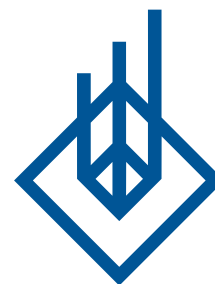




AROUND THIS TIME last year I commented on the intense activity across the commercial property sector and observed that AMP NZ Office Trust (ANZO) was well placed to make the most of several market opportunities – and we did. 2007 produced near perfect conditions for the Trust and its investors. But even during the ensuing period when all markets experienced some fallout from the sub-prime mortgage predicament, ANZO ensured it was protected from the downside through careful capital management.



**A M P N Z
O F F I C E
T R U S T**

UPDATE

The Trust has been able to strengthen the security around its distributions and earnings, while pursuing its business as usual approach to acquiring strategic investment properties that will deliver future earnings.

In announcing our third quarter result recently we also announced that ANZO's investors will enjoy an increase in distribution for the full 2008 financial year to 30 June 2008 to be spread over the third and fourth quarter. We revised our full-year gross distribution forecast up from a 4% increase to an 8% increase - and we are extremely pleased to be paying the highest-ever distribution derived from operating earnings. The increase has been driven by the overall healthy performance of the portfolio including strong rent reviews. You will have received your third quarter distribution payment in the last few weeks.

More good news for most ANZO investors comes in the form of the PIE regime – as a taxpaying investor, your cash distributions received will have increased significantly. The table below details the change in distribution depending on your tax status.

This investor update also features a table showing ANZO's total return performance over time and compared with the NZX Property Index, the NZX50 and New Zealand's major listed property vehicles.

ANZO's ongoing strategy is based on owning and managing high quality commercial office properties and thereby delivering the highest possible return within a modest risk profile. Looking forward to the 2009 financial year, the outlook for distribution payments to investors is again on the upside with a minimum increase of 4% (year on year) expected.

**ROB LANG, CHIEF EXECUTIVE
AMP NZ OFFICE TRUST**

MORE PIE ANYONE?

On 1 October 2007 the Portfolio Investment Entity (PIE) regime came into effect changing the way that property vehicles are taxed. These changes to our investment tax rules allow commercial property funds to compete on a level playing field with direct investment in real estate by passing through to

investors the benefits of depreciation, tax free capital gains and other allowances. The table below shows how these benefits have positively impacted the cash distribution received by most ANZO unit holders over the three quarters (year-to-date) compared with the corresponding period of a year ago.

FY07 v FY08 – Q1, Q2 and Q3 Return

		NZ Resident			Non-resident ¹
Net Unit-holder Return	0.0%	19.5%	33.0%	39.0%	15.0%
Net DPU FY07 – cents per unit	5.774	4.648	3.869	3.522	4.908
Net DPU FY08 – cents per unit	5.568	5.568	5.568	5.568	5.568
% Increase in Return	-3.6%	19.8%	43.9%	58.1%	13.4%

¹ Non-resident returns are shown only in respect of tax paid in New Zealand. Non-resident investors may have further tax to pay in their home jurisdictions.

ANZO IN THE COMMUNITY

- This year ANZO is supporting the 2008 AMP Capital Variety Corporate Challenge – an evening of intellectual jousting hosted by Quiz Master, John Hawkesby. Sponsored by AMP Capital Investors, the event has corporate teams pitting their brains against each other to vie for the title of 2008 Corporate Challenge winner - all in the aid of a great cause, Variety – The Children’s Charity!
- ANZO is delighted to donate to the Child Cancer Foundation each year in lieu of corporate Christmas gifts.
- For the second consecutive year, ANZO has sponsored the INFINZ Sharebroking Firm of the Year Award. INFINZ is the industry body for professionals working and participating in New Zealand’s financial and capital markets and the INFINZ Industry Awards recognise excellence in the various fields of this industry. This year the awards dinner took place at Te Papa in Wellington – and the winner of the Sharebroking Firm of the Year for 2008 was First NZ Capital.
- Late 2007 the ANZO management team and some of its clients and suppliers took part in the AMP Capital Investors sponsored Hubbard’s Carbon Crusade, a national series of off-road running and walking events designed to give its participants a chance to give back to the environment through planting native plants mid-way through each event. Over 16,000 native trees were planted in the Carbon Crusade’s inaugural year and we were pleased to offer our support and energetic participation for the Wellington event in Ohariu valley. Carbon Crusade is all about giving people the chance to make a positive contribution towards the fight against climate change.



CHEWS LANE

Wellington’s Chews Lane precinct was officially opened by Mayor Kerry Prendergast in April this year. ANZO is the new owner of the \$77m, newly built office and retail complex. 100% of the office space has been leased already. The Chews Lane precinct, including the office and retail building, is set to become an exciting new Wellington landmark feature. For ANZO’s portfolio, Chews Lane represents a very compelling investment. It’s a high quality, fully occupied office and retail building with large efficient floor plates, a 15-year lease to a government tenant and very good opportunities for rental growth.



KEY DATES

- June 2008 –**
ANZO’s revaluation announcement
- August 2008 –**
ANZO full-year result announcement
- October 2008 –**
ANZO annual meeting

ANZO – LONG TERM PERFORMANCE

The following table shows ANZO’s total return performance over time and compared with the NZX Property Index, the NZX50 and New Zealand’s major listed property vehicles.

Returns at 30 April 2008	1 Month	3 Months	6 Months	YTD	1 Year	3 Years	5 Years
Kiwi Income Property Trust	1.7%	-5.4%	-12.9%	-8.2%	-19.1%	9.6%	10.2%
AMP NZ Office Trust	8.9%	11.9%	-4.1%	7.2%	-2.7%	18.6%	16.4%
Kermadec Property Fund	2.8%	-12.0%	-16.7%	-13.0%	-29.6%	n/a	n/a
Property For Industry	1.6%	0.3%	-8.3%	-10.7%	-7.3%	13.9%	14.6%
National Property Trust	-3.8%	-13.1%	-19.6%	-10.1%	-31.6%	-12.2%	-2.8%
ING Medical Properties Trust	1.8%	-0.9%	-7.2%	-0.9%	-15.3%	14.1%	15.6%
Goodman Property Trust	0.8%	-0.4%	-11.1%	-5.9%	-4.4%	11.5%	n/a
ING Property Trust	-3.2%	-9.2%	-14.6%	-11.0%	-18.0%	0.7%	n/a
NZX Prop	2.2%	-1.0%	-10.2%	-5.1%	-12.1%	10.2%	12.6%
NZX50 G	4.5%	-0.6%	-13.1%	-9.7%	-11.9%	8.4%	13.4%

Source: AMP Capital Investors



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