KIWI INCOME PROPERTY TRUST

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- ANNUAL RESULT

Year Ending 31 March 2005

Operating Highlights

- Net Income after tax up 7.3% to $52.7m
- Net rental revenue up 22.0% to $88.1m (excludes CNZ income)
- Total gross dividend 8.65 cpu (pcp 8.57 cpu)
- Portfolio revaluation of $65.0m
- NTA increased by 9 cpu to $1.27 per unit (includes final dividend)
- Total assets increased by $163m to $1.26b
- Successful $50m capital raising April 04
- Portfolio occupancy increases to 99.5%

Financial Highlights

	2005	2004	
Rental Income	$88.10m	$72.20m	✓
Net Income before Tax	$66.47m	$56.08m	✓
Net Income after Tax	$52.65m	$49.07m	✓
Net Income for Distribution	$52.23m	$48.64m	✓
Gross Distribution	8.65 cpu	8.57 cpu	✓
Unrealised Revaluation Gains	$65.0m	$50.6m	✓
NTA per unit	$1.27	$1.18	✓
Securities on Issue	705.1m	651.0m	
Total Assets	$1.262b	$1.099b	
Total Interest Bearing Debt	$341.0m	$253.5m	
Investor Funds	$892.4	$745.5m	
Interest Bearing Debt to total Assets	27.0%	23.1%	

Revaluations

Total $65.0m (+ 6.5%)

Revaluations >$5m

Asset	Location	Valuation $m	Revaluation Gain $m
Retail			
Northlands	Christchurch	214.0	10.0
North City	Porirua	106.4	8.5
Centre Place	Hamilton	95.7	5.5
Office			
Vero Centre	Auckland	226.0	10.9
Majestic Centre	Wellington	82.2	7.4
21 Pitt Street	Auckland	45.4	7.3
Unisys House	Wellington	49.7	5.4

Total Returns

Returns 31 March 2005	Yearly	Two Year Cumulative p.a. return	Three Year Cumulative p.a. return
NZ Gross Property Index	17.3%	16.3%	15.2%
NZSX50 Gross	17.2%	24.5%	14.6%
KIP	10.3%	11.1%	14.3%

- KIP total gross return since listing 11.6% p.a.

Source: Iress & GSJBWere Research Estimates

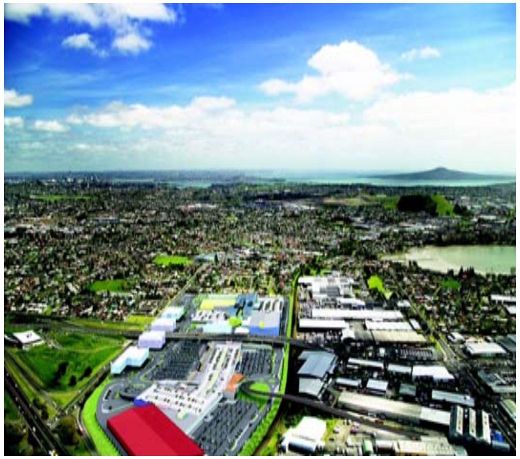
Dividend Summary

Cents Per Unit	March 05 Interim	March 05 Final	March 05 Total	March 04
Cash	3.530	3.492	7.022	7.594
Imputation	0.806	0.822	1.628	0.975
Gross Dividend	4.336	4.314	8.650	8.569

New Capital

- $50m placement in April 04

  Purpose: to acquire Unisys House, Wellington



- $110m – $140m MCN issue announced May 05

  Purpose: to fund Sylvia Park, Auckland

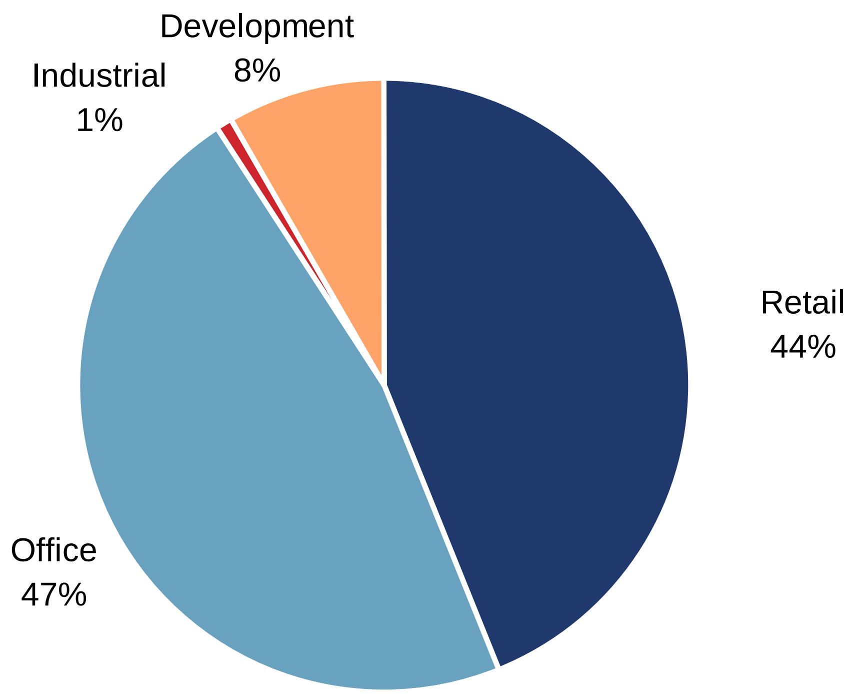
Acquisitions and Disposals

- Acquisitions
  - Unisys House $44.1m
  - NGC Building $19.4m
  - Intergen House $4.2m
  - Adjoining properties located in the Wellington government sector

- Disposals
  - HP House $25.8m ($0.4m up on book value)
  - AUT Building $29.0m ($1.8m up on book value)
  - Settlement on AUT Building July 2005

Portfolio Statistics

Diversification By Sector - % of Value (31 March 2005)

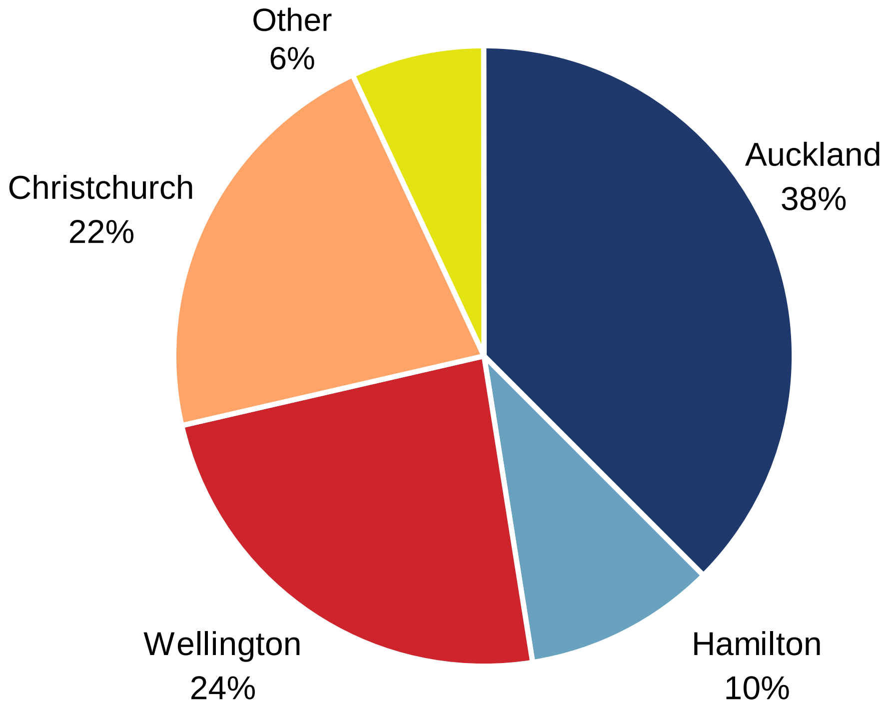


	No. of Tenants	NLA m^2
Retail	441	114,089
Office	153	167,364
Total	594	281,453

Note: Excludes CNZ investment

Portfolio Statistics

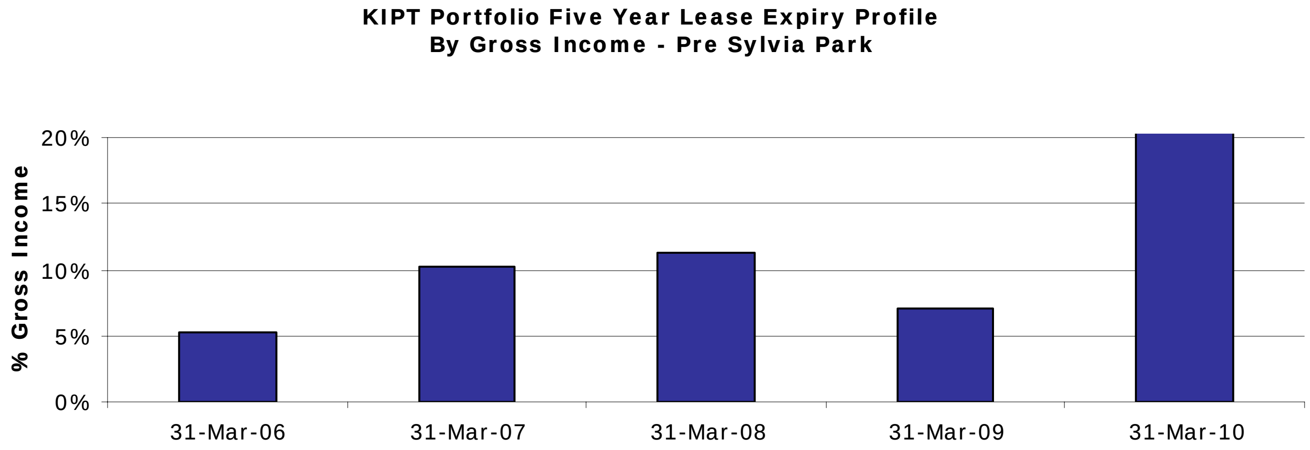
Diversification By Region - % of Value (31 March 2005)



Note: Excludes CNZ investment

Portfolio Statistics

Diversification By Lease Expiry Profile - Gross Income



Key Expiries

FY07 Brierley 2,700m^2 (Majestic)

FY08 Government of Japan 2,040m^2 (Majestic), Department of Labour 6,640m^2 (Unisys), Commerce Commission 2,700m^2 (Unisys)

FY09 IBM 1,990m^2 (Majestic), Unisys 6,010m^2 (Unisys)

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Portfolio Statistics

Diversification By Weighted Average Lease Expiry

	2005	2004	2003	2002
Retail	5.0	4.6	3.5	4.0
Office	6.4	6.0	6.9	7.3
Industrial	0.7	1.1	1.7	2.5
Total	5.6	5.3	5.7	5.9

Note: 2005 excludes AUT
2003 excludes Northlands

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Portfolio Statistics

Occupancy – Retail (As at 31 Mar 05)

Property	Net Lettable Area (m^2)	Vacant Area (m^2)	Occupancy %
Centre Place	15,041	35	99.8%
Downtown Plaza	2,953	-	100.0%
The Plaza	14,526	118	99.2%
North City	25,583	-	100.0%
Northlands	40,994	208	99.5%
Sub Total	99,097	361	99.6%
Adjoining Properties	14,992	398	97.3%
Total Retail	114,089	759	99.3%

Portfolio Statistics

Occupancy – Office (As at 31 March 2005)

Property	Net Lettable Area (m^2)	Vacant Area (m^2)	Occupancy %
Vero Centre	39,579	-	100.0%
National Bank (50%)	13,073	329	97.5%
21 Pitt Street (ex Vodafone)	17,245	-	100.0%
AUT	13,949	-	100.0%
Majestic Centre	23,559	410	98.3%
BP House	9,140	-	100.0%
Unisys House	22,118	-	100.0%
NGC Building	10,109		100.0%
Intergen House	2,510	-	100.0%
PricewaterhouseCoopers	16,082	-	100.0%
Total Office	167,364	739	99.6%

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Asset Management

Retail Portfolio

New Leases

- 48 Retail Leases or Renewals were completed, 17% ($0.5m) ahead of previous income
- Representing 5% of the portfolio area
- 7 remaining development leases at North City were completed, 4% ahead of budget.

Rent Reviews

- 231 Rent Reviews were completed 5.8% ($1.0m) ahead of previous income
- Representing 29% of the portfolio area

Asset Management

Retail Portfolio

Specialty Sales

- Up 5.7% across portfolio (like for like basis)
  Continued growth forecast

Centre Gross Occupancy Costs

- Specialty range between 11.1% and 14.7%

Asset Management

Office Portfolio

New Leases

38 New leases, renewals & extensions agreed representing:

- $2.6m (28.9%) increase in income
- 43,501m^2 of net lettable area
- 26.0% of the portfolio area
- 22.8% of total gross income

Rent Reviews

33 Rent Reviews were completed representing:

- $0.6m (8.6%) increase in income
- 24,530m^2 of net lettable area
- 14.7% of the portfolio area
- 14.8% of total gross income

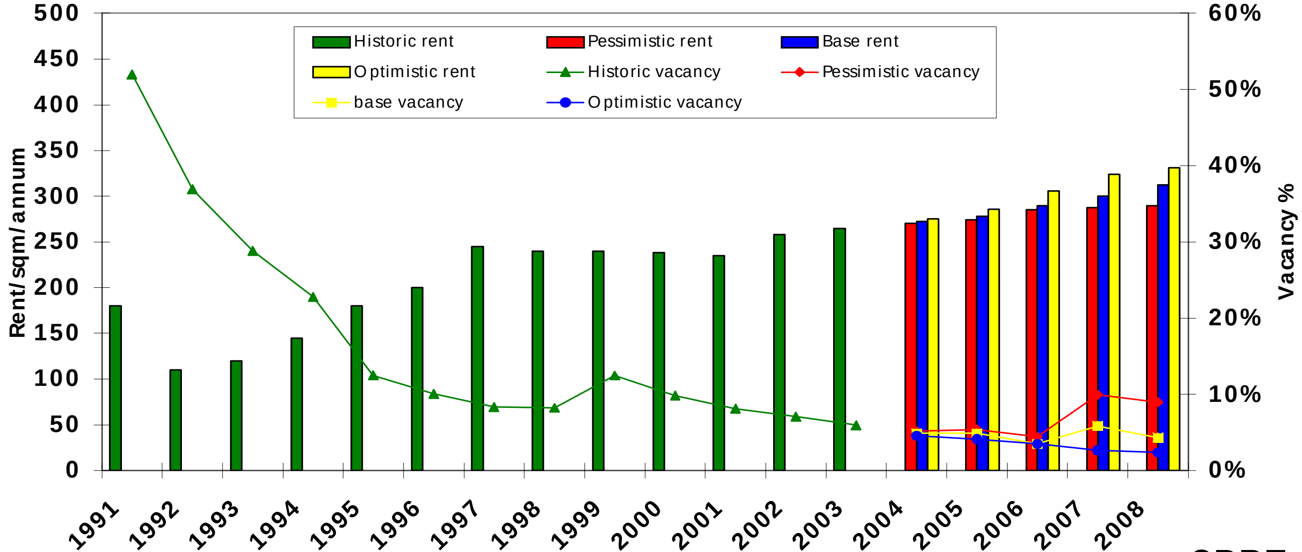
Market Summary

Retail Sector Performance

- Retail sales growth has been strong through 2004 and early 2005.
- Consumer confidence high
- Increased offshore interest in retail properties has placed pressure on NZ investors to pay premium prices to acquire retail assets.
- Demand for retail space has driven occupancy levels even higher during the past year. This demand has contributed to positive rental growth.

Market Summary

Auckland CBD Office Premium Rent & Vacancy



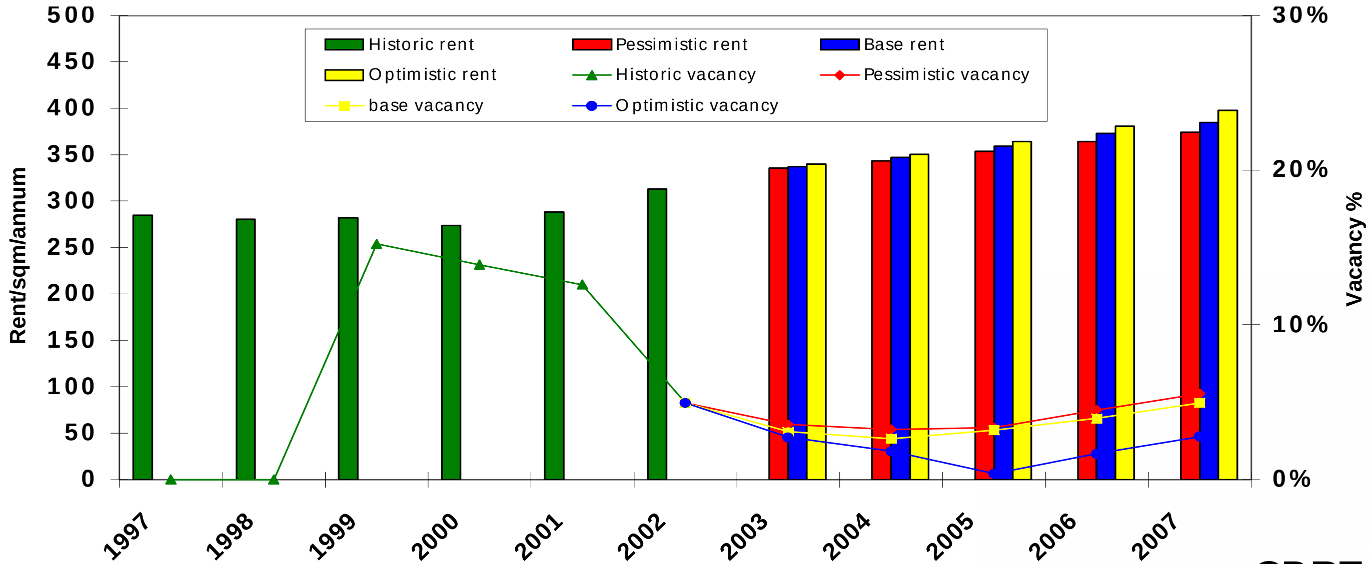
Source: Global Research and Consulting

CBRE

- Over the last 12 months Premium grade net rents have increased from $380/m² to $420/m²
- Driven by low vacancy and good levels of demand
- At December 2004 Prime grade office vacancy had decreased to 5%
- Premium office yields have firmed

Market Summary

Wellington CBD Office Premium Rent & Vacancy



Source: Global Research and Consulting

CBRE

- Premium net rents have increased from $285/m^2$ to $310/m^2$
- New development now occurring but unlikely to impact on expected growth this year
- Recent leasings (mainly in The Majestic Centre) have reduced premium vacancy to under 2% since chart above was prepared
- Very few options available for tenants requiring premium office accommodation
- Strong investor demand supporting firmer yields

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Market Summary

Christchurch

- No vacancy within the prime CBD stock
- Pressure on rents continues with strong prime rental growth
- Investment market remains strong
- Prime yields have firmed

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Added Value

Fund Management Fee Review

- New fee structure effective from 1 April 2005
- Base fee 0.55% of Gross Assets
- Performance Fee on unit holder returns over 10%
- Base Fee + Performance Fee capped at 0.70%
- Previous fee 0.85% up to $750m, 0.65% thereafter
- Annual earnings accretion of $0.9 - $2.7m
- New fee structure at lower end of NZ peers
- Independent review supports new fee structure
- Manager interest more aligned to unit holders
- Approval will be sought at next unit holder meeting for any performance fee to be paid in KIP units

Added Value

Majestic Centre, Wellington

- Lobby and gymnasium upgraded (cost $0.8m) and new café added
- Retail frontages on Willis Street to be extended with new leases (cost $1.2m)
- New leases to:
  - Cigna (1,700m^2, 9 years)
  - NZ Trade & Enterprise (3,000m^2, 9 years)
  - Opus (3,900m^2 to December 2014)
  - Earthquake Commission (1,000m^2, 12 years)
- Revaluation gain $7.4m

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Added Value

North City, Porirua

- $9.9m remix completed September 04
- 500 seat Foodcourt opened March 04
- Improved customer facilities
- 71 new leases completed

	Budget	Actual	
Capital Expenditure	$9.94m	$9.94m	✓
Incremental Income	$0.94m	$1.40m	✓
Yield	9.5%	14.2%	✓
Revaluation Gain (Over 2 years)		$12.18	✓

Added Value

Capital Properties

- Consolidation of listed property sector
- KIP purchased 19.4% of CNZ in November 2004 @ $1.15 per share (cost $54m)
- NTA $1.29 per share
- Total Portfolio $536.6m (31/03/05)
- Wellington and government office exposure
- Considering further options

Added Value

Sylvia Park

- Development proceeding with KIP retaining 100% ownership of retail stage
- Total cost of retail stage $257m (excludes existing land and infrastructure), or $363m including these costs
- Funding through proceeds from AUT sale, existing debt capacity, and MCN issue
- Refer Sylvia Park presentation for details

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Outlook

- KIP portfolio in sound position for growth
- Gross distribution projection of 8.50 – 8.70 cents per unit for year ending 31 March 2005
- Key focus on Sylvia Park
- Other opportunities include expansion of The Plaza

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