

Annual General Meeting

Chairman's Address

Wednesday, 29 August 2004 at 10.30 am

Good morning Ladies and Gentlemen.

My name is Jim Syme and under the terms of the Trust Deed, I have been appointed Chairman of the meeting by the Trustee, New Zealand Permanent Trustees Limited.

I would like to extend a warm welcome to you all. I would also like to welcome our Trustee, Philip Dyer from New Zealand Permanent Trustees Limited; Alan McIntyre from our auditors, PricewaterhouseCoopers; Pip Greenwood from Russell McVeagh, who are the Trust's solicitors; and Peter Wilson from BK Registries, who act as the Unit Registrar for the Trust.

I would also like to introduce my colleagues on the Board of the Manager. The full Board is present, and they are:

Geoff McWilliam – Geoff is Executive General Manager of Colonial First State Property in Australia.

Wal Edgell – Wal is General Manager Corporate Services for Colonial First State Property in Australia.

Richard Didsbury - who is also a Trustee of the Committee of Auckland and Chairman of the Auckland City Sculpture Trust.

Robert Narev who is a consultant and Chairman of the Auckland-based law firm, Glaistor Ennor.

John Duncan – John is the Group General Manager, Financial and Risk Management for the ASB Banking Group.

Also joining us as at the table is the Chief Executive, Angus McNaughton and the Chief Financial Officer, Gavin Parker. A number of our senior management team are also here today.

For those of you who are joining us for the first time, I would like to take a few moments to point out how this meeting differs from the traditional format and formalities of annual general meetings of listed companies.

Under a Unit Trust structure there is a manager responsible for making investment decisions, and an independent trustee. The Manager of Kiwi Income Property Trust is Kiwi Income Properties Limited, a wholly owned subsidiary of the Commonwealth Bank of Australia and the Trustee is New Zealand Permanent Trustees Limited a subsidiary of Public Trust.

The Manager makes investment decisions on behalf of all unit holders. Those decisions must be made in accordance with the terms of the Trust Deed and the Unit Trusts Act 1960.

The parties to the Trust Deed are the Manager and the Trustee. A copy of this Deed is available for inspection at the offices of the Manager or the Trustee or alternatively at the office of the Registrar of Companies in Auckland.

The Manager, Kiwi Income Properties Limited, is controlled by a Board of Directors, but the assets of the Trust are held in the name of the Trustee. It is the Trustee's role to supervise the Manager's activities on behalf of the unit holders and to ensure that the Manager's activities are in accordance with the Trust Deed and the Unit Trusts Act.

Unit Holders are entitled to receive copies of the semi-annual and annual accounts of the Trust, together with the Auditor's report on the annual accounts. However there is no requirement for approval of accounts at the Annual Meeting or for confirmation of the Auditor.

As required by the Trust Deed and the Unit Trusts Act, copies of the latest statements filed with the District Registrar are available at this meeting for inspection.

As there is no formal business to take place at this meeting, we would like to take the opportunity to update investors on the Trust's activities and performance.

The results achieved over the 2004 financial year were robust, with a solid increase in earnings and a significant positive portfolio revaluation. Net income after tax increased by 9.7% to \$49.1 million, following strong leasing activity across the retail portfolio, the maiden contribution from Downtown Plaza Shopping Centre in Hamilton and reduced interest costs. The Trust recorded a significant revaluation gain of \$50.6 million, boosting the net asset backing per unit by 8 cents per unit to \$1.15. Underpinning this material valuation increase was the successful Northlands Shopping Centre redevelopment, the quality of the Trust's assets, real growth in income, and a firmer property market.

Activity has continued into the next financial year with the acquisition of NGC House in Wellington, and the sale of HP House in Auckland. In May \$50m was raised through a placement of units to fund the acquisition of Unisys House in Wellington.

During the year the Trust celebrated 10 years as a listed property entity on the New Zealand Stock Exchange, and we are proud that over these ten years the Trust's total pre-tax return to unit holders averaged 10.6% per annum.

The Trust is New Zealand's pre-eminent diversified property vehicle and with its quality portfolio and management team is perfectly positioned for the next decade and beyond.

I would now like to hand you over to Angus who will provide a detailed update on the Trust's activities and performance.

QUESTIONS FROM THE FLOOR

This concludes the formal presentation today. At this time we would be happy to answer any questions on the Trust's activities, or you are welcome after the meeting to have a chat to any of the Directors or Management team.

MEETING CLOSURE

Ladies and Gentlemen thank you for your attendance today, and thank you for your continued support of the Trust. Finally on behalf of the board and all stakeholders, I would like to acknowledge our loyal and performance-focussed management team so capably led by Angus McNaughton.

As there are no further questions I declare the meeting closed. Please join us now for light refreshments.