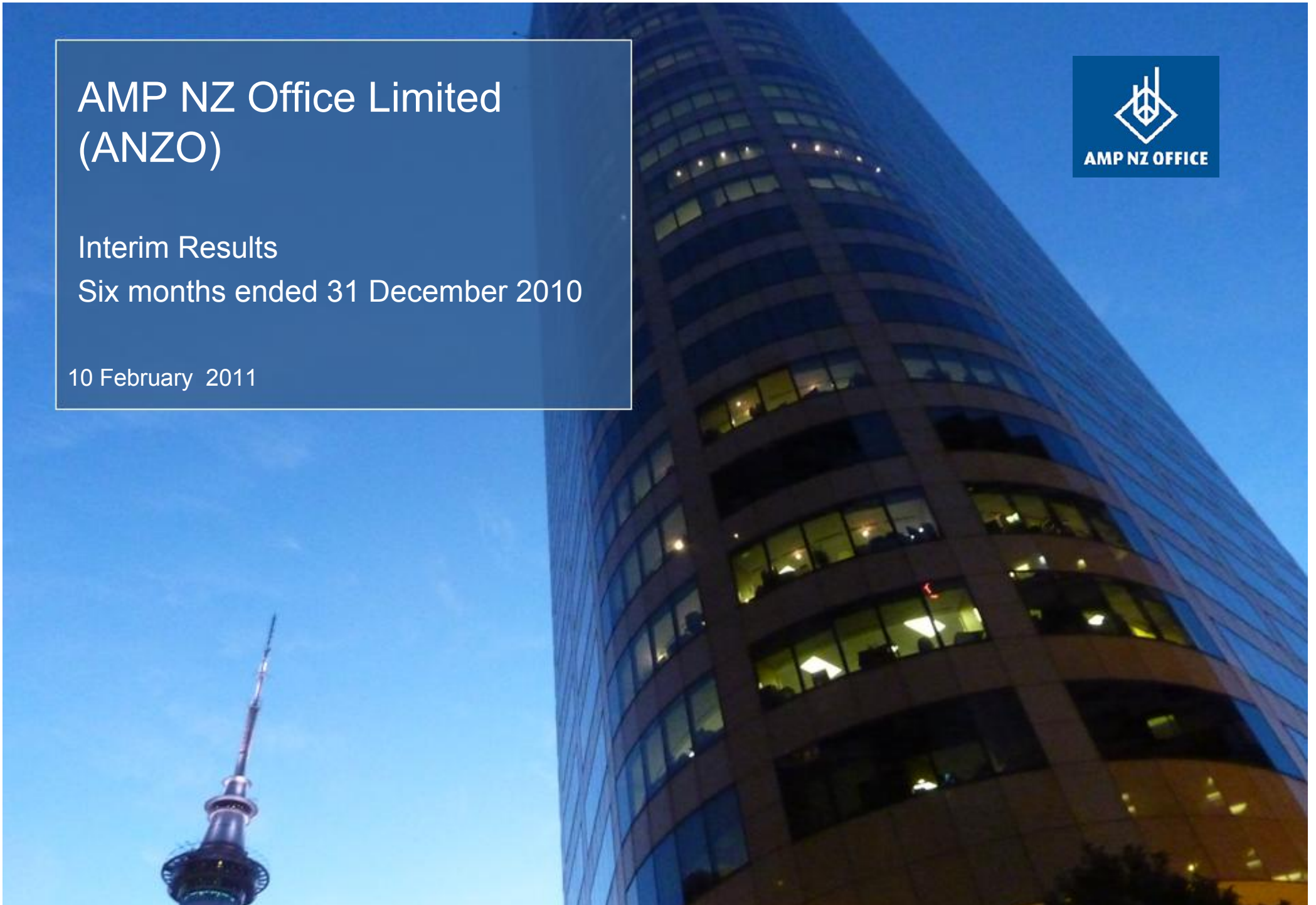


AMP NZ Office Limited (ANZO)

Interim Results

Six months ended 31 December 2010

10 February 2011



Agenda

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Half Year Highlights

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Half Year Highlights

- After tax distributable profit of \$31.0 million (3.11cps) and NPAT of \$28.4 million.
- Strong balance sheet maintained, with gearing at 23 percent.
- Thirty-five leases completed, including thirteen new customers.
- Increased occupancy to 92% from 90.8% in June 2010.
- Improved corporate governance and new management fee structure.
- New CEO and CFO.

Distributable income of **\$31 million** in line with expectations

Improved corporate governance and **new** management fee structure

Active leasing with **21,300 m²** of new leases

Occupancy increased to **92%**

Strong balance sheet **23%** gearing

Section 01 –
Financial Results and Capital Management

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QUAY STREET

Financial Performance

| For the six months ending | 31 Dec 10 Unaudited \$m | 31 Dec 09 Unaudited \$m | Change \$m |
|---|-------------------------------|-------------------------------|---------------|
| Total gross income | 68.5 | 70.3 | (1.8) |
| Property expenses | 18.3 | 17.9 | (0.4) |
| Net property income | 50.2 | 52.4 | (2.2) |
| Indirect expenses | 3.1 | 4.8 | + 1.7 |
| EBIT | 47.1 | 47.6 | (0.5) |
| Net interest expense | (11.0) | (9.9) | (1.1) |
| Operating profit before tax | 36.0 | 37.7 | (1.7) |
| Current tax expense | (5.0) | (5.6) | + 0.6 |
| Distributable profit after tax | 31.0 | 32.1 | (1.1) |
| Deferred tax | (3.2) | (1.0) | (2.2) |
| Revaluations | - | (63.1) | + 63.1 |
| Fair value change in interest rate swaps | 0.6 | 3.0 | (2.4) |
| Net profit after tax and unrealised gains | 28.4 | (29.1) | + 57.5 |
| Weighted average number of shares (m) | 997.07 m | 997.72 m | |
| Distributable profit - pre tax (cps) | 3.62 cps | 3.77 cps | (0.16 cps) |
| Distributable profit - post tax (cps) | 3.11 cps | 3.22 cps | (0.11 cps) |

ANZO Interim Results, 31 December 2010



Balance Sheet

| Balance Sheet | 31 Dec 10 Unaudited \$m | 30 Jun 10 Audited \$m | YTD Movement \$m |
|-------------------------------------|-------------------------------|-----------------------------|------------------------|
| Property assets | 1,279.4 | 1,276.8 | + 2.6 |
| Other | 22.0 | 22.6 | (0.6) |
| Total assets | 1,301.4 | 1,299.3 | + 2.1 |
| Bank debt | 268.0 | 262.0 | + 6.0 |
| Deferred tax liability ¹ | 74.4 | 71.4 | + 3.0 |
| Other | 31.3 | 33.4 | (2.1) |
| Total liabilities | 373.7 | 366.8 | + 6.9 |
| Equity | 927.7 | 932.6 | (4.9) |
| Liabilities to total assets | 23% | 23% | 0.3% |
| Shares on issue (m) | 997.07 m | 997.72 m | (0.65 m) |
| Net tangible assets per security | 0.93 | 0.93 | (0.00) |

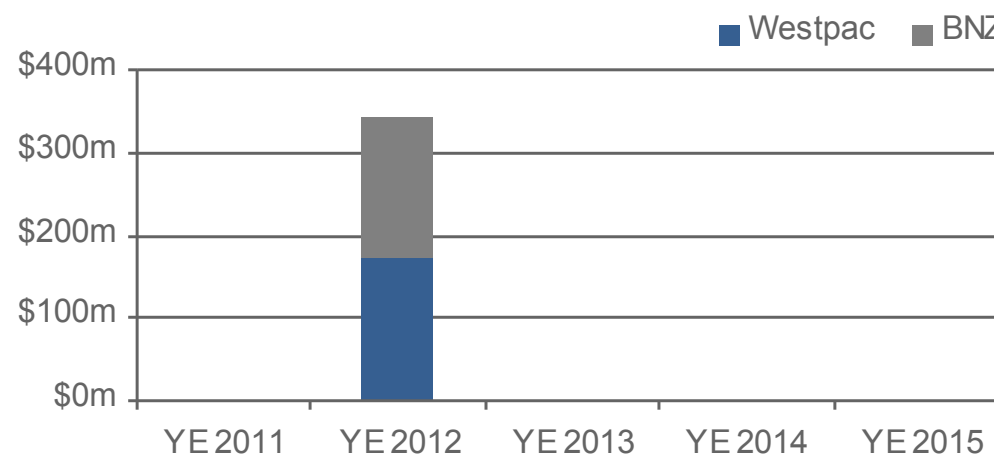
¹ 30 June 2010 restated to incorporate the NZ IAS12 Amendments

Capital Management

- Strong balance sheet with significant headroom to covenants.
- Refinancing of FY12 facility expiries underway.
- 92% hedged therefore minimal relief from low floating rates to offset anticipated higher margin from refinance.

| Key metrics | 31 Dec 2010 |
|---|-------------|
| Debt drawn | \$268m |
| Gearing | 23% |
| Weighted facility expiry | 1 yr |
| Weighted average debt cost (incl margin & line fee) | 7.85% |
| Hedged | 92% |
| ICR | 4.1 times |

Debt Maturity Profile



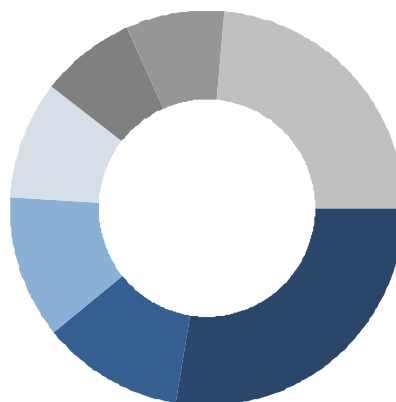
Earnings Quality

High quality and diversified customer base

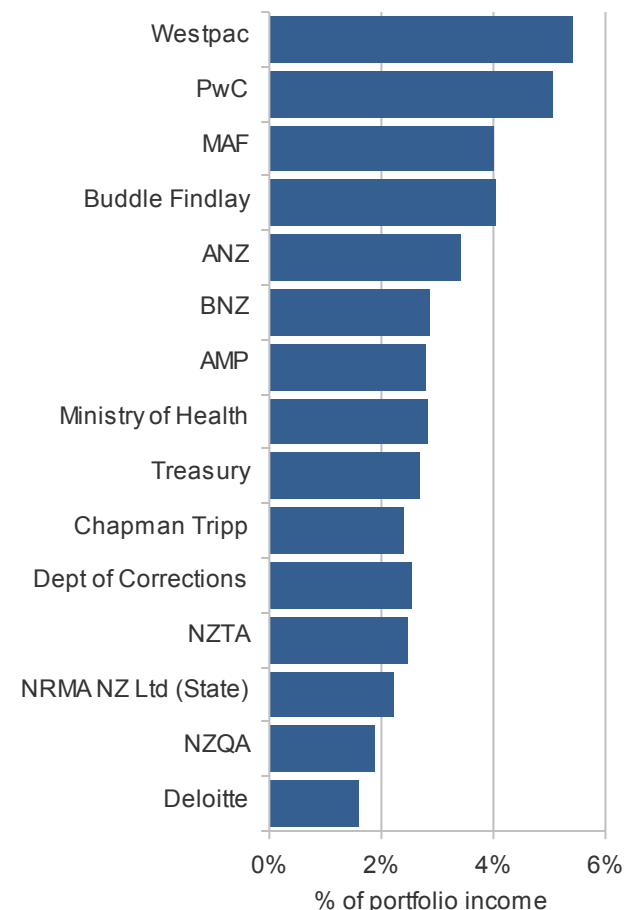
- Government departments occupy 27% of the total portfolio by NLA and 45% of the Wellington portfolio.
- Westpac is the largest corporate customer, 5.4% of gross income.
- Top 15 customers make up 46%.

Portfolio by Industry

| Industry | % of NLA |
|--------------------|----------|
| Govt. Dept. | 27% |
| Legal | 12% |
| Banking | 12% |
| Financial Services | 10% |
| Insurance | 8% |
| Vacant | 8% |
| Other | 24% |



Top 15 Customers (by Gross Rental)



Earnings Outlook

- FY11 operating earnings forecast at 5.9 cps to 6.1 cps, consistent with FY10.
- Earnings outlook for FY12 and beyond impacted by:
 - Higher debt costs expected following refinance.
 - Loss of building depreciation impacting earnings.
 - Portfolio vacancy due to Westpac departure.
 - During FY12, 30% of portfolio income is exposed to market rental risk.

Governance and Fee Structure

| Key Changes | Old Structure | New Structure |
|----------------------|---|---|
| Director Appointment | <ul style="list-style-type: none">• Appointed by shareholders of Manager. | <ul style="list-style-type: none">• Majority of Board comprises independent directors. Independent directors appointed by shareholders of ANO. |
| Management Fees | <ul style="list-style-type: none">• 0.65% of total assets. | <ul style="list-style-type: none">• 0.55% of first \$1b 0.45% of \$1b-\$1.5b 0.35% greater than \$1.5b• Performance fee based on shareholder returns relative to peer group benchmark. |

- Property Management arrangements currently under review.

Section 02 – Portfolio Operations



Portfolio Overview

Overview

- Stronger leasing enquiry resulting in 35 new leases/renewals and 13 new customers.
- Occupancy increased to 92%.
- WALT maintained at 4.6 years.

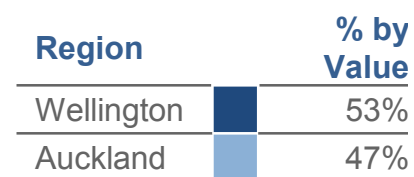
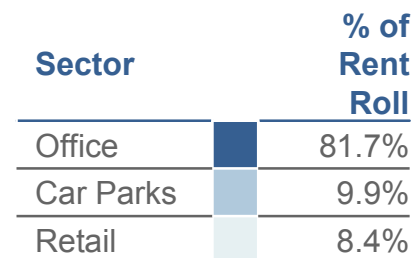
| Key Metrics | Portfolio | Auckland | Wellington |
|-------------------------|-----------|----------|------------|
| Portfolio Value (\$m) | \$1,279 m | \$606 m | \$673 m |
| WALT (years) | 4.6 yrs | 3.8 yrs | 5.2 yrs |
| Occupancy % - by income | 92% | 85% | 98% |
| Number of Properties | 16 | 5 | 11 |
| Number of Customers | 246 | 96 | 161 |

Asset Breakdown by Value

| Lot Size (\$m) | Value of Buildings | % of portfolio | Number of Buildings |
|-----------------|--------------------|----------------|---------------------|
| < \$50m | \$127.0 m | 9.9% | 4 |
| \$50m - \$100m | \$648.9 m | 50.7% | 9 |
| \$100m - \$150m | \$120.9 m | 9.5% | 1 |
| \$150m - \$200m | \$170.5 m | 13.3% | 1 |
| > \$200m | \$212.0 m | 16.6% | 1 |
| Total | \$1,279.4 m | 100.0% | 16 |

Portfolio Composition

| Property | City | Value | WALT | Occupancy |
|-----------------------|------|------------------|----------------|------------|
| PWC Tower | AKL | \$212 m | 3.1 yrs | 95% |
| ANZ Centre | AKL | \$171 m | 2.9 yrs | 96% |
| State Insurance Tower | WEL | \$121 m | 3.9 yrs | 94% |
| Vodafone on the Quay | WEL | \$98 m | 3.4 yrs | 97% |
| AMP Centre | AKL | \$91 m | 6.3 yrs | 95% |
| No.1 The Terrace | WEL | \$86 m | 6.5 yrs | 100% |
| HP Tower | WEL | \$69 m | 4.6 yrs | 100% |
| 151 Queen St | AKL | \$67 m | 3.3 yrs | 75% |
| 21 Queen St | AKL | \$66 m | 7.8 yrs | 30% |
| 125 The Terrace | WEL | \$62 m | 4.4 yrs | 99% |
| Pastoral House | WEL | \$61 m | 5.3 yrs | 100% |
| Deloitte House | WEL | \$51 m | 3.5 yrs | 98% |
| Chews Lane | WEL | \$48 m | 9.0 yrs | 100% |
| Mayfair House | WEL | \$35 m | 4.7 yrs | 100% |
| AXA Centre | WEL | \$34 m | 2.2 yrs | 97% |
| No.3 The Terrace | WEL | \$10 m | 47.7 yrs | 100% |
| Total | | \$1,279 m | 4.6 yrs | 92% |
| Auckland | | \$606 m | 3.8 yrs | 85% |
| Wellington | | \$673 m | 5.2 yrs | 98% |



New Leasing

Strong leasing over the half

- Secured **35** new leases/renewals and **13** new customers. New customers of note include.

| Property | Customer | NLA (m ²) | Lease Term (yrs) |
|--------------|----------------------|----------------------------|------------------|
| 21 Queen St | SFO | 913 m ² | 12 Years |
| 21 Queen St | Willis | 914 m ² | 6 Years |
| 151 Queen St | Swire Shipping | 763 m ² | 3 Years |
| 151 Queen St | SAP ¹ | 763 m ² | 5 Years |
| 151 Queen St | Goodman | 730 m ² | 9 Years |
| AMP Centre | Thales | 438 m ² | 10 Years |
| PwC Tower | Crown Fibre Holdings | 422 m ² | 3 Years |
| Other | Various | 393 m ² | 7 Years |
| TOTAL | | 5,336 m² | 8 Years |

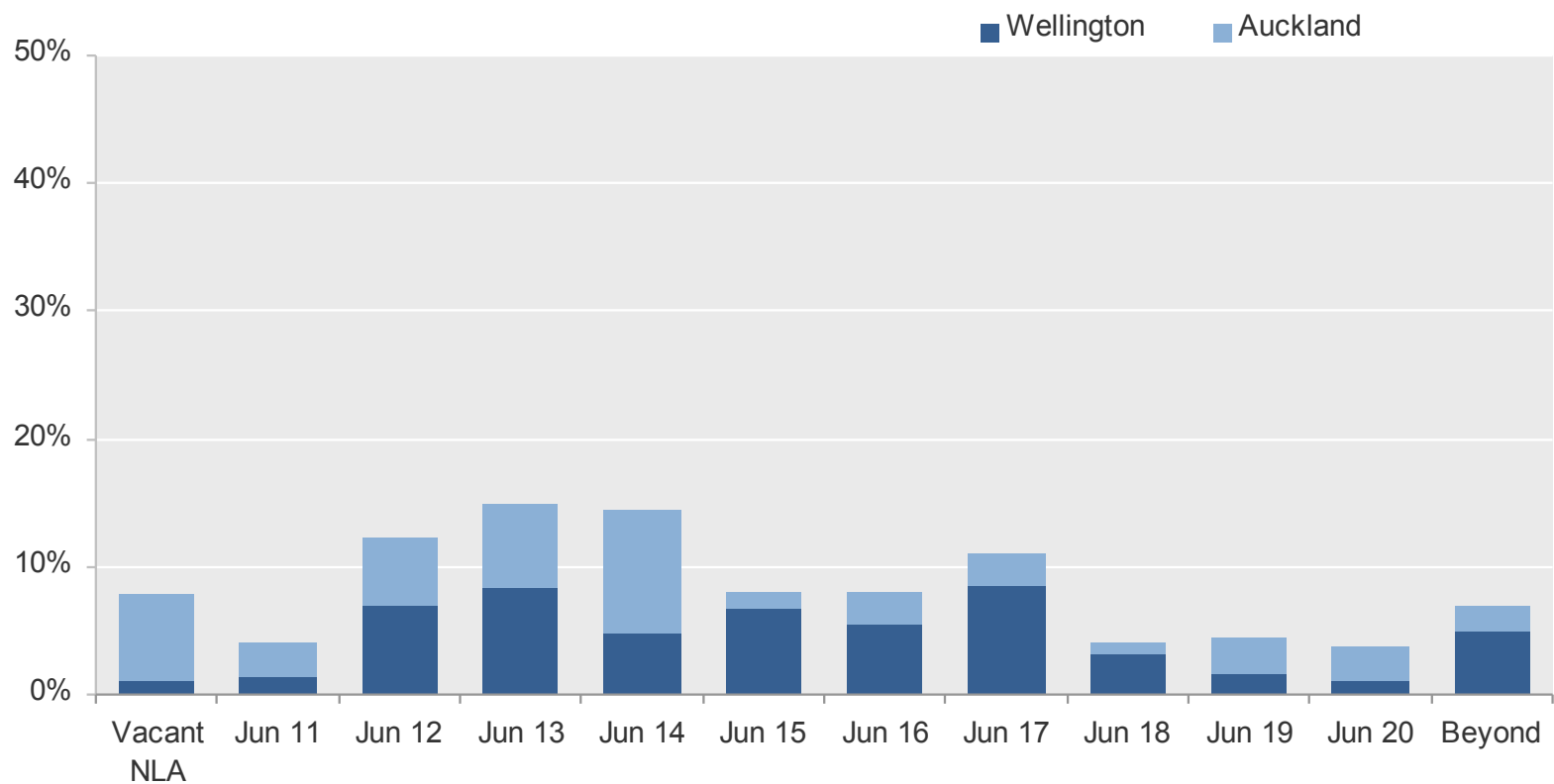
¹ SAP is a new customer to the Auckland portfolio.

Leasing Activity Existing Customers

| Property | Customer | NLA (m ²) | Lease Term (yrs) |
|-----------------------|---------------------------|-----------------------------|------------------|
| 125 The Terrace | Minter Ellison Rudd Watts | 2,279 m ² | 15 Years |
| 151 Queen St | CMC Markets | 320 m ² | 6 Years |
| 151 Queen St | Quicksilver | 264 m ² | 10 Years |
| 21 Queen St | AMP Capital | 914 m ² | 12 Years |
| AMP Centre | Southern Cross Travel | 1,097 m ² | 12 Years |
| AMP Centre | Aon | 2,933 m ² | 13 Years |
| AMP Centre | Aon | 298 m ² | 10 Years |
| AMP Centre | Southern Cross Corporate | 815 m ² | 9 Years |
| PwC Tower | Buddle Findlay | 372 m ² | 3 Years |
| PwC Tower | JLL | 1,019 m ² | 6 Years |
| State Insurance Tower | Sony | 200 m ² | 9 Years |
| 151 Queen St | Mayne Wetherell | 796 m ² | 2 Years |
| Vodafone on the Quay | Russell McVeagh | 3,150 m ² | 3 Years |
| Other | Various | 1,552 m ² | 5 Years |
| TOTAL | | 16,009 m² | 8 Years |

Lease Expiry

Lease Expiry by NLA



Review Profile

FY12 Lease event profile

| Review Mechanism | % by total NLA | % of total events |
|------------------|----------------|-------------------|
| CPI | 1% | 4% |
| Fixed | 2% | 7% |
| Market - Ratchet | 8% | 22% |
| Market Review | 10% | 30% |
| Market - Expiry | 12% | 37% |
| Total | 33% | 100% |

- One third of portfolio (by NLA) has a lease event in FY12.
- 30% of all portfolio income will be subject to market rental risk in FY12.
- Portfolio currently 4.7% over rented based on 30 June 2010 market rental assessments.
- Rent reviews completed in the half year comprised 13.6% of annualised Contract Rental.
 - Settled rents showed a 5.82% increase in contract rentals.

Selected Property Update

151 Queen Street



WALT:

2.7 yrs ▲ 3.3 yrs

Occupancy:

61% ▲ 75%

Leasing:

- Swires
- Goodman Group
- Quicksilver
- CMC Markets
- SAP

21 Queen Street

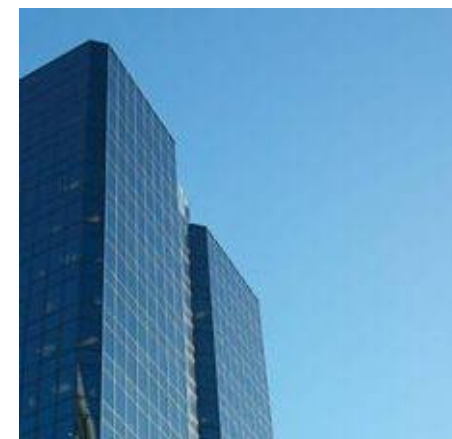


7.3 yrs ▲ 7.8 yrs

11% ▲ 30%

- AMP Capital
- Willis
- SFO

125 The Terrace

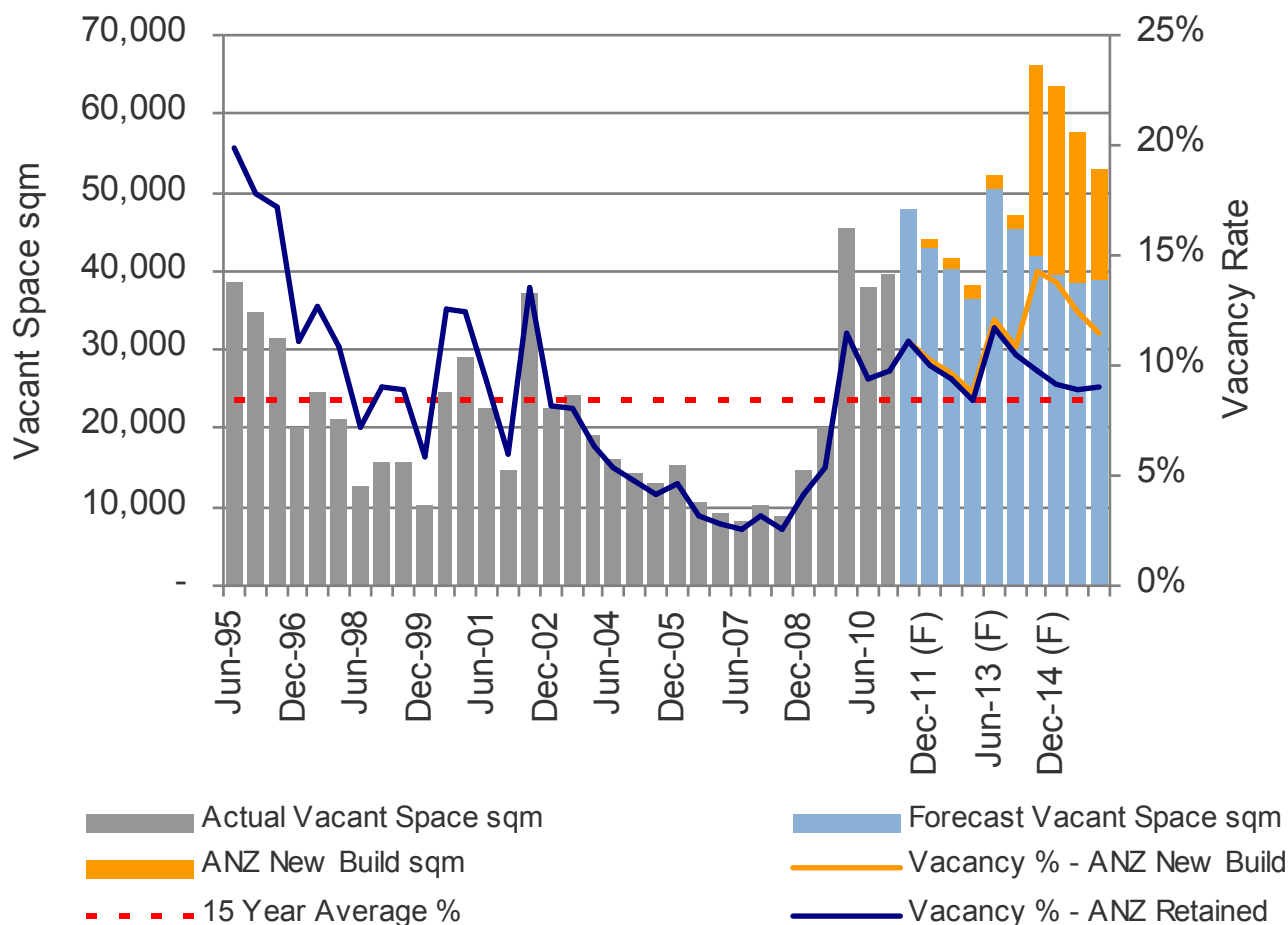


2.4 yrs ▲ 4.4 yrs

100% ▷ 100%

- NZQA
- Minter Ellison Rudd Watts

Auckland CBD Office Market



Outlook

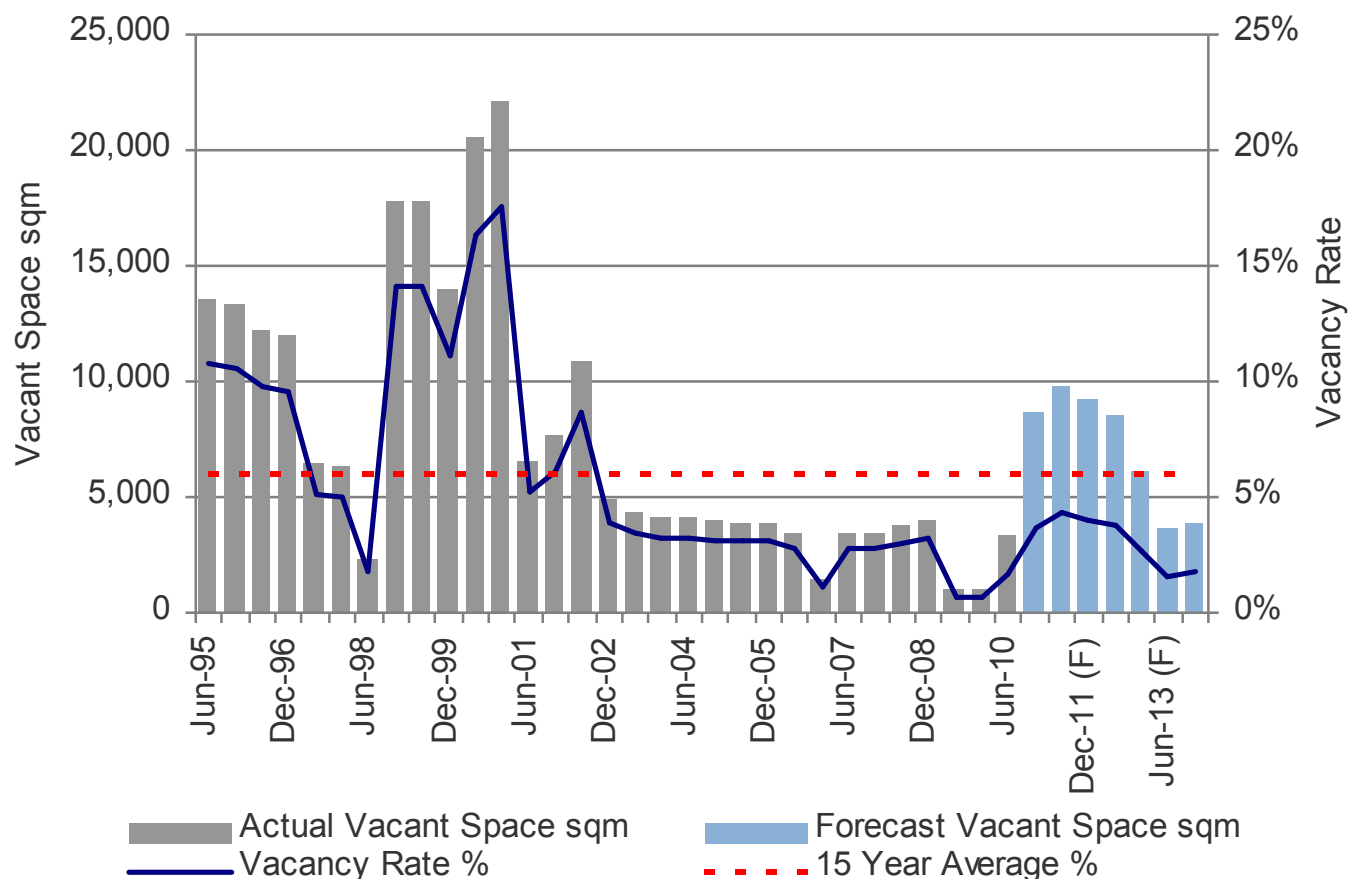
- Existing vacancy above long term average.
- Positive absorption expected in line with GDP growth over 2-4 years.
- Potential of new supply for ANZ critical to market outlook/performance.
- Investment activity increasing.

Colliers International Research

ANZO Interim Results, 31 December 2010



Wellington CBD Office Market



Outlook

- Forecast vacancy below long term average.
- Majority of vacant space in B grade or below.
- Monitor government strategy of targeting certain 'density ratios'.
- Northward drift continues.

Colliers International Research

ANZO Interim Results, 31 December 2010





Section 03 –
Conclusion and Outlook

Conclusion and Outlook

- Earnings for the 6 months are consistent with expectations and full year earnings of 5.9 to 6.1 cps.
- Refinancing of FY12 debt expiries underway.
- Prime leasing market in Wellington is proving resilient, although small decline in rents is possible.
- Auckland leasing activity is improving, indicating stabilising market conditions.
 - Continued improvement depends on new supply.
- Investment market has stabilised, number of sales remains low.
- Increased enquiry is due to flight to quality. Positive absorption expected with continued economic growth.
- Immediate focus is on increasing occupancy and stabilising rental levels:
 - Working closely with existing customers to maximise retention.
 - Converting leasing enquiry to new leases.
- Property Management arrangements currently under review.