total assets of \$2.0 billion (US\$1.0 billion)
- Combined market capitalisation of over \$874 million^{[1]&[2]}
- Low gearing at 30.8%^[1]
- Ranked 9th on NZX10 index
- Growth through intensive asset management and development
- Projected FY09 after tax distribution of 8.00 cents per unit (8% after tax yield)

[1] As at 31 January 2009

[2] Includes mandatory convertible notes

Fund Overview

KIP Performance Versus Global Markets



Expressed in local currency

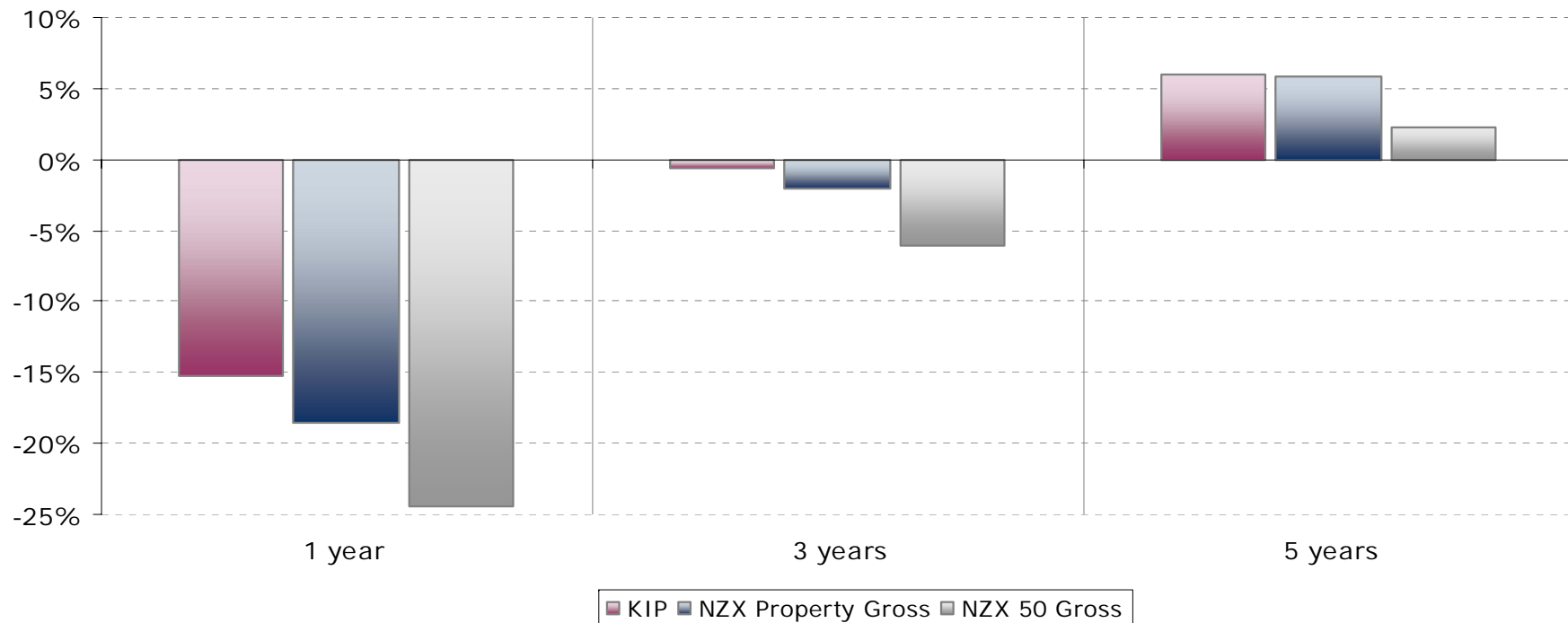
Source: Goldman Sachs JB Were Research

Fund Overview

KIP Relative Return Comparison

→ Defensive qualities and low risk characteristics reflected in performance

KIP relative return comparison
For the period ending 31 January 2009



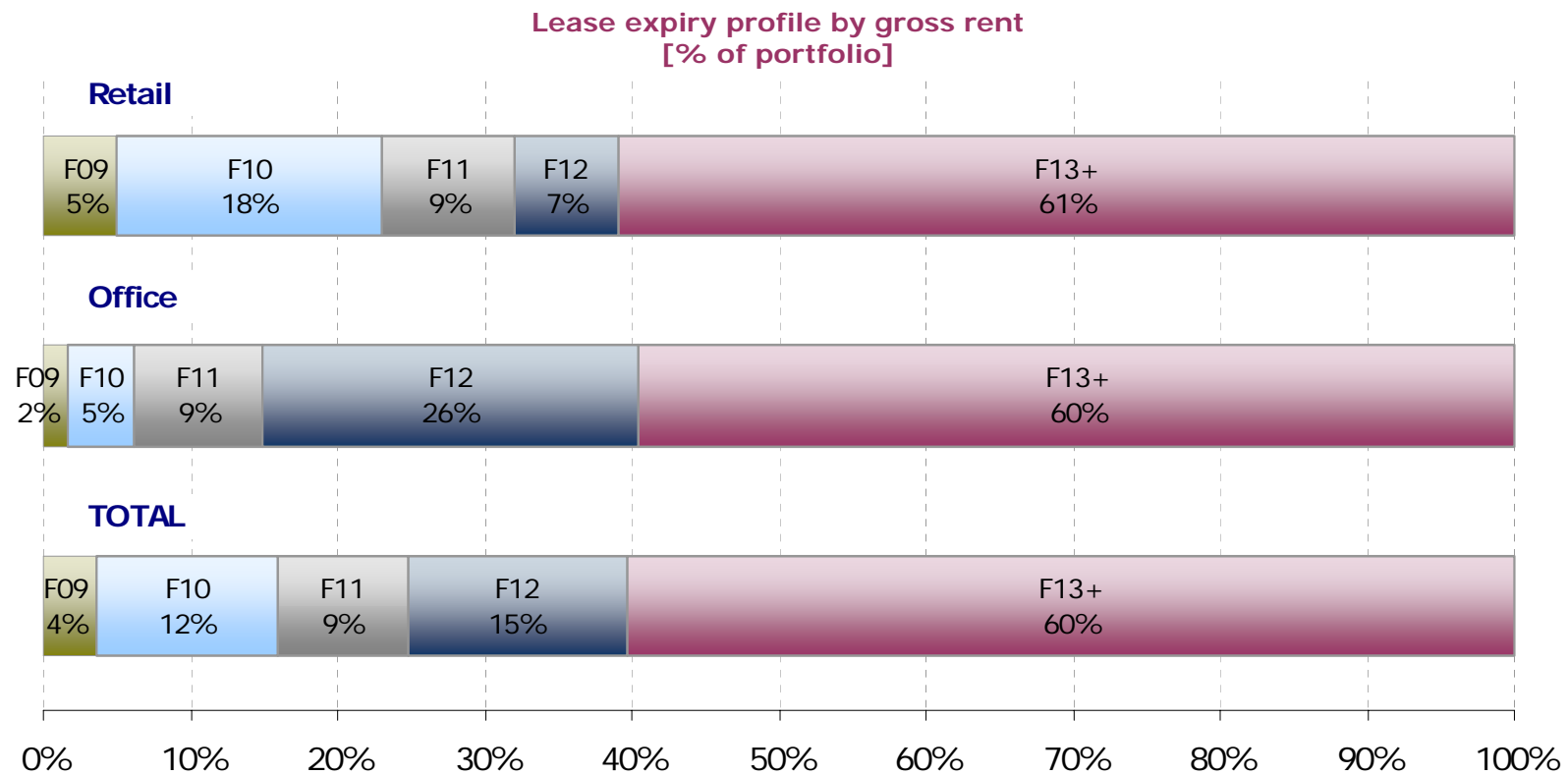
Annual compound returns

Source: Goldman Sachs JB Were Research

Portfolio Overview

Highly Predictable, Low Risk Income

- 99% occupancy rate
- Weighted average lease term of 4.6 years

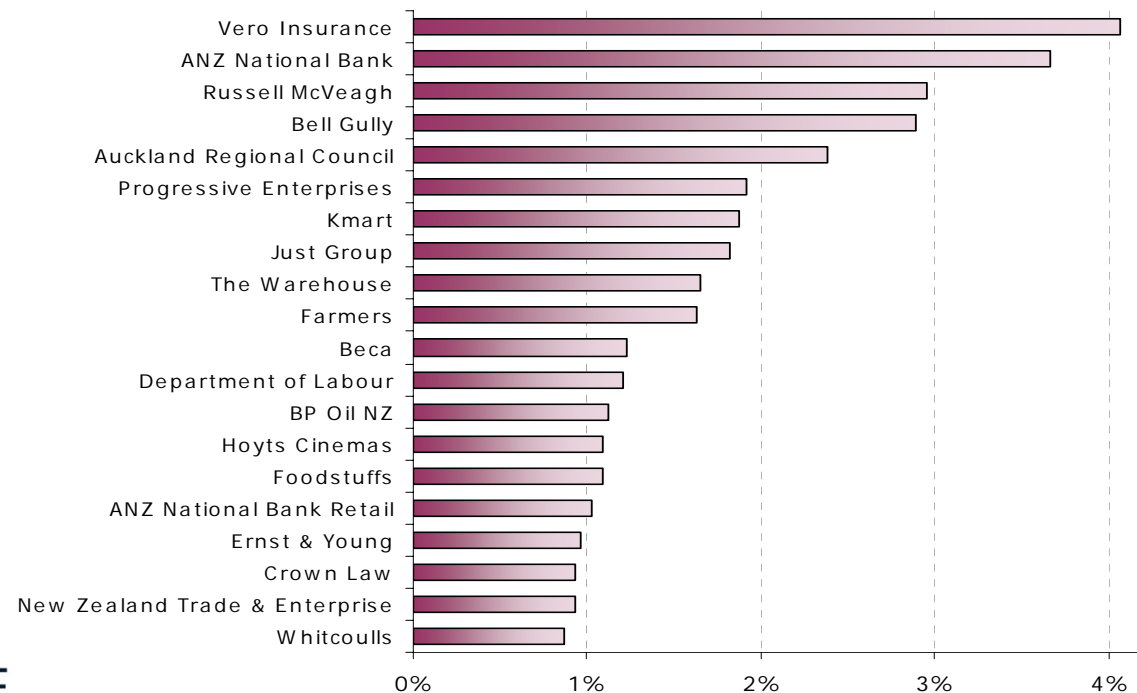


Portfolio Overview

Highly Predictable, Low Risk Income

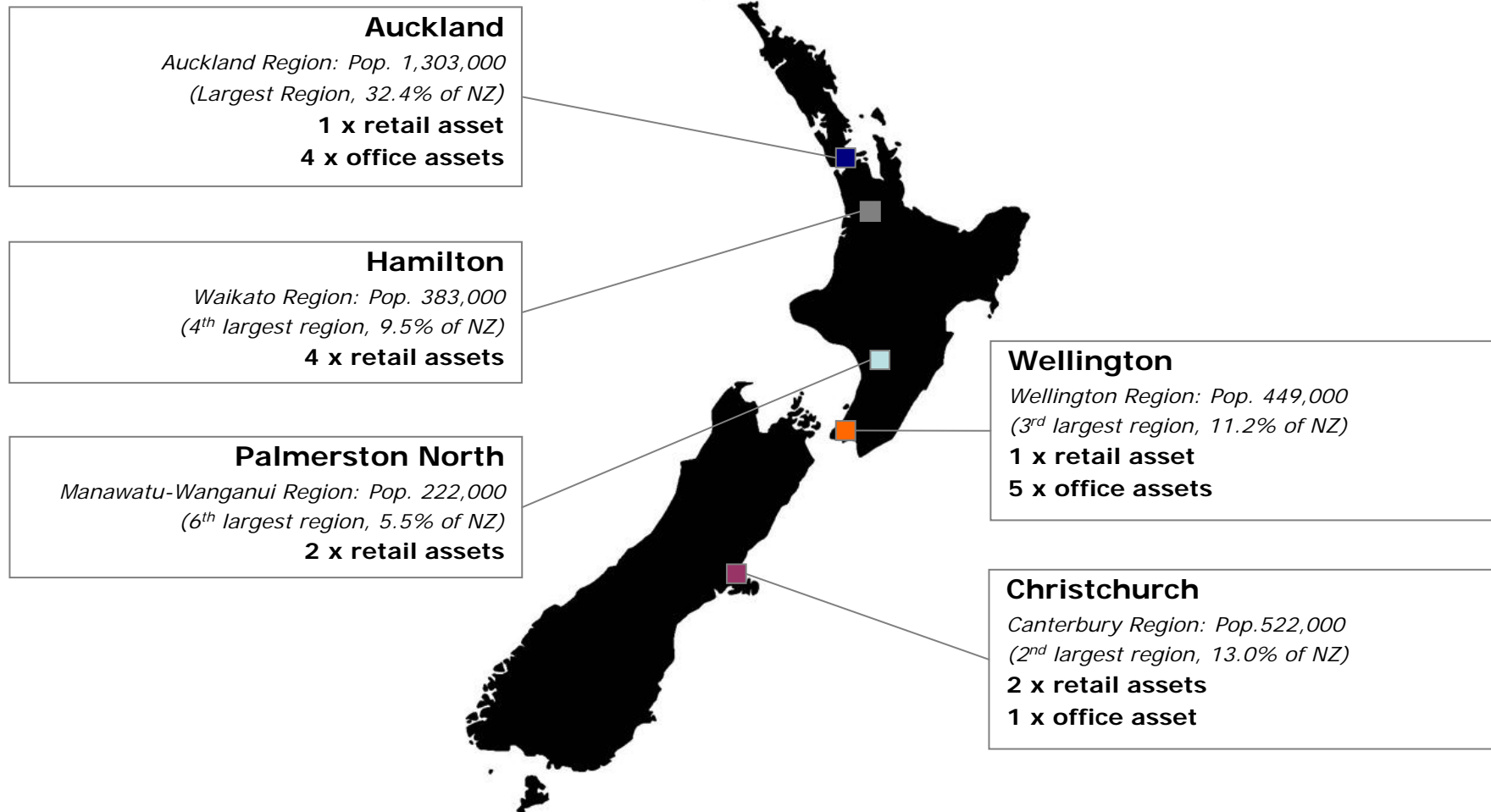
- Diverse occupancy base of over 850 tenants
- Top 20 tenants contribute 35% of gross rent
- 56% income from retail portfolio tenants
- 44% income from office portfolio tenants

Top 20 tenants by gross rent
[% of investment portfolio]



Portfolio Overview

Portfolio Diversification Overview

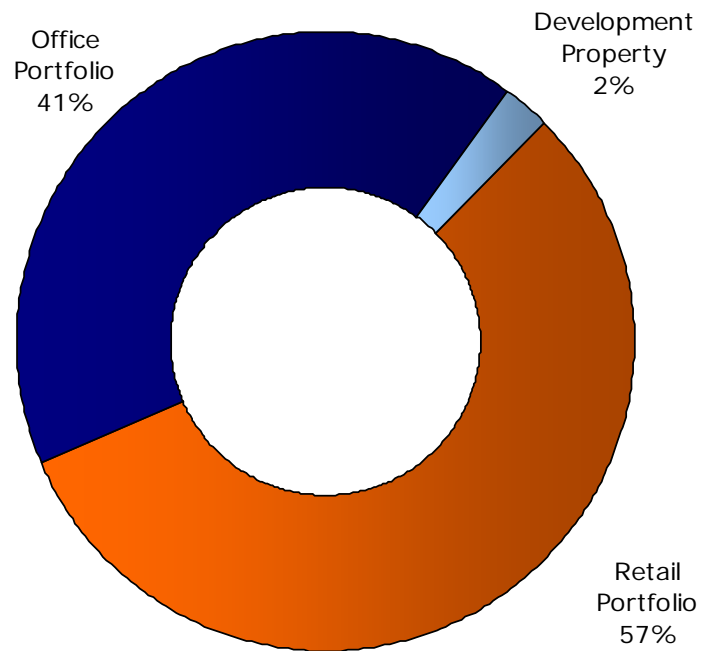


Population statistics sourced from Statistics New Zealand (2006 Census results)

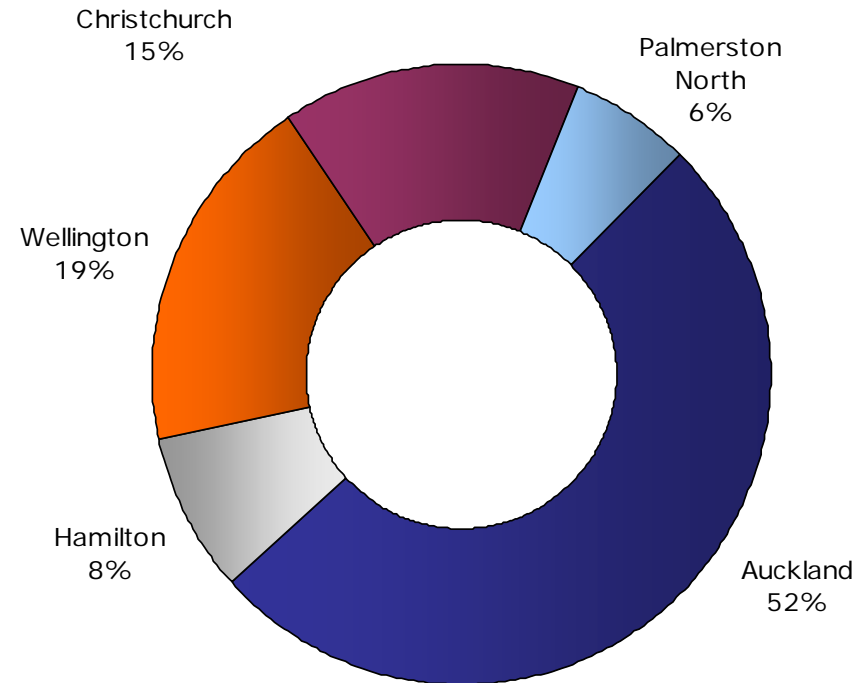
Portfolio Overview

Portfolio Diversification by Sector & Region

Sector Diversification



Regional Diversification



Diversification based on property asset value

Portfolio Overview

Key Retail Assets



Sylvia Park
Shopping Centre
Auckland



Northlands
Shopping Centre
Christchurch



The Plaza
Shopping Centre
Palmerston North



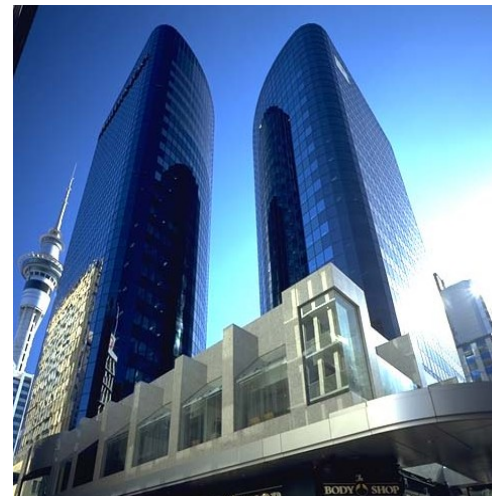
North City
Shopping Centre
Porirua

Portfolio Overview

Key Office Assets



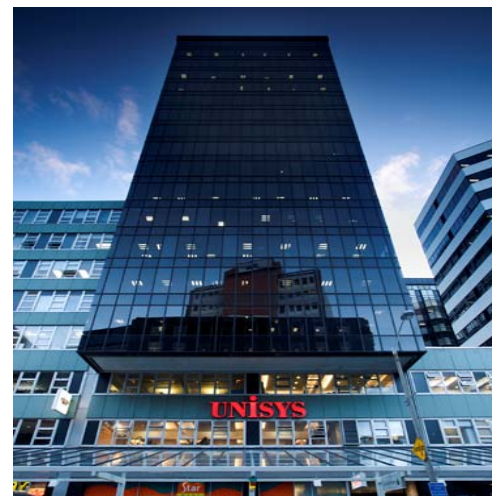
Vero Centre
Auckland



**National Bank
Centre**
Auckland



Majestic Centre
Wellington



Unisys House
Wellington

Portfolio Overview

Economic Outlook

New Zealand economy^[1]

Year ended March	2008A	2009F	2010F	2011F	2012F
Real GDP growth	2.4%	-0.01%	1.6%	3.3%	3.7%
Private consumption	3.3%	-0.1%	1.3%	2.6%	3.3%
Unemployment	3.7%	4.9%	5.3%	5.2%	5.0%

[1] Source: Statistics New Zealand, NZIER Quarterly Predictions December 2008

Portfolio Overview

Portfolio Outlook

Prospects for retail portfolio

- Retail sales growth prospects flat for the next 12 months
- Occupancy rate 99.2%
- Positive impacts:
 - Tax cuts (Oct-08 and Apr-09)
 - Falling interest rates and petrol prices
 - NZ under-represented in shopping centre space per capita
(NZ: 0.43 sqm, Australia: 0.82 sqm and USA: 1.75 sqm per person)

Prospects for office portfolio

- Downside limited by relatively modest financial sector
- Vacancy rates at near historic lows, limited new supply
- Occupancy rate 99.0%
- Rental growth expected through balance of three year rent review cycle

Portfolio Overview

Added Value Opportunities

→ The Plaza

- \$93M redevelopment underway
- Addition of department store, new foodcourt & 40 shops. NLA increase from 19,700m² to 31,200m²
- Construction on programme & on budget for completion 2nd quarter 2010
- >60% of completed centre base rent contracted

→ Sylvia Park

- Resource consent obtained for two five-level office buildings (10,600m² & 7,600m²)
- Full design development completed for Building B with tenant pre-commitment being sought
- Resource consent lodged for two additional buildings

→ Other opportunities

- An internal development pipeline (uncommitted) focusing on retail assets intends to deliver projects of circa \$300M over the next five years



Artist impression of Church St entry
The Plaza Shopping Centre, Palmerston North



Artist impression of Office Building B
Sylvia Park, Auckland

Capital Management

Capital Structure as at 31 January 2009

Bank Debt

Facility providers	ANZ, BNZ, CBA & Westpac
Facility limit	\$800M
Undrawn debt facilities	\$164M
Trust Deed gearing ^[1]	30.8%

Listed Securities

Ordinary units (NZX stock code: KIP) [No.]	724,628,757
Mandatory convertible notes ^[2] (NZX stock code: KIPGB) [No.]	142,272,725
Combined market capitalisation	\$874,280,421
Average daily volume (over 12 months) [No.]	1,327,197

Register Analysis

Institutional	58%
Retail	42%
International	37%
Domestic	63%

[1] Calculated as bank borrowings over total assets (borrowings exclude mandatory convertible notes). Trust Deed limit is 40%

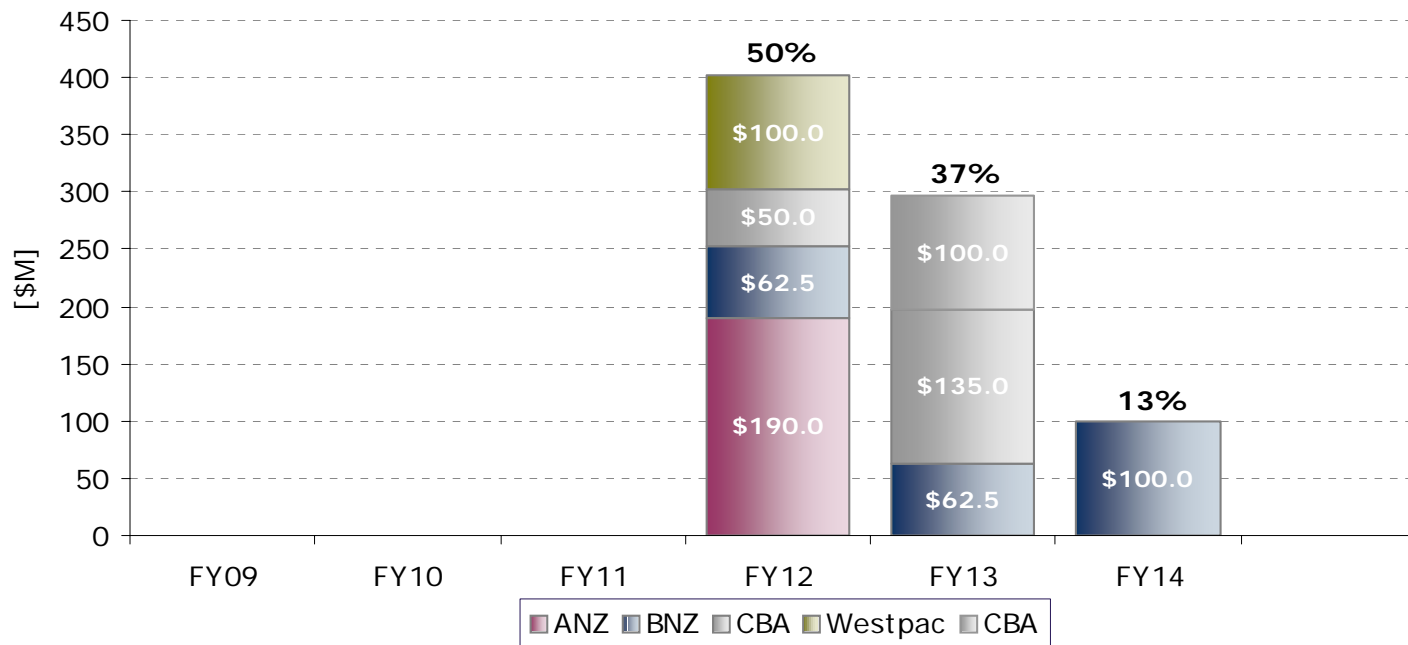
[2] Carry an 8.00% coupon and convert to ordinary units on 30 June 2010

Capital Management

Debt Profile as at 31 January 2009

- All bank debt sourced from Australia's four leading banks (all S&P AA rated)
- Early renewal of facilities ahead of credit crisis
- Multiple facilities and staggered expiries
- Weighted average interest rate (incl margins & fees) 6.75%
- Weighted average duration of bank debt 3.1 years

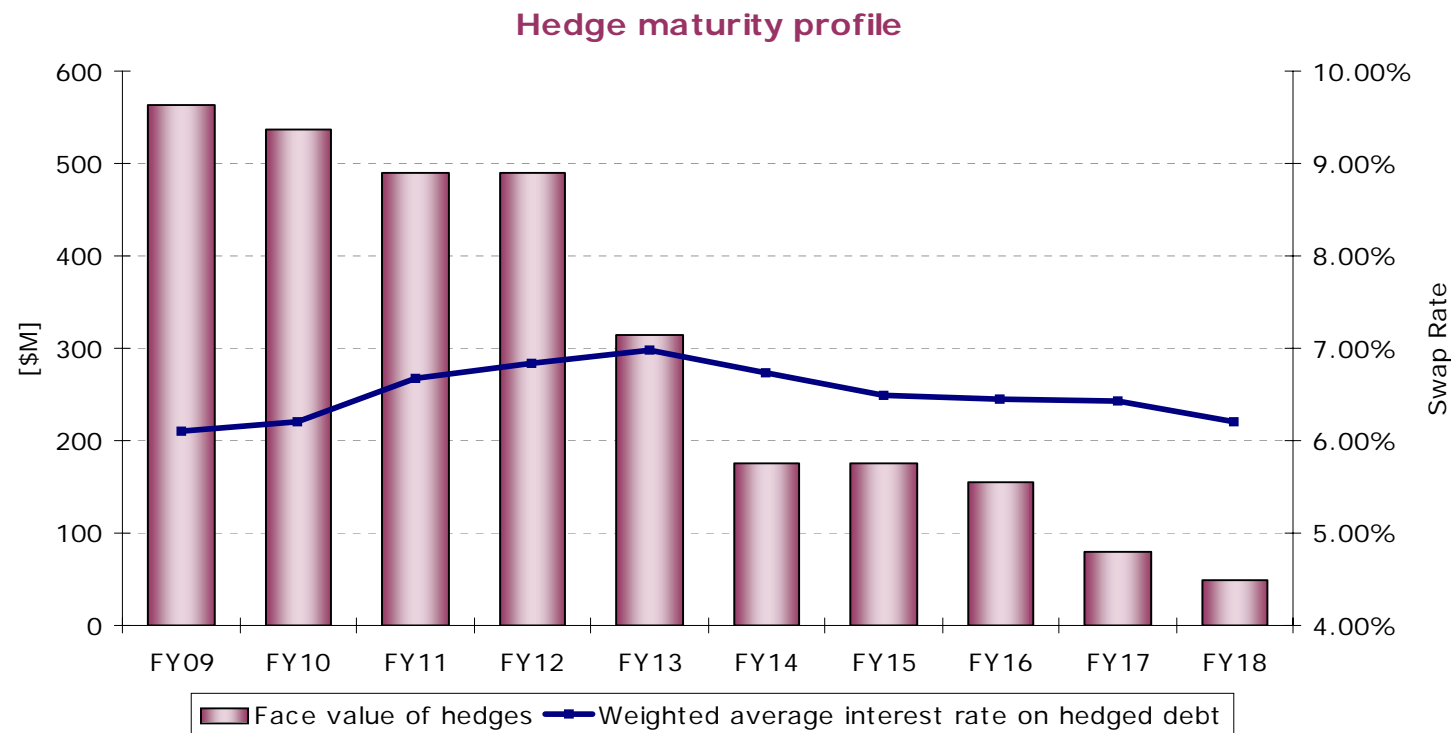
Bank debt maturity profile



Capital Management

Hedging Profile as at 31 January 2009

- Disciplined and experienced approach to treasury management
- Debt hedged 83%
- Weighted average interest rate on hedged debt (excl margins & fees) 6.23%
- Weighted average duration of hedged debt 4.5 years



Capital Management

Bank Debt Covenants

- No covenants relating to market capitalisation
- Significant head room on covenants
- KIP has two key bank covenants:

Covenant	Threshold	31 Jan 2009
Finance debt / total assets ^[1]	< 45%	33.9%
Interest cover ratio ^[2]	> 2.25 times	3.02 times

[1] Calculated as bank borrowings (including \$64.6M for fair value of out of the money interest rate derivatives) over total assets

[2] Calculated as net rental income / net interest expense (net interest expense excludes interest on mandatory convertible notes)

Capital Management

Revaluation Sensitivity Analysis

→ Extent of capitalisation rate softening will depend on asset category and quality

Capitalisation rate sensitivity

Cap rate sensitivity	Property value decline ^[1]	Trust Deed gearing ^[2]	Bank covenant gearing ^{[2]&[3]}
Base: 7.27%	-	30.8%	33.9%
+25 bps	-3.5%	31.9%	35.1%
+50 bps	-6.7%	33.0%	36.3%
+75 bps	-9.8%	34.1%	37.5%
+100 bps	-12.7%	35.2%	38.8%

Maximum ratio

40%

45%

[1] Property value movements based off Sep-08 valuations

[2] Base case gearing calculated as at 31 January 2009 and excludes \$60M capital commitment to complete The Plaza development (additional gearing impact ~2%)

[3] Changes in the yield curve affect the carrying value of interest rate swaps. Bank covenant gearing includes \$64.6M for the fair value of out of the money interest rate derivatives as at 31 January 2009. A -25bps parallel shift in the yield curve would result in a further \$6.5M increase (based on Bloomberg calculations) in the derivative liability (additional bank covenant gearing impact ~0.3%)

Investment Merits

- NZ was the best performing property sector globally in 2008
- Diversified portfolio of prime NZ retail and office assets
- Highly predictable, relatively low risk income streams
- Traditional real estate investment vehicle
- Conservatively geared with prudent debt and treasury position
- Strong underlying operating performance
 - Low vacancy rates
 - Intensive asset management
- Projected FY09 after tax distribution of 8.00 cents per unit (8% after tax yield)

Appendices

Appendix 1: Corporate strength

Appendix 2: Property portfolio summary

Appendix 3: NZ economic, retail and office market summaries

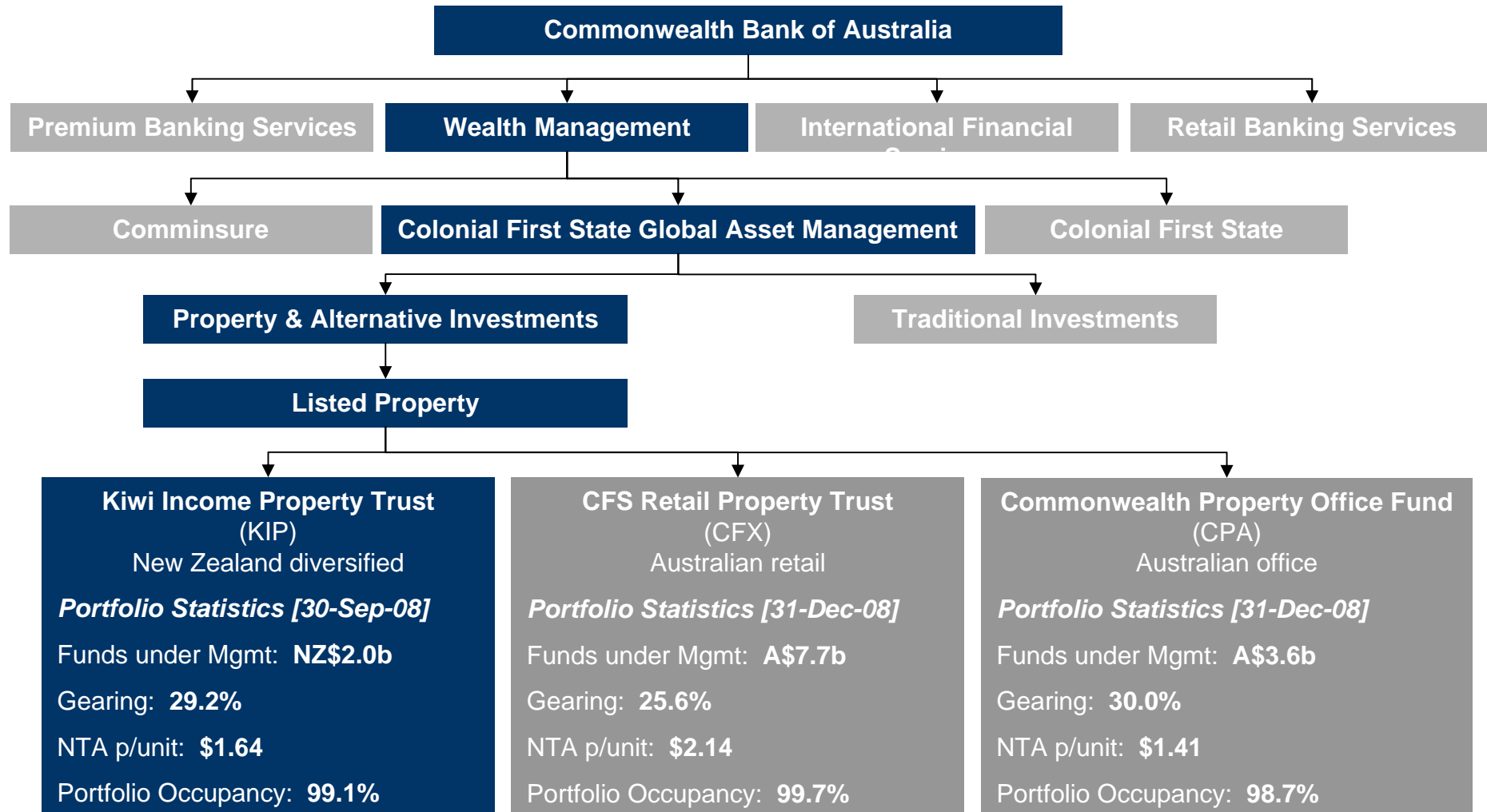
Appendix 4: Financial results

Appendix 1

Corporate Strength

Corporate Strength

Colonial First State Global Asset Management



Corporate Strength

Colonial First State Global Asset Management

Globally: \$129 billion FUM^[1], 986 people

North America

FUM: \$1.3 billion
Personnel: 4

Middle East

FUM: \$4.6 billion

UK & Europe

FUM: \$12.6 billion
Personnel: 189

Japan

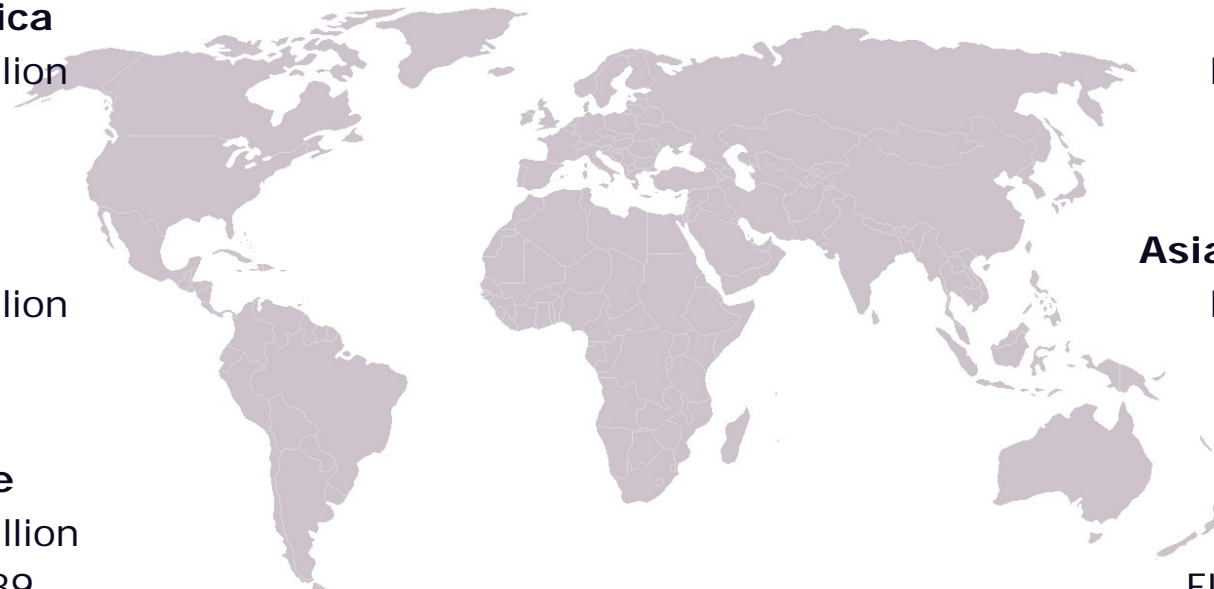
FUM: \$3.2 billion

Asia (excl. China & Japan)

FUM: \$9.8 billion
Personnel: 111

Australia & New Zealand

FUM: \$97.1 billion
Personnel: 682

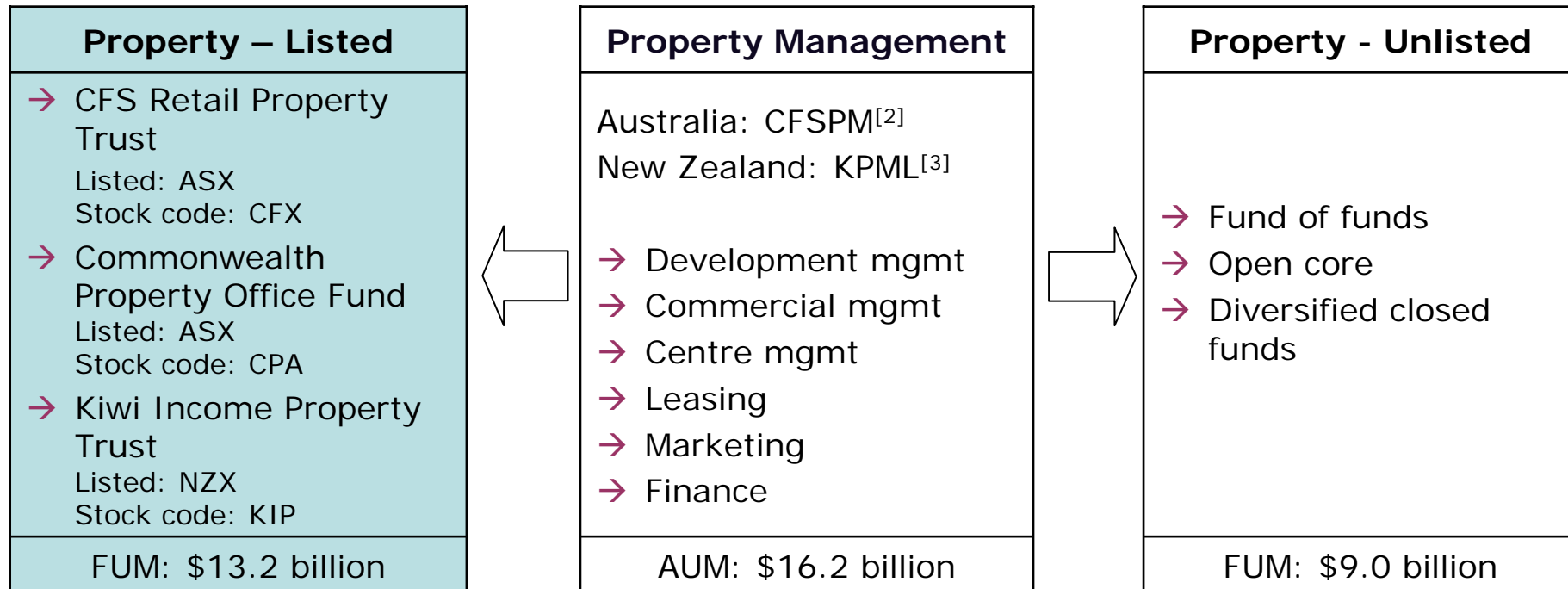


[1] All figures as at 31-Dec-08. FUM excludes the Group's interest in the China Joint Venture, AWG plc or ENW United
All expressed in Australian dollars

Corporate Strength

Colonial First State Asset Management

Property & Alternative Investments^[1]



Corporate infrastructure

Finance, treasury, legal, tax, transaction structuring & execution, people services



[1] FUM as at 31-Dec-08. Includes property, infrastructure and private equity classes

[2] Colonial First State Property Management Limited

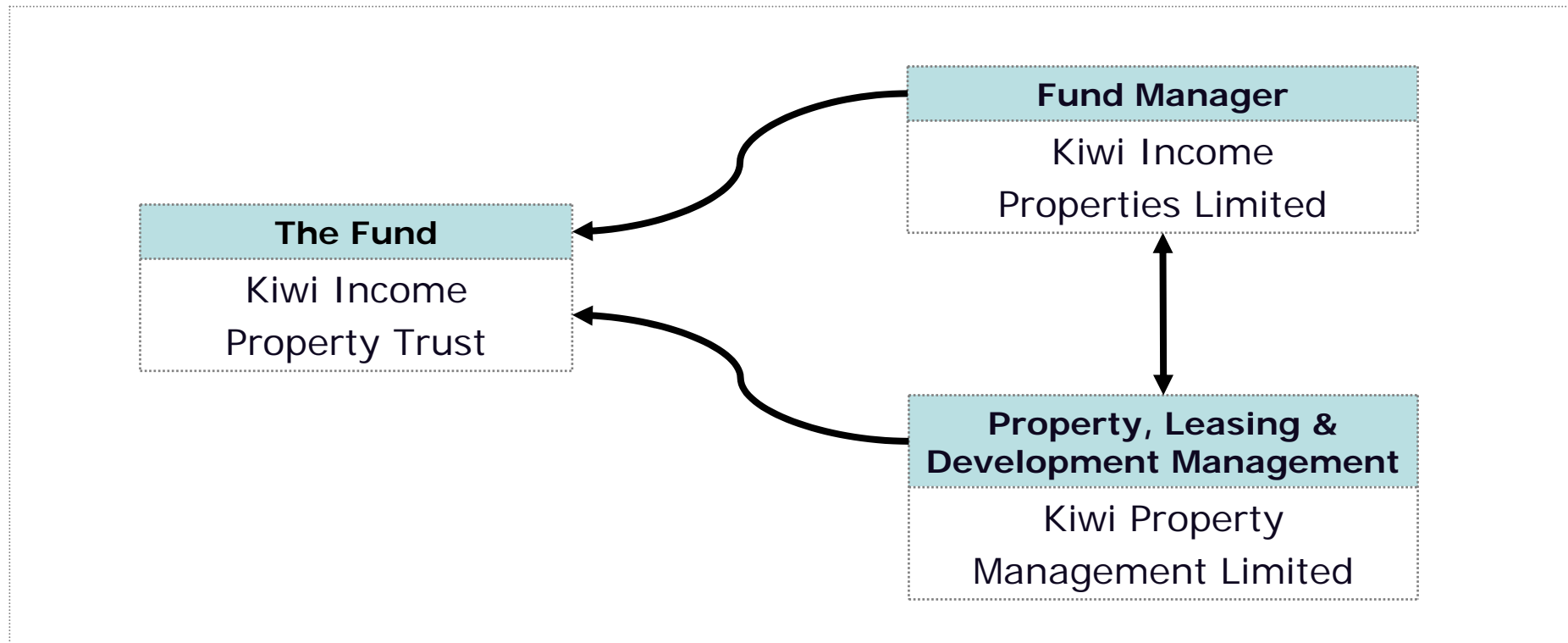
[3] Kiwi Property Management Limited

All expressed in Australian dollars

Corporate Strength

Kiwi Income Property Trust

→ Fund management, property management, leasing and development management teams work closely together to maximise the performance of the Trust



Appendix 2

Property Portfolio Summary

Property Portfolio

Portfolio Statistics

	Retail	Office	TOTAL
No. of assets	10	10	20
Net lettable area [m ²]	194,085	170,880	364,965
No. of tenants ^[1]	676	140	816
Occupancy [%]	99.2	99.0	99.1
Value [\$000] ^[2]	1,142,060	841,790	1,983,850
Weighted average capitalisation rate [%]	6.97	7.68	7.27
Weighted average lease term [yrs]	4.4	5.0	4.6

[1] Excludes peripheral properties

[2] Excludes investment property under development (\$49.6M)

Property Portfolio

Key Retail Assets

Sylvia Park, Auckland



Date built:	2006-2007
Net lettable area:	70,818m ²
Number of tenants:	206
Occupancy rate:	99.7%
Indicative rental:	\$27.3 million
Current valuation:	\$479.2 million
Capitalisation rate:	6.13%

Northlands, Christchurch



Date built:	1967
Last refurbished:	2004
Net lettable area:	41,630m ²
Number of tenants:	146
Occupancy rate:	99.2%
Indicative rental:	\$17.6 million
Current valuation:	\$250.0 million
Capitalisation rate:	7.00%

The Plaza, Palmerston North



Date built:	1986
Last redeveloped:	2009-2010
Net lettable area:	19,684m ²
Number of tenants:	69
Occupancy rate:	100%
Indicative rental:	\$6.5 million
Current valuation:	\$128.1 million
Capitalisation rate:	7.13%

Property Portfolio

Key Retail Assets

Centre Place, Hamilton



Date built:	1985
Last refurbished:	2000
Net lettable area:	15,133m ²
Number of tenants:	93
Occupancy rate:	97.1%
Indicative rental:	\$9.4 million
Current valuation:	\$122.8 million
Capitalisation rate:	8.25%

North City, Porirua



Date built:	1990
Last refurbished:	2004
Net lettable area:	25,724m ²
Number of tenants:	111
Occupancy rate:	98.6%
Indicative rental:	\$9.3 million
Current valuation:	\$113.0 million
Capitalisation rate:	8.00%

Downtown Plaza, Hamilton



Date built:	1994
Last refurbished:	2007
Net lettable area:	6,082m ²
Number of tenants:	38
Occupancy rate:	100%
Indicative rental:	\$2.5 million
Current valuation:	\$31.5 million
Capitalisation rate:	9.00%

Property Portfolio

Key Office Assets

Vero Centre, Auckland



Date built:	2000
Net lettable area:	39,490m ²
Number of tenants:	28
Tenant type:	Professional
Occupancy rate:	100%
Indicative rental:	\$20.4 million
Current valuation:	\$328.0 million
Capitalisation rate:	7.00%

National Bank Centre, Auckland



Date built:	1990
Net lettable area:	26,147m ²
Number of tenants:	30
Tenant type:	Professional
Occupancy rate:	94.3%
Indicative rental:	\$8.5 million
Current valuation:	\$117.8 million
Capitalisation rate:	8.13%

Majestic Centre, Wellington



Date built:	1991
Net lettable area:	24,049m ²
Number of tenants:	24
Tenant type:	Professional
Occupancy rate:	100%
Indicative rental:	\$7.6 million
Current valuation:	\$112.5 million
Capitalisation rate:	8.00%

Property Portfolio

Key Office Assets

Unisys House, Wellington



Date built:	1968
Net lettable area:	22,151m ²
Number of tenants:	10
Tenant type:	Government
Occupancy rate:	100%
Indicative rental:	\$6.4 million
Current valuation:	\$86.0 million
Capitalisation rate:	8.0%

21 Pitt Street, Auckland



Date built:	1990
Net lettable area:	17,236m ²
Number of tenants:	3
Tenant type:	Local government
Occupancy rate:	100%
Indicative rental:	\$4.2 million
Current valuation:	\$58.1 million
Capitalisation rate:	8.63%

PwC Centre, Christchurch



Date built:	1990
Net lettable area:	16,082m ²
Number of tenants:	29
Tenant type:	Professional
Occupancy rate:	98.5%
Indicative rental:	\$4.2 million
Current valuation:	\$57.0 million
Capitalisation rate:	8.00%

Property Portfolio

Key Office Assets

Vector Building, Wellington



Date built:	1988
Net lettable area:	10,109m ²
Number of tenants:	6
Tenant type:	Government
Occupancy rate:	100%
Indicative rental:	\$2.4 million
Current valuation:	\$34.9 million
Capitalisation rate:	8.00%

BP House, Wellington



Date built:	1971
Net lettable area:	9,140m ²
Number of tenants:	1
Tenant type:	Corporate
Occupancy rate:	100%
Indicative rental:	\$1.8 million
Current valuation:	\$27.4 million
Capitalisation rate:	7.75%

Appendix 3

New Zealand Economic, Retail and Office Market Summaries

New Zealand Economic Overview

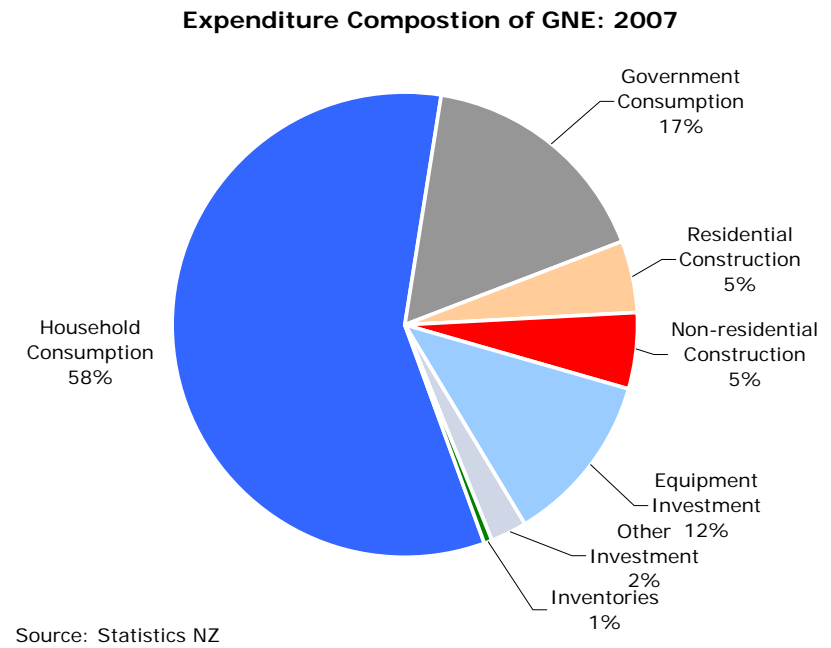
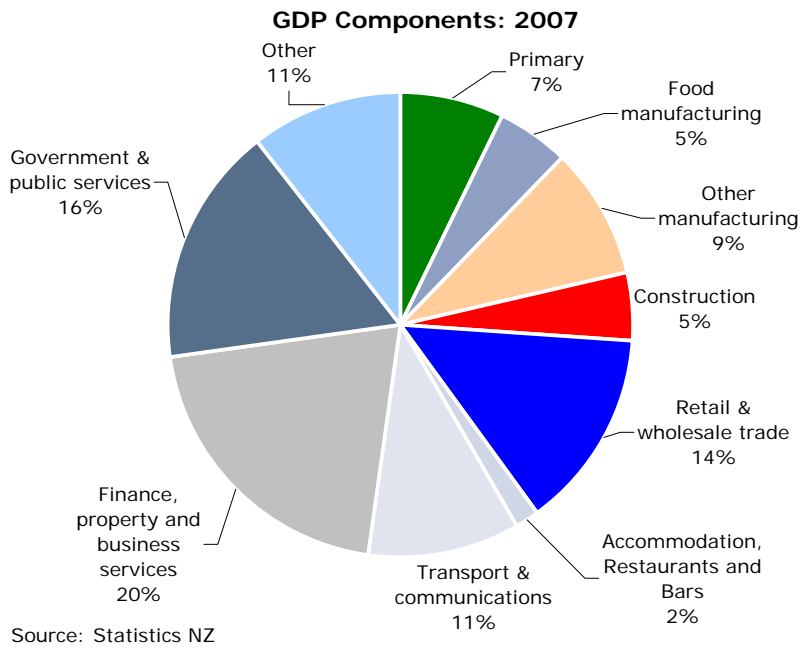
Key NZ Metrics

Population (Feb-08)	4.30 million
Population growth (year to Dec-07)	0.9% (Natural increase: 0.7%, Migration: 0.2%)
Nominal GDP (Dec-08)	NZ\$176.9B, US\$98.8B
Share of Global GDP (2007)	0.16% in PPP terms
GDP per capita (Dec-07)	NZ\$41,223

Source: Statistics NZ, IMF, Goldman Sachs JB Were Research

New Zealand Economic Overview

Economic Composition



New Zealand Economic Overview

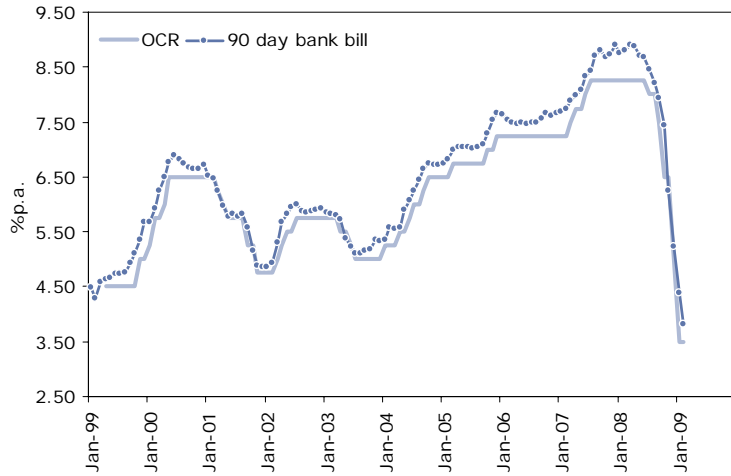
Trade Composition

Top Export Destinations			Top Import Sources			Top Exports			Top Imports		
	[\$B]	[%]		[\$B]	[%]		[\$B]	[%]		[\$B]	[%]
Australia	10.0	23%	Australia	8.7	18%	Dairy	10.2	24%	PME	10.2	21%
USA	4.4	10%	China	6.4	13%	Meat	5.1	12%	Oil & related	8.5	18%
Japan	3.6	8%	USA	4.6	9%	MPE	3.0	7%	Vehicles & related	5.1	10%
China	2.5	6%	Japan	4.0	8%	Crude oil	2.8	6%	Textiles	2.0	4%
UK	1.7	4%	Singapore	2.2	5%	Forestry	2.2	5%	Iron & steel	1.7	4%
S. Korea	1.4	3%	Germany	2.1	4%	Fruit	1.4	3%	Plastics	1.7	4%
Indonesia	1.0	2%	Malaysia	2.0	4%	Aluminium	1.4	3%	Medical	1.3	3%
Malaysia	0.9	2%	Qatar	1.5	3%	Seafood	1.2	3%	Pharmaceutical	1.1	2%
Germany	0.9	2%	Thailand	1.3	3%	Iron & Steel	1.0	2%	Paper & related	1.0	2%
Singapore	0.9	2%	S. Korea	1.3	3%	Wine	0.9	2%	Aircraft & parts	0.9	2%
Total	42.9		Total	48.5		Total	42.9		Total	48.5	

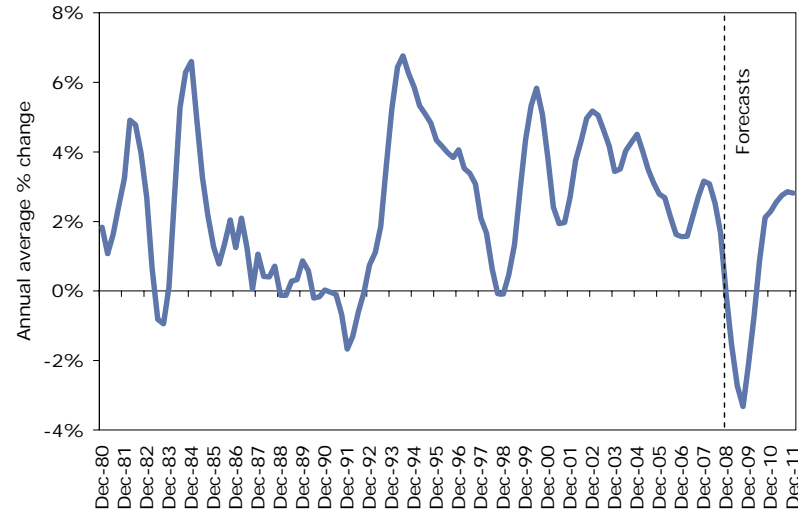
Source: Reserve Bank of New Zealand, Goldman Sachs JB Were Research

New Zealand Economic Overview

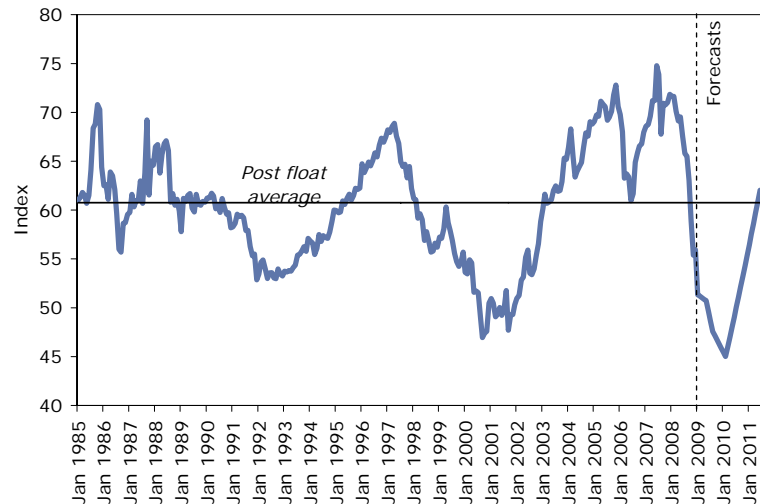
OCR vs 90 Day Bank Bill



NZ Real GDP Growth



NZD TWI



Source: Reserve Bank of New Zealand, Goldman Sachs JB Were Research

Market Summary

Retail

Domestic economy

- While recessionary conditions have weakened growth in private consumption, NZIER (a provider of economic research & forecasting) predict sales growth to pick up steadily from mid 2009
- Government fiscal stimulus measures including tax cuts & reductions in the Official Cash Rate will assist growth, together with other positive factors including a reduction in petrol prices. Further unemployment will impact on the downside

Portfolio MAT & GOC

- Portfolio MAT of \$942M was recorded for the year ended December 2008, in line with the previous year on a like for like basis
- Average specialty GOC% is 16.1%
- Independent retailers account for only 10.2% of the retail portfolio rental

Retail Portfolio

[% Annual Rent]

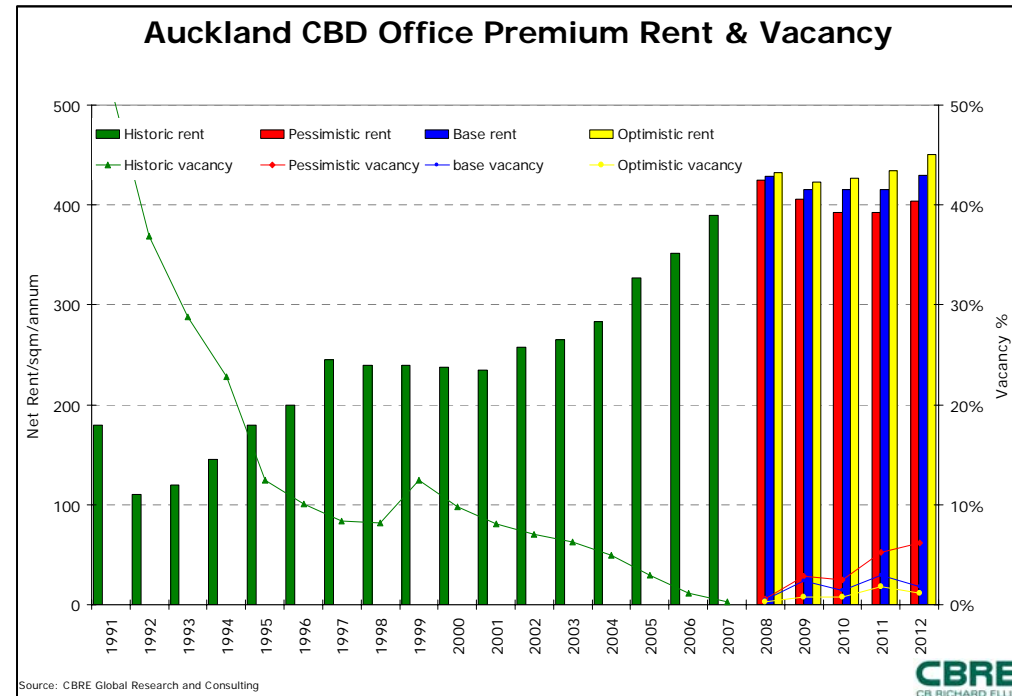
Retailer Type	%
Supermarkets	8.0
Department Stores	7.9
Mini-majors	3.4
Specialty – International Chain	10.8
Specialty – Australian Chain	18.1
Specialty – New Zealand Chain	39.3
Specialty – Independents	10.2
Office	1.0
ATM	0.8
Storage	0.5
Total	100.0

Market Summary

Office

Auckland

- Average compound annual growth rate in rents of **9.3%** (CBRE) over last five years
- Premium rents have plateaued at **NZ\$600/m²**
- Overall CBD vacancy **6.8%**
- Downside limited by a relatively modest financial sector
- Extent of any downturn heavily influenced by unemployment
- All new development pre-let but secondary space will come to market
- Syndicator market active up to \$20M

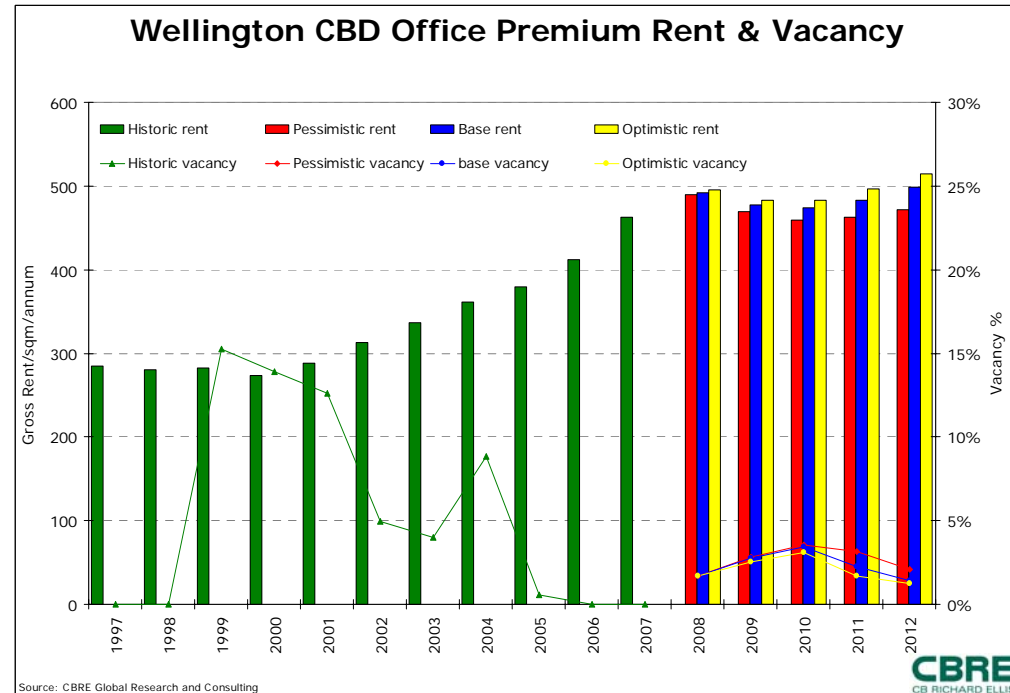


Market Summary

Office

Wellington

- Average compound annual growth rate in rents **11.8%** (CBRE) over last five years
- Premium rents have plateaued at **NZ\$460/m²**
- Overall CBD vacancy **2.8%**
- Dominated by Government sector (40% of stock). Unlikely to significantly downsize
- New development largely pre-let
- Good local investor activity



Appendix 4

Financial Results

Financial Results

Income Statement and Distribution Summary

[NZ\$000]	Unaudited		Audited
	6 months 30-Sept-08	6 months 30-Sept-07	12 months 31-Mar-08
Net rental income ^[1]	66,101	61,427	126,938
Net borrowing costs	(21,045)	(15,996)	(35,372)
Mandatory convertible notes cost	(5,707)	(5,738)	(11,287)
Manager's fees	(4,752)	(5,643)	(9,776)
Other expenses	(1,616)	(2,110)	(3,079)
Current tax expense	(4,225)	(2,661)	(5,298)
Distributable profit after income tax	28,756	29,279	62,126
<i>Cents per unit equivalent^[2]</i>	<i>4.0</i>	<i>4.1</i>	<i>8.7</i>
Unrealised financial impacts:			
Fair value change to interest rate derivatives	(20,553)	3,636	1,660
Net change in value of property investments	(52,036)	231	64,701
Amortised MCN cost	(746)	(665)	(1,395)
Deferred tax benefit/(expense)	14,409	10,978	(3,417)
Other non-cash items	(1,101)	136	(688)
Reported profit/(loss) after income tax	(31,271)	43,595	122,987

[1] Excludes non-cash straight-lining of income adjustments required under NZ IFRS

[2] Calculated on weighted average number of units

Financial Results

Balance Sheet Summary

[NZ\$000]	Unaudited		Audited
	30-Sept-08	30-Sept-07	31-Mar-08
Property investments	2,033,430	1,953,531	2,060,580
Other assets	12,421	29,913	30,692
Total assets	2,045,851	1,983,444	2,091,272
Bank borrowings	598,000	532,000	571,000
Deferred tax liability ^[1]	191,892	191,947	206,313
Other liabilities	38,172	34,571	37,182
Mandatory convertible notes	142,314	140,823	141,537
Unit holder equity	1,075,473	1,084,103	1,135,240
Total liabilities and unit holder funds	2,045,851	1,983,444	2,091,272
<i>Undiluted net asset backing per unit^[2]</i>	<i>\$1.64</i>	<i>\$1.66</i>	<i>\$1.75</i>
<i>Diluted net asset backing per unit^{[2]&[3]}</i>	<i>\$1.56</i>	<i>\$1.60</i>	<i>\$1.67</i>

[1] IFRS requires deferred tax to be provided on all temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The balance principally relates to fair value changes in respect of investment properties and derivatives, as well as depreciation recoverable. As New Zealand does not have a capital gains tax, around \$105M (as at 30-Sept-08) of the liability will not crystallise

[2] Excludes deferred tax on items that will not crystallise

[3] Diluted for the conversion of mandatory convertible notes

Disclaimer

Neither Commonwealth Bank of Australia (the 'Bank') ABN 48 123 123 124 nor any of its subsidiaries guarantees or in any way stands behind the performance of Kiwi Income Property Trust (KIP) or the repayment of capital by KIP. Investments in KIP are not deposits or other liabilities of the Bank or its subsidiaries, and investment-type products are subject to investment risk including possible delays in repayment and loss of income and principal invested.

The information contained in this presentation (the 'Presentation') is intended to provide general advice only and does not take into account your individual objectives, financial situation or needs. You should assess whether the Presentation is appropriate for you and consider talking to a financial adviser or consultant before making an investment decision.

All reasonable care has been taken in relation to the preparation and collation of the Presentation. Except for statutory liability which may not be excluded, no person, including Kiwi Income Properties Limited (the 'Manager' for KIP) or any other member of the Bank's group of companies, accepts responsibility for any loss or damage howsoever occurring resulting from the use of or reliance on the Presentation by any person. Past performance is not indicative of future performance and no guarantee of future returns is implied or given.

Copyright and confidentiality

The copyright of this document and the information contained in it is vested in the Manager, the Bank and the Bank's group of companies. This document should not be copied, reproduced or redistributed without prior consent.

February 2009