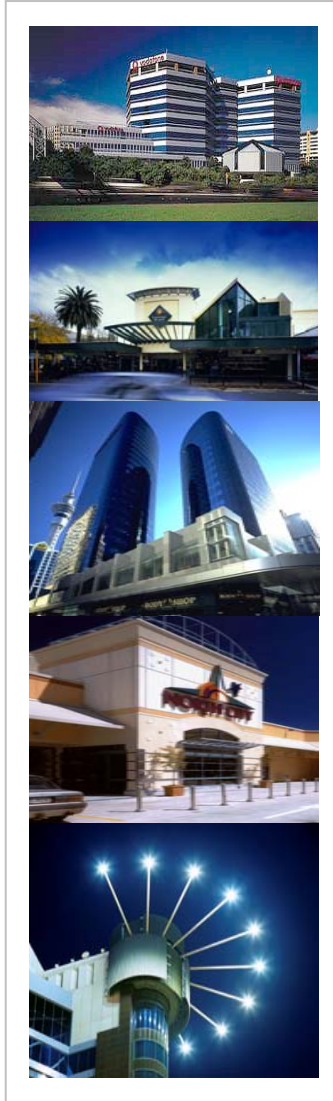


Kiwi Income Property Trust

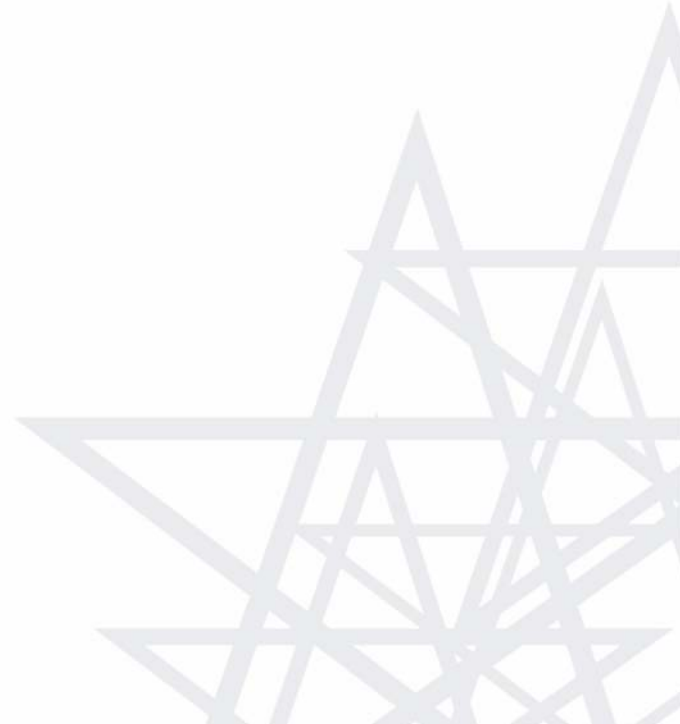
Macquarie NZ Investment Conference

24 February 2005

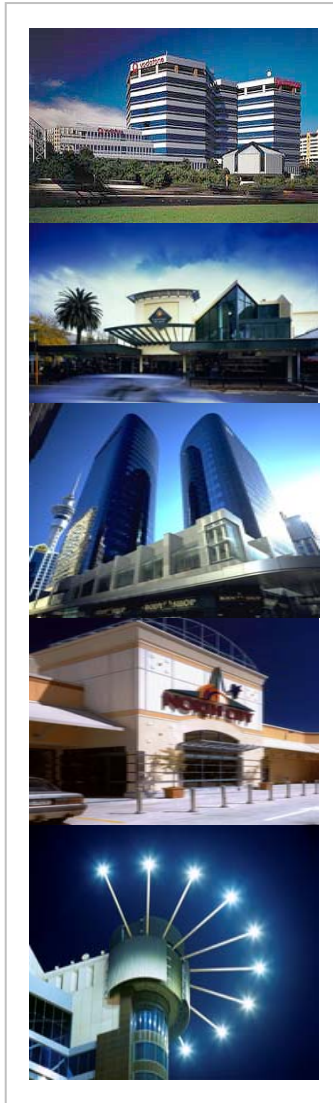
Agenda



- Industry Position
- Retail Portfolio
- Office Portfolio
- Added Value Opportunities
- Summary

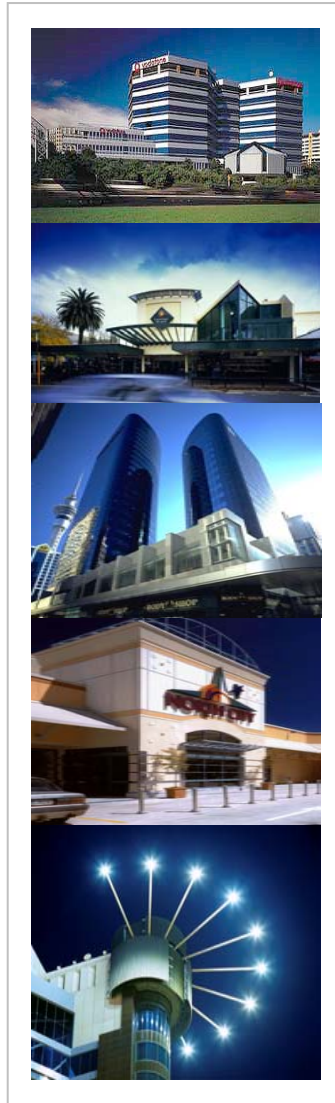


KIP

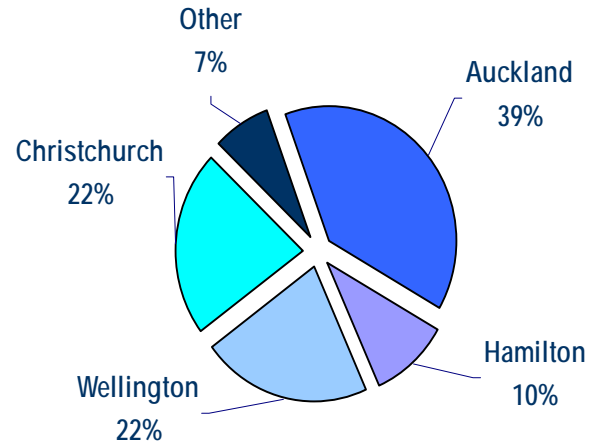


- Largest listed property entity in New Zealand
- Total Assets \$1.1 billion
- High quality, diversified portfolio
- Unitholder return over last three years 15.4% p.a
- Portfolio occupancy at an all time high
 - ▶ Retail 99.7%
 - ▶ Office 98.9%
- Distribution growth, with retained earnings
- Debt threshold recently increased to 40%
- Opportunities to add value
- Ranked 15th on NZSX50

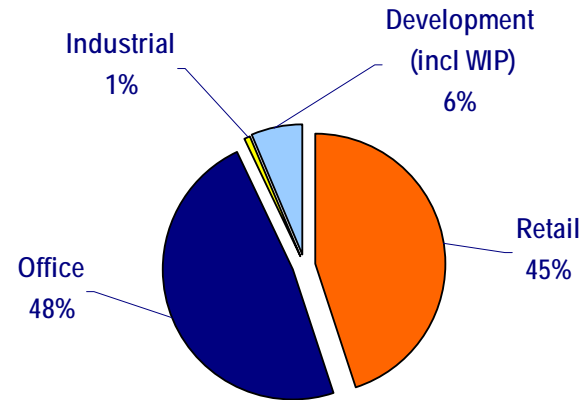
Portfolio Diversification



Region

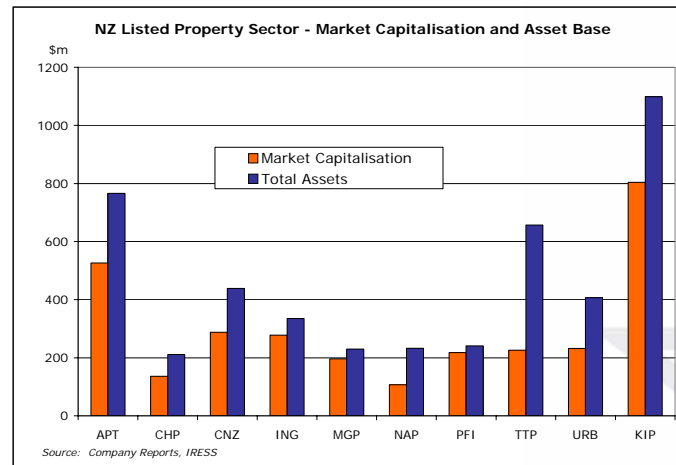
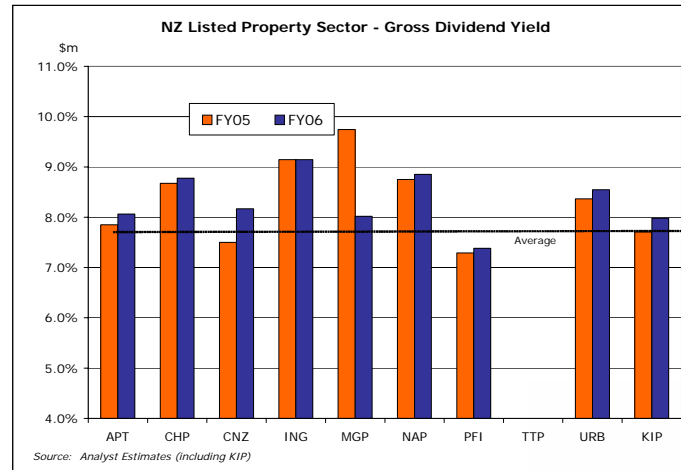
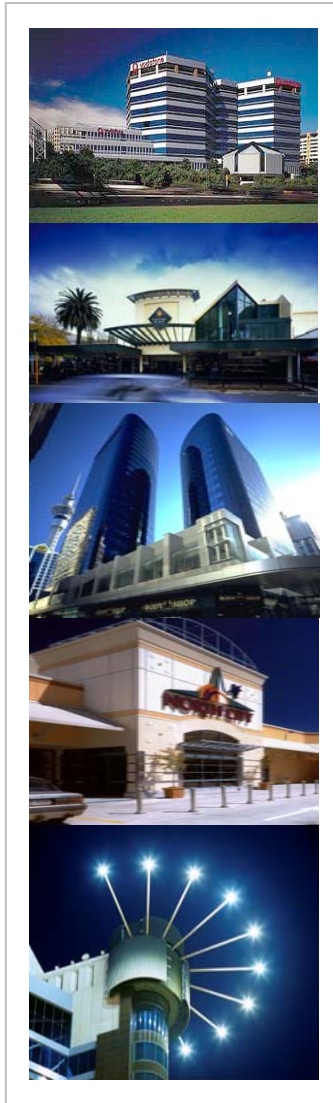


Sector



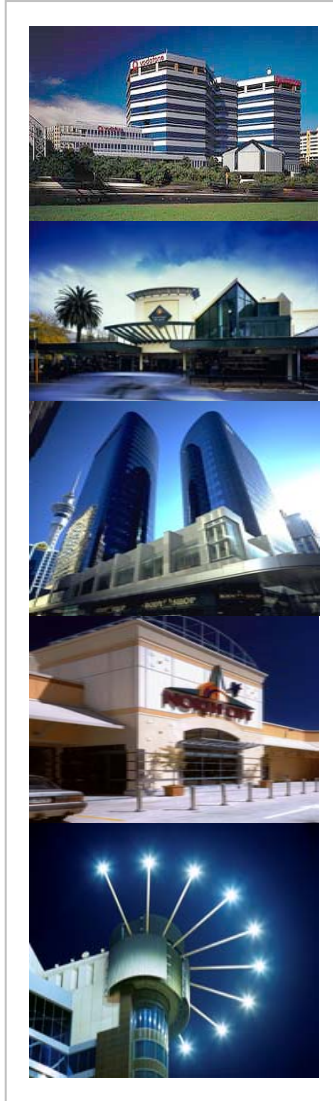
% value (as at 31 March 2004)

NZ Listed Property Sector



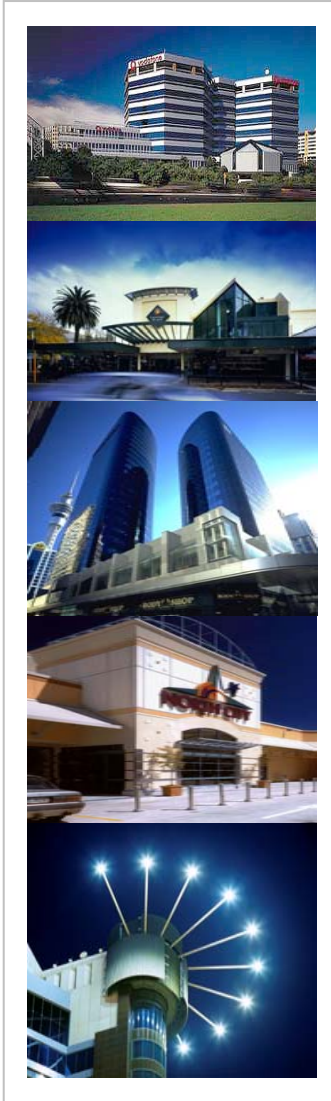
- Average sector gross dividend yield FY06 7.7%
- KIP 8.0%
- Sector market capitalisation \$2.9 billion
- KIP represents 36% of NZSX Property Index
- Average sector premium to NTA 4.1%
- KIP discount 0.4%

Office Strategy



- Focus on quality and diversified office assets
- Recycle capital from non-growth assets
- Nurture relationships with major tenants
- Grow income and add value to existing portfolio
- Diversify
- Seek out 'buy' opportunities

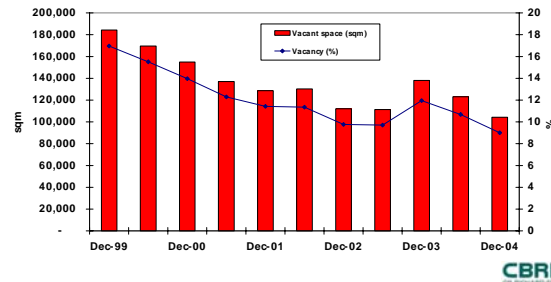
Office Market



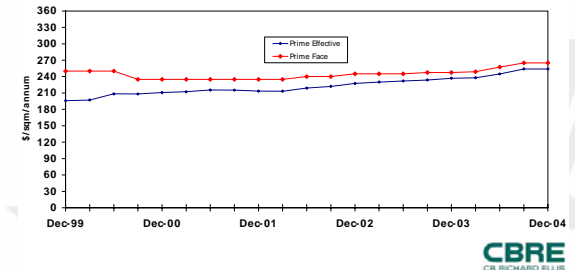
Auckland

- Limited new supply
- Rental growth
- Corporate relocation diminishing
- Total stock 1.2 million m²
- Prime vacancy 5.2%

Auckland CBD Office Vacancy



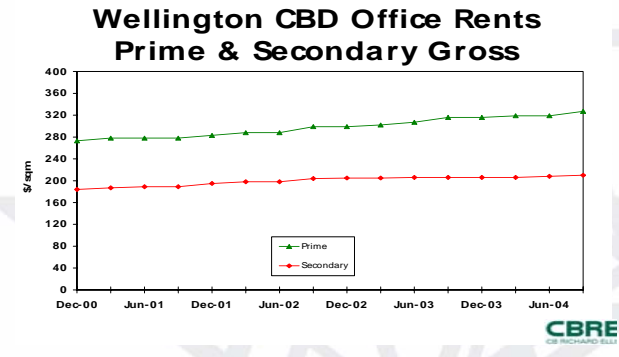
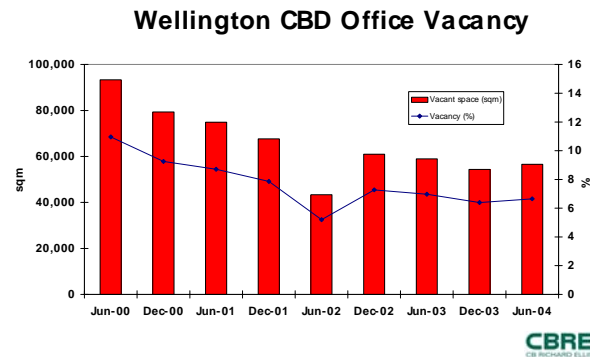
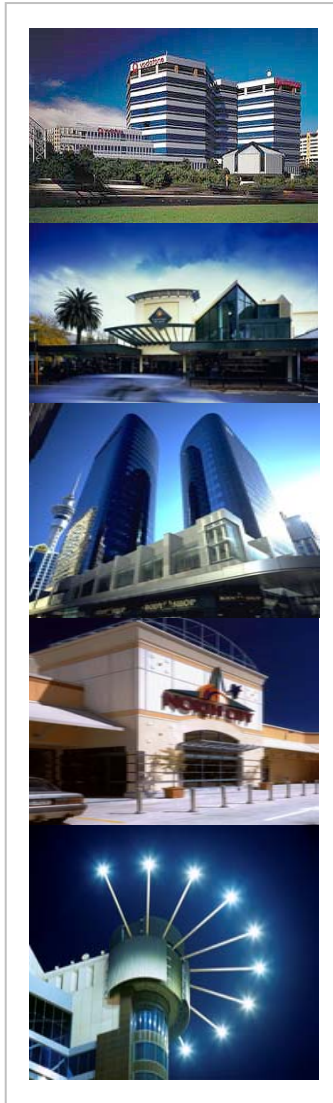
**Auckland CBD Office Rents Prime
FACE & EFFECTIVE**



Office Market

Wellington

- Low vacancy
- Solid rental growth
- Limited new supply
- Government sector
- Total stock 0.9 million m²
- Prime vacancy estimated at 3 – 4%

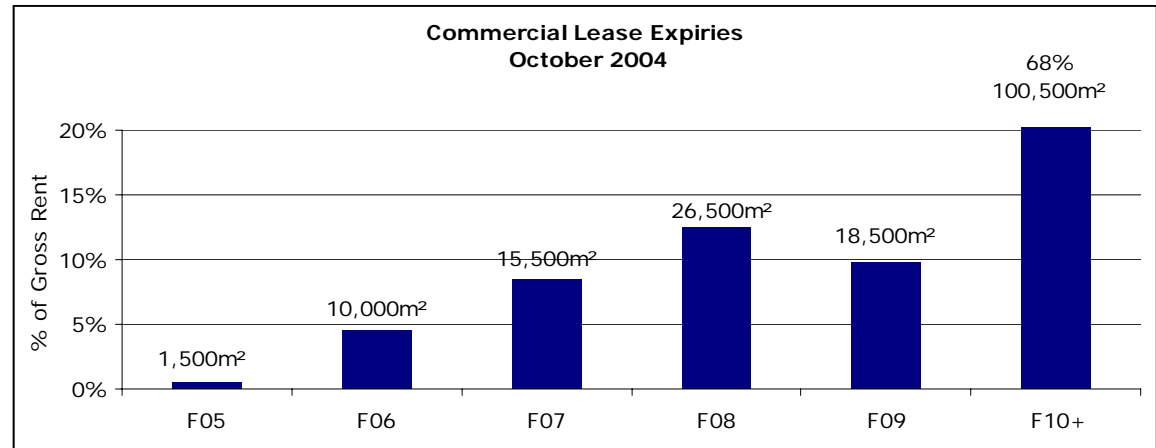
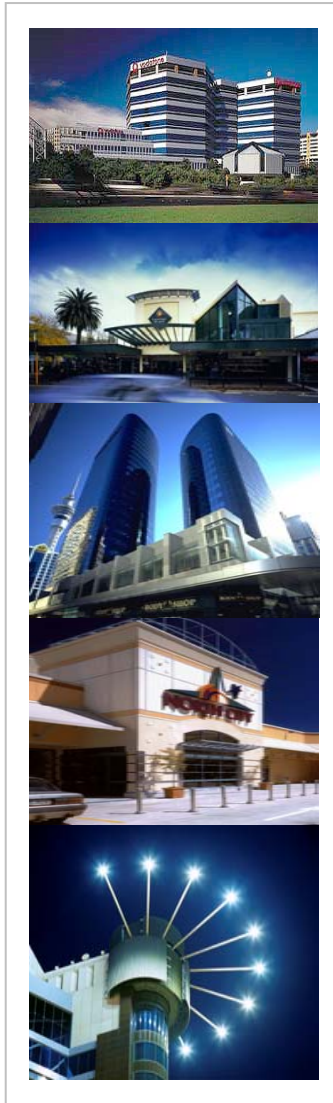


Office Portfolio

As at 1 October 2004

Property	Location	Value	NLA (m ²)	WALT
Vero Centre	Auckland	\$ 215,000,000	39,578	6.73
National Bank Centre (50%)	Auckland	\$ 46,500,000	13,073	5.47
Vodafone House	Auckland	\$ 38,100,000	17,245	2.73
AUT Faculty of Arts Building	Auckland	\$ 26,950,000	13,949	0.76
Majestic Centre	Wellington	\$ 70,290,000	23,519	5.60
BP House	Wellington	\$ 23,960,000	9,140	26.27
Unisys House	Wellington	\$ 44,100,000	22,117	5.25
NGC House	Wellington	\$ 19,300,000	10,036	5.40
PricewaterhouseCoopers	Christchurch	\$ 34,700,000	16,081	4.64
Total Office Portfolio		\$ 518,900,000	164,740	6.00

Lease Expiries and Activity



- Extensive leasing activity over last quarter of 2004
 - ▶ AUT
 - ▶ Majestic Centre
- 40% of F06 expiries now renewed
- No major pending expiries

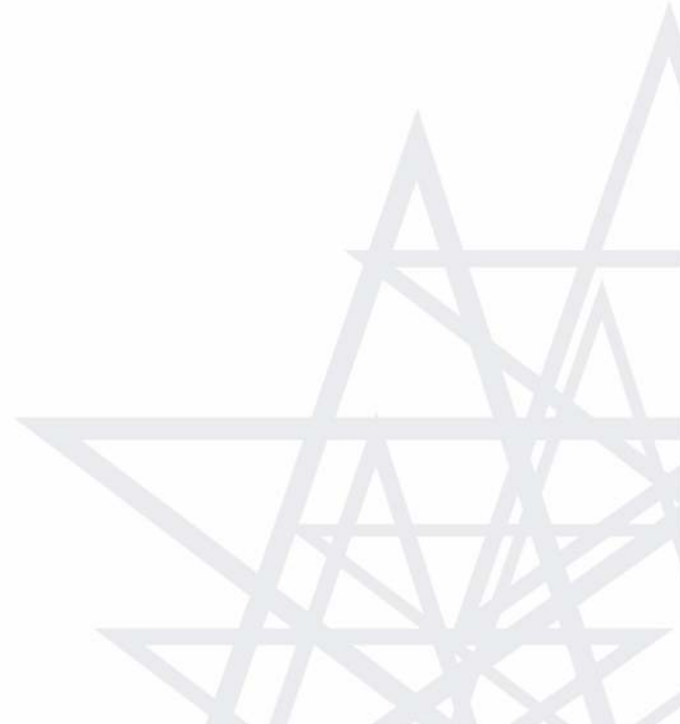
Retail Strategy



- Own key assets that dominate their catchments
- Superior rental growth
- Gross occupancy costs to sales ratio
- Enhancing centre retail sales
- Structural change to rent reviews
- Limited investment opportunities
- Need to develop own added value opportunities

Retail Market

- Domestic growth likely to slow
- Significant barriers to entry
- Improved rentals and occupancy levels
- KIP centres well positioned



Retail Portfolio

As at 1 October 2004

Property	Location	Value	NLA (m ²)	WALT
Centre Place	Hamilton	\$ 89,800,000	15,428	2.80
Downtown Plaza	Hamilton	\$ 15,270,000	2,953	2.10
The Plaza	Palmerston North	\$ 70,400,000	14,526	5.07
North City	Porirua City	\$ 96,300,000	25,334	5.61
Northlands	Christchurch	\$ 203,250,000	40,994	7.07
Adjoining Properties		\$ 14,410,000	14,992	4.85
Total Retail Portfolio		\$ 489,430,000	114,227	5.39

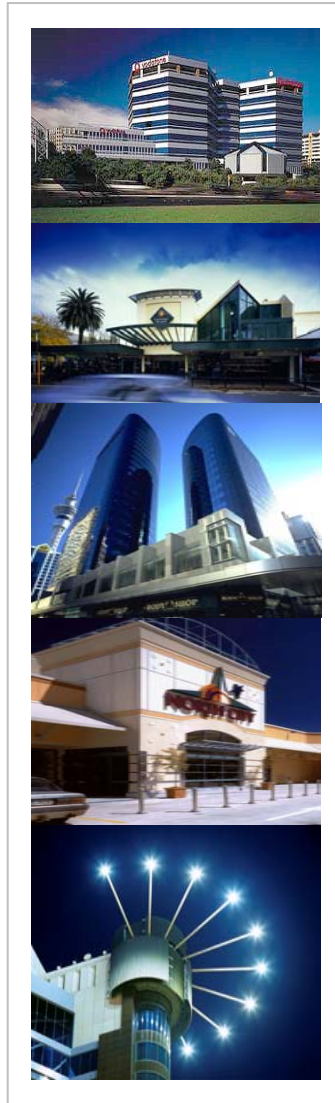
Northlands, Christchurch



- Largest enclosed mall in New Zealand
- \$90.9m development completed 2004
- Size of the centre increased from 21,000m² to 41,000m²
- Completed on time and within budget
- Financial hurdles exceeded



Northlands Redevelopment



Investment
Statement

Actual

24 June 2002

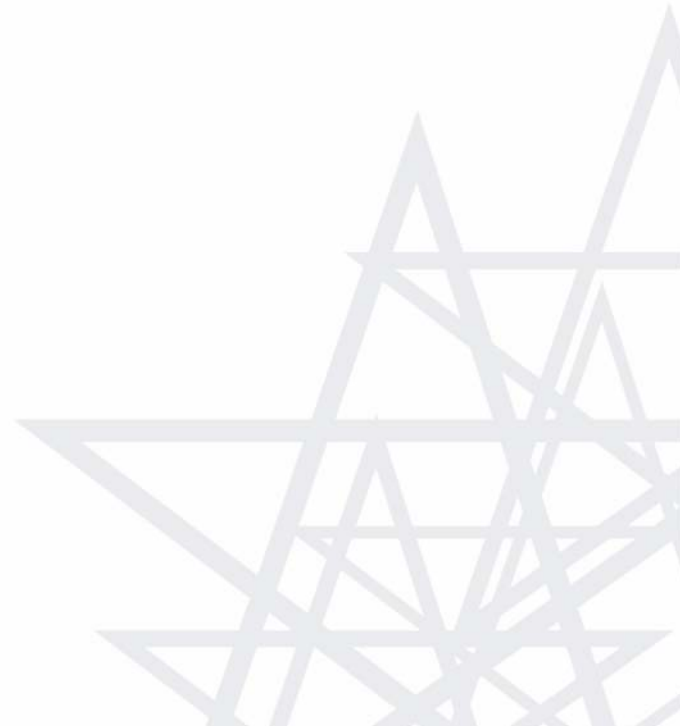
31 March 2004

Total Development Cost	\$90.9m	\$90.9m
Incremental Income	\$7.9m	\$8.3m
Yield on Development Cost	8.7%	9.1%
Valuation	\$189.0m	\$203.3m
Development Margin	\$3.6m	\$16.8m
Specialty Stores	125	135
Net Lettable Area	40,700m ²	40,994m ²

Added Value Opportunities



- Sylvia Park
- Capital Properties
- The Plaza



Sylvia Park

- New generation town centre
 - ▶ Maximum gross floor area 148,000m²
- Mixed use opportunity



AERIAL PHOTO

Sylvia Park



Progress

- Rezoning complete
- Resource consent granted 28 September 2004 for retail and entertainment stage (55,000m²)
- Demolition of sheds and site preparation works commenced October 2004
- Key major tenants signed
- Propose to commence construction mid 2005

Funding

- Retail and entertainment stage - \$300m
- Various funding options under consideration

Site Works



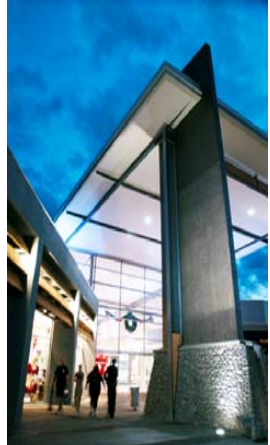
Master Plan



ILLUSTRATED PLAN



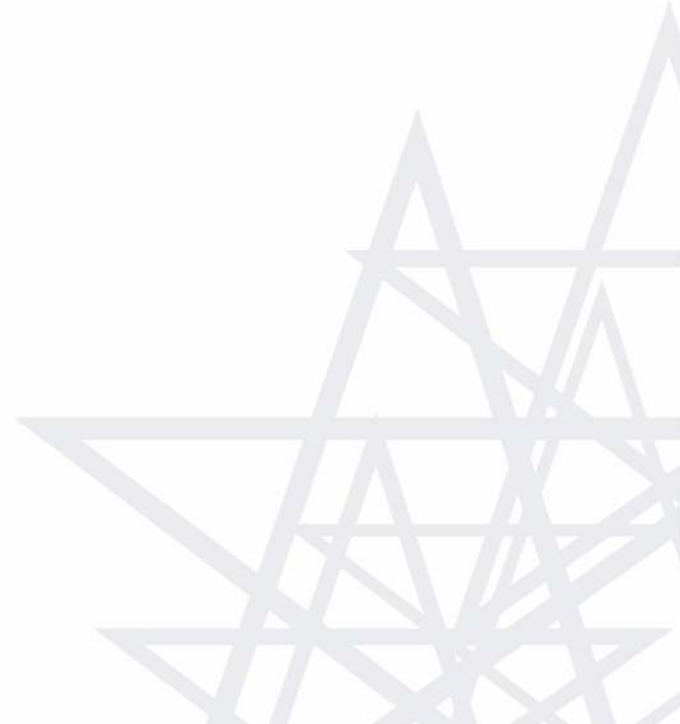
Capital Properties (CNZ)



- Consolidation of listed property sector
- Purchased 19.4% of CNZ in November 2004 @ \$1.15 per share (cost \$54m)
- Property Assets \$430m (30/09/04)
- Wellington and government office exposure
- Own 19.9% with associated parties
- Considering further options

The Plaza

- Evaluating redevelopment opportunities
- Currently 14,500m²
- May expand to approximately 25,000m²
- \$60 - \$70m development cost
- Development period 2006 - 2008



Summary

- Strong market position
- Sylvia Park
- Other added value opportunities
- Positioned for growth
- Balancing income and opportunity



Thank you

