



KIWI INCOME PROPERTY TRUST

Annual General Meeting

19 August 2003



KIWI INCOME
PROPERTY TRUST



Presentation Outline



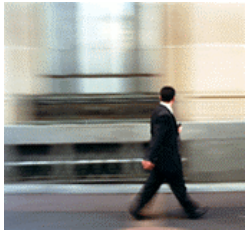
- The Kiwi Team
- March 2003 Results
- Market Outlook
- Strategic Direction
- Added Value





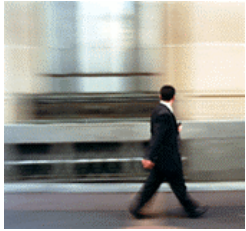
The Kiwi Team

- Mark Luker General Manager Developments
- Jon Lesquereux Manager - Commercial Portfolio
- Karl Retief Manager - Retail Portfolio
- Evan Vertue Sylvia Park Project Director
- Roy Stansfield Manager - Retail Leasing
- Gavin Parker Chief Financial Officer





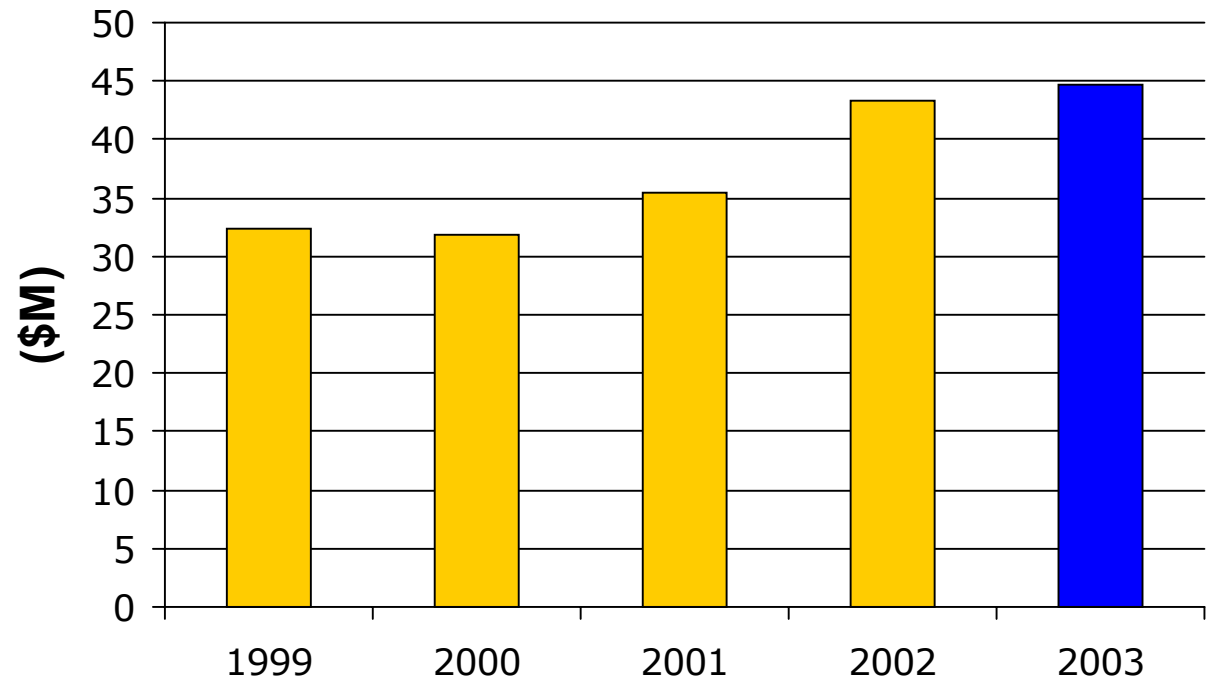
March 2003 Results





Net Income After Tax

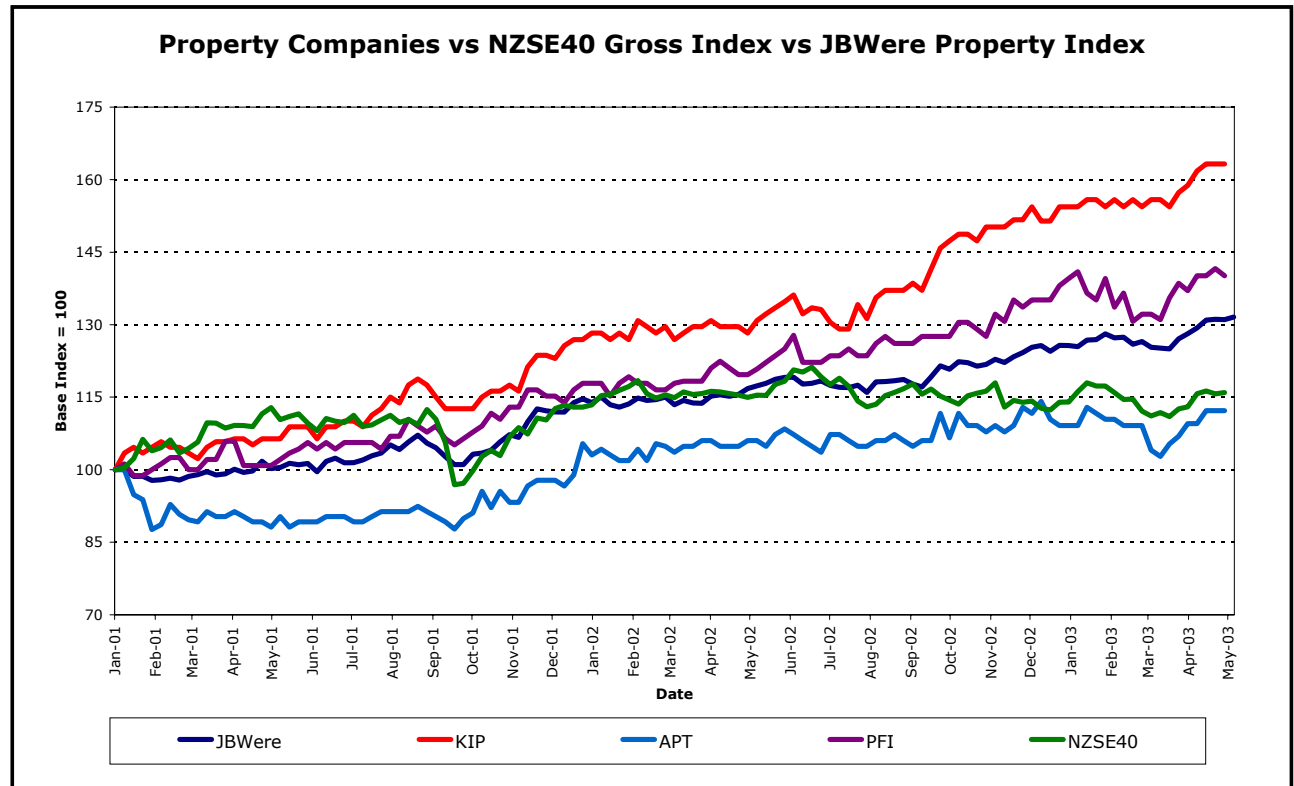
YEAR ENDING 31 MARCH



Total Gross Dividend 8.54 cents per unit gross declared



Market Performance





Market Capitalisation



NEW ZEALAND STOCK MARKET

1	TELECOM	\$ 8,532,526,899
2	CARTER HOLT HARVEY	\$ 3,100,438,436
3	CONTACT ENERGY	\$ 2,433,395,404
4	THE WAREHOUSE	\$ 1,701,837,883
5	SKY CITY	\$ 1,671,389,104
6	AUCKLAND AIRPORT	\$ 1,598,254,256
7	FLETCHER BUILDING	\$ 1,378,711,922
8	FISHER & PAYKEL HEALTHCARE	\$ 875,645,929
9	WESTPAC TRUST	\$ 810,793,458
10	GUINNESS PEAT GROUP	\$ 771,773,429
11	INDEPENDENT NEWS	\$ 730,882,389
12	KIWI INCOME PROPERTY TRUST	\$ 618,057,353
13	FISHER & PAYKEL APPLIANCES	\$ 614,280,127
14	FLETCHER FORESTS	\$ 437,681,434
15	ANZ BANK	\$ 389,098,411
16	AMP	\$ 337,037,063
17	TOWER	\$ 334,605,045
18	INFRATIL	\$ 322,800,697
19	LION NATHAN	\$ 320,345,942
20	SANFORD	\$ 306,219,602

As at 31 March 2003



KIWI INCOME
PROPERTY TRUST



Capital Management

- 22.4% Debt (31 March 2003) - \$912 m in total assets
- 1:6 pro rata rights issue raised \$69.3m in July 02
Purpose: expansion of Northlands Shopping Centre, Christchurch
- Placement in May 03 raised \$25m
Purpose: to acquire Downtown Plaza in Hamilton, and remix North City in Porirua



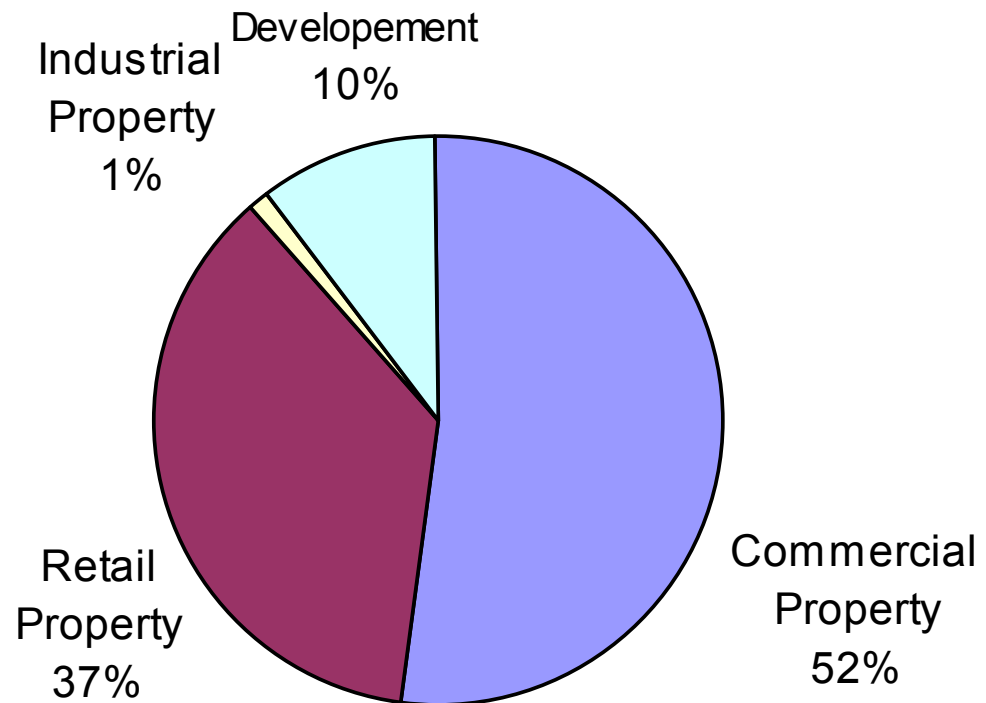


Portfolio Statistics

Diversified by Sector



Portfolio by Sector (% of Value)



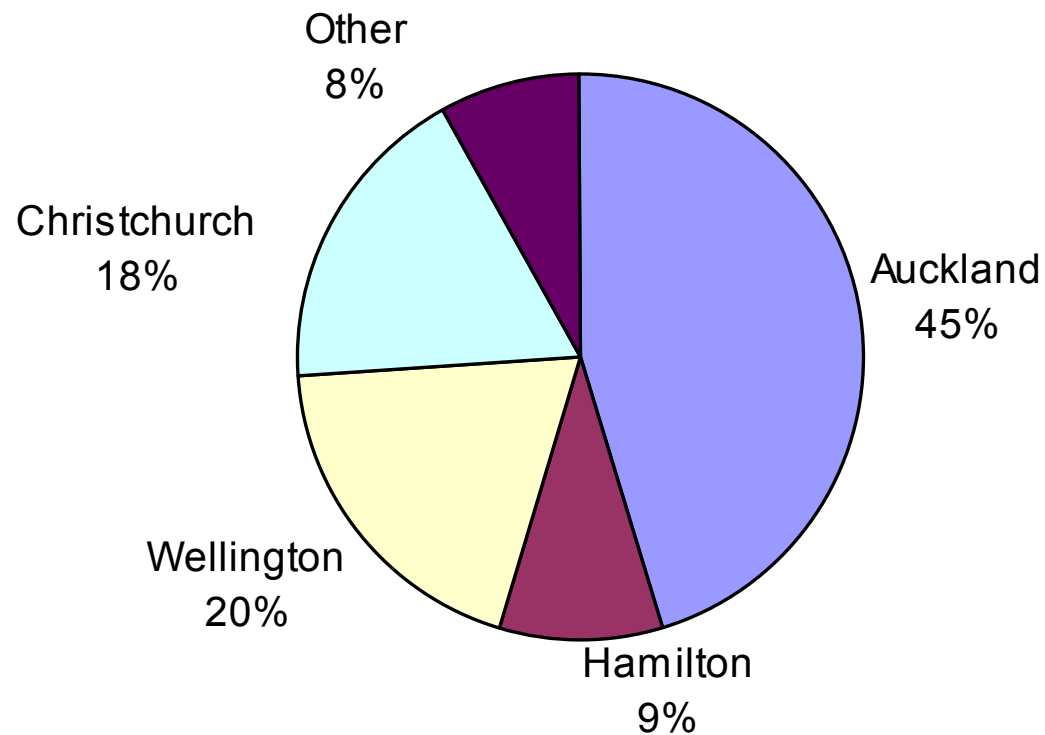


Portfolio Statistics

Diversified by Region



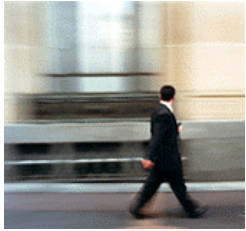
Portfolio by Region (% of Value)





Key Assets



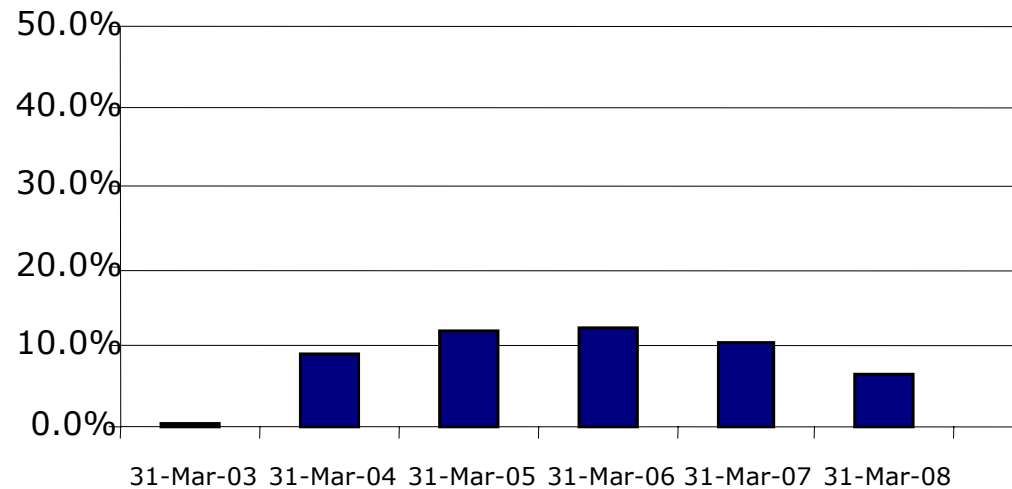




Portfolio Statistics

Lease Expiry Profile

Lease Expiry Profile - Net Income





Asset Management

Office Portfolio

- 97.2% Occupancy
- 27 office leases and renewals were completed, 10,980m² representing 7.23 % of the portfolio by area, and 6.60 % by gross income.
- 34 rent reviews were completed, representing 32% of the portfolio by area and 25 % by gross income, 1% (\$104,000) ahead of current income



Retail Portfolio

- 98.1% Occupancy
- 58 new retail leases or renewals were completed, 31% (\$808,000) up on current income
- 129 rent reviews were completed, 6% (\$652,000) up on current income





Market Outlook



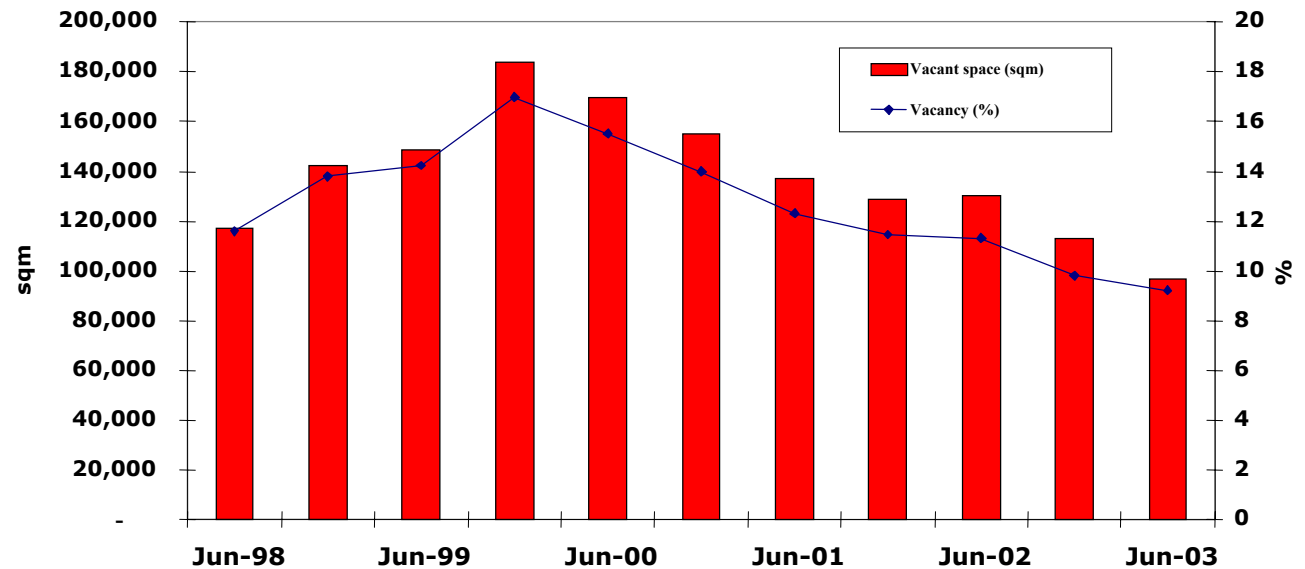


Office Sector

Auckland - Short term decrease in vacancy for CBD core. Some rental growth forecast. Limited forecast supply. Market still driven by demand from education sector, with demand slowing.



Auckland CBD Office Vacancy





Office Sector

Wellington - Market has low vacancy and limited forecast supply. Demand relatively weak with some migration of firms to Auckland. Insurance premium increases.



Christchurch - Market has low vacancy and limited forecast supply. Some rent growth forecast.

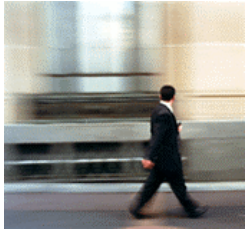


Outlook - Office sector will be more challenging in 2004 than 2003. Tenants are more opportunistic. Kiwi Income portfolio is in strong shape with quality portfolio, high occupancy levels, and limited lease expiries in short term.



Retail Sector

- Retail trade remains sound, solid business confidence, increasing population and strong tourism / rural sectors
- A competitive market. However, vacancy rates have reduced and rentals improved
- Kiwi Income centres well placed in market with rental growth locked in
- Low gross occupancy costs
- “The strong will get stronger”





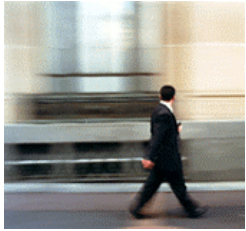
Industrial Sector

- Economic growth has resulted in strong performance of sector
- Rent and vacancy levels remain stable
- Shortage of stock is limiting investment options





Strategic Direction





Strategic Intent

***To be New Zealand's pre-eminent
diversified property vehicle.***



Achieved through:

- Consistent performance
- Geographic and sector diversification
- Strong capital management
- High liquidity
- Intensive and focussed management





Investment and Management Philosophy

Objective: to maximise income and provide long-term sustainable returns to unit holders. Achieved through:



Diversification

Long term partnerships

Strong capital management and balance sheet

Distribution of all available income

Active Management

- Active asset management
- Strategic acquisitions and divestments
- Prudent development
- Active financial management





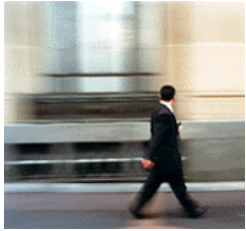
Key Focus

- Improving income and quality of income streams
- Refurbishing and expanding existing retail assets
- Added value opportunities - Tenancy remixes, Northlands, Sylvia Park
- **Retail Retail Retail**





Added Value





Added Value

- Tenancy remixes
 - North City \$10 m
 - General remixes
- Fixed rent reviews - built in growth
- \$ Million Challenge

- The Plaza Foodcourt remix
- Downtown Plaza acquisition
- Sylvia Park
- Northlands Shopping Centre





The Plaza Foodcourt

- \$1.5 million in capital expenditure
- \$225,000 per annum additional rent
- 15% initial yield
- Added value \$3.8 million

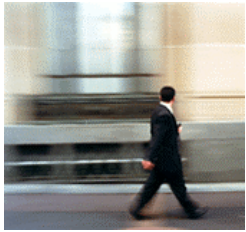




Downtown Plaza

- \$14 million - 10.5% yield
- Strong management and retail mix synergies
- Low gross occupancy costs
- Opportunities to add value

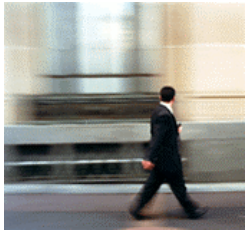




Sylvia Park



24 hectares
Location
Access
Profile



Sylvia Park

Transport & Access





Sylvia Park

- One single landmark project
 - retail
 - office
 - institutional
 - entertainment
 - community
 - public transport
- Rezoning largely complete
- Major tenant discussions underway
- Strategic partners being reviewed
- Structure and funding being resolved
- Significant Colonial involvement

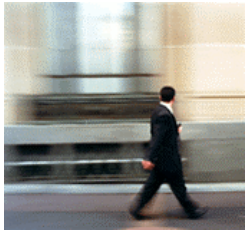




Northlands

Investment Rationale:

- The opportunity is to create a genuine New Zealand regional shopping centre
- Creating a high quality asset which will boast a unique mix of major tenants
- Achieving a new level of customer appeal
- Increasing Northlands Main Trade Area market share
- Lifting Northlands' performance by repositioning the centre to capture long term revenue growth
- Improve the quality and security of the Trust's income stream
- Increasing Kiwi's weighting in retail assets and gaining further exposure to the best performing sector of the New Zealand property market.



Northlands - Pre Development



Northlands - Under Construction





Northlands in the Press



Mall makeover on huge scale

Redeveloped mall to boost local area

The Northlands redevelopment will double the area and create 120 jobs during construction period, lucrative work for local trade suppliers.

Increase in income

Kiwi Income Property Trust reported a 3.2% increase in net income after tax to \$44.75m. Trust chairman Jim Byrne says total assets to March 31 grew \$21.6m to \$911.6m. "The performance characteristics of the

All eyes on Northlands

Stage one of what will be the country's largest shopping centre redevelopment, now begun on Stage 1. The \$90 million redevelopment will double the area and create 120 jobs during construction period, lucrative work for local trade suppliers.

Northlands celebration

for the project, and now begun on Stage 1. The \$90 million redevelopment will double the area and create 120 jobs during construction period, lucrative work for local trade suppliers.

Mall upgrade on track

Kiwi Income Property Trust has completed the first stage of the \$90.3 million redevelopment of Northlands Shopping Centre in Christchurch. Trust chief executive Angus McNaughton said the first stage, which included 54 specialty stores and 400 undercover car parks, was to be officially opened today. The two-stage redevelopment would see the centre double in size to 40,700sq metres. It will be finished by Easter 2004. "This will make Northlands Shopping Centre the largest enclosed shopping centre in New Zealand," Mr McNaughton said. On completion, the centre would have 120 specialty stores, as well as building a 12-outlet foodcourt, major tenants included Farmers, Pak 'N Save, The Warehouse, Hoys Cinema and Countdown supermarket. In May, the trust reported a \$44.75 million net profit after tax. — NZPA

Mall stage open

The first stage of the \$90.9 million redevelopment of Northlands Shopping Centre in Papanui is set to be officially opened today. The first stage included 54 specialty stores and 400 undercover car parks, and will be officially opened by Easter 2004. On completion, the centre would have 120 specialty stores, as well as building a 12-outlet foodcourt, major tenants included Farmers, Pak 'N Save, The Warehouse, Hoys Cinema and Countdown supermarket. In May, the trust reported a \$44.75 million net profit after tax. — NZPA

Retail expansion

Work began on stage two of the \$90 million redevelopment of Northlands Shopping Centre in Christchurch. The second stage, which included 54 specialty stores and 400 undercover car parks, is scheduled for Easter 2004. Completion of the second stage, in March next year, will see the centre closer in value to the Royal & SunAlliance Centre in Auckland, New Zealand's tallest office building. The 21-level office building is to be renamed Vero Centre, valued at \$304.5m.

Northlands stage one opens for business

Kiwi Income Property Trust's chief executive, Angus McNaughton, enjoys the ambience of stage one of the trust's \$90 million Northlands Shopping Centre redevelopment, when doors opened yesterday. The old centre in Papanui has been transformed, with 54 new speciality stores and 400 undercover car parks. Stage two is under way, and there will be 40,700 square metres of lettable space by Easter 2004.



Northlands stage one leased

Demand for new retail space at the Northlands Shopping Centre redevelopment in Christchurch is so strong that stage one is 100% leased three months before the shops are due to open.

Stage one of the \$90 million Northlands redevelopment undertaken by managing company Kiwi Income Property Trust, includes 54 retail shops and a new store for The Warehouse.

"We are delighted to be able to announce several new retailers for Christchurch and the South Island as a result of the Northlands redevelopment," said Kiwi Income Properties Limited chief executive Angus McNaughton.

Lush, an international retailer of handmade cosmetics, will enter the South Island market for the first time with a new shop in the Northlands redevelopment.

At a local level, Carnivores, famous in Christchurch for its range of honey-chicken, is opening its very first franchise store at Northlands.

Crusaders prop Greg Feek and former Black Cap Craig McMillan, along with local businessman Graeme Moody, own the new fran-

chise and will open the new outlet in the middle of the year as part of the Northlands redevelopment.

Whitcoulls has taken advantage of the Northlands redevelopment to open a concept store, the first one in the South Island, which will feature an enlarged and enhanced children's area with education toys and books.

Jeweller Christies will open its first Christchurch store as part of the Northlands redevelopment, while Stevens and Meccano will build on its recent move to the South Island with a major new store.

A number of other established retailers will also open new shops at Northlands, including children's clothes retailer Pumpkin Patch, jeweller Stewart Dawson, and homeware and gift store Acquisitions.

"The very strong interest in new retail space shows the

strength of the Canterbury economy in general, and the retail sector in particular," said Mr McNaughton.

In addition to The Warehouse which will open mid year, the other four major anchor tenants are Farmers, Pak'N Save, Hoyts Cinemas, and Countdown.



Craig McMillan





Northlands - as it was...



Movie clip of Northlands
pre development



Northlands - a new beginning...



Movie clip of Northlands
stage one





Summary

- Another solid year predicted, although more challenging than F03
- The Trust must create its own opportunities - Downtown Plaza, Northlands, The Plaza, and Sylvia Park
- Trust well placed with quality of portfolio and focussed management team
- Focus on income, performance, and long term consistent returns
- **Thank you for your continued support**

Try our new website - www.kipt.co.nz



KIWI INCOME PROPERTY TRUST

Annual General Meeting

19 August 2003



KIWI INCOME
PROPERTY TRUST