

## SUPPLEMENTARY 6 MONTH PERIOD REPORT

### AMP NZ Office Trust For the Six Months Ended 31 December 2009

Preliminary 6 month report on consolidated results (including the results for the previous corresponding 6 month period)  
This report has been prepared in a manner which complies with NZ IFRS and gives a true and fair view of the matters to which the report relates and is based on **unaudited financial statements**.  
The Listed Issuer has a formally constituted Audit Committee of the Board of Directors.

<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>		
	<b>Current 6 months \$NZ'000</b>	<b>Previous corresponding 6 months \$NZ'000</b>
<b>Revenue</b>		
Rental income	70,318	65,243
Other revenue	91	239
<b>Total revenue</b>	<u>70,409</u>	<u>65,482</u>
<b>Total direct expenses</b>	<u>17,903</u>	<u>16,712</u>
<b>Operating profit before indirect expenses</b>	<u>52,506</u>	<u>48,770</u>
Audit fees	31	55
Trustee fees	78	73
Asset management fees	4,373	5,099
Interest expense	10,026	13,249
Other expenses	344	220
<b>Total indirect expenses</b>	<u>14,852</u>	<u>18,696</u>
<b>Operating profit before income tax</b>	<u>37,654</u>	<u>30,074</u>
<b>Non operating income and (expenses)</b>		
Unrealised fair value change to investment properties	(63,119)	-
Unrealised fair value change to interest rate swaps	2,965	(39,678)
<b>Total non operating income and (expenses)</b>	<u>(60,154)</u>	<u>(39,678)</u>
<b>Profit (loss) before income tax</b>	<u>(22,500)</u>	<u>(9,604)</u>
<b>Income tax benefit (expense)</b>		
Current tax	(5,558)	(2,987)
Deferred tax	302	7,620
<b>Total income tax benefit (expense)</b>	<u>(5,256)</u>	<u>4,633</u>
Profit (loss) after income tax	<u>(27,756)</u>	<u>(4,971)</u>
<b>Total comprehensive (loss) after income tax attributable to Unit Holders</b>	<u>(27,756)</u>	<u>(4,971)</u>

<b>DISTRIBUTABLE PROFIT RECONCILIATION</b>		
	<b>Current 6 months \$NZ'000</b>	<b>Previous Corresponding 6 months \$NZ'000</b>
<b>Total comprehensive (loss) after income tax attributable to Unit Holders</b>	<u>(27,756)</u>	<u>(4,971)</u>
Less Unrealised fair value change to interest rate swaps	2,965	(39,678)
Less Deferred tax benefit (expense)	302	7,620
Less Unrealised fair value change to investment properties	(63,119)	-
<b>Distributable profit</b>	<u>32,096</u>	<u>27,087</u>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>Current 6 months \$NZ'000</b>	<b>Previous corresponding 6 months \$NZ'000</b>
<b>Balance at the beginning of the period</b>	977,375	1,023,653
Total comprehensive (loss) after income tax	(27,756)	(4,971)
<b>Total recognised earnings for the period</b>	<u>(27,756)</u>	<u>(4,971)</u>
<b>Distributions</b>		
Distributions to Unit Holders	(28,255)	(26,725)
<b>Total distributions</b>	<u>(28,255)</u>	<u>(26,725)</u>
<b>Other movements</b>		
Unit issue costs	(39)	-
<b>Total other movements</b>	<u>(39)</u>	<u>-</u>
<b>Equity at the end of the period</b>	<u>921,325</u>	<u>991,957</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>At end of current 6 months \$NZ'000</b>	<b>Previous corresponding 6 months \$NZ'000</b>
<b>Current assets</b>		
Cash at bank	9,279	2,520
Trade debtors	2,708	310
Leasing fees	1,067	943
Other current assets	1,750	1,622
<b>Total current assets</b>	<u>14,804</u>	<u>5,395</u>
<b>Non current assets</b>		
Leasing fees	3,486	3,281
Deferred tax - fair value interest rate swaps	3,684	10,562
Development properties	-	82,992
Investment properties	1,334,150	1,570,386
Other non current assets	512	-
<b>Total non current assets</b>	<u>1,341,832</u>	<u>1,667,221</u>
<b>Total assets</b>	<u>1,356,636</u>	<u>1,672,616</u>
<b>Current liabilities</b>		
Short term loan	-	242,500
Fair value of swaps	508	-
Provision for current tax	204	239
Other current liabilities	8,737	6,722
<b>Total current liabilities</b>	<u>9,449</u>	<u>249,461</u>
<b>Non current liabilities</b>		
Term loan	273,000	195,000
Fair value of interest rate swaps	11,773	35,206
Deferred tax - depreciation	85,996	89,016
Deferred tax - property revaluations	55,093	111,976
<b>Total non current liabilities</b>	<u>425,862</u>	<u>431,198</u>
<b>Total Liabilities</b>	<u>435,311</u>	<u>680,659</u>
<b>Equity</b>		
Units	817,120	622,090
Retained earnings	104,205	369,867
<b>Total Equity</b>	<u>921,325</u>	<u>991,957</u>
<b>Total liabilities and equity</b>	<u>1,356,636</u>	<u>1,672,616</u>

**CONSOLIDATED STATEMENT OF CASHFLOWS**

	<b>Current 6 months \$NZ'000</b>	<b>Corresponding 6 months \$NZ'000</b>
<b>Cash flows from operating activities</b>		
Rental income	68,559	65,636
Interest income	91	239
Office property expenses	(13,990)	(20,103)
Other trust expenses	(4,714)	(4,996)
Interest expense	(11,400)	(12,315)
Income tax	(3,921)	(2,572)
<b>Net cash inflow (outflow) from operating activities</b>	<b>34,625</b>	<b>25,889</b>
<b>Cash flows from investing activities</b>		
Investment properties	(2,562)	(6,886)
Development properties	(1,621)	(21,190)
Capitalised interest on development properties	(1,275)	(2,599)
<b>Net cash inflow (outflow) from investing activities</b>	<b>(5,458)</b>	<b>(30,675)</b>
<b>Cash flows from financing activities</b>		
Loan facility drawdown's	7,000	33,500
Distributions to unit holders	(28,255)	(26,725)
Offering costs	(152)	-
<b>Net cash inflow (outflow) from financing activities</b>	<b>(21,407)</b>	<b>6,775</b>
<b>Net increase (decrease) in cash held</b>	<b>7,760</b>	<b>1,989</b>
Cash and cash equivalents at the beginning of the period	1,519	531
<b>Cash and cash equivalents at the end of the period</b>	<b>9,279</b>	<b>2,520</b>

**EARNINGS PER UNIT**

Calculation of EPU in accordance with NZ IAS 33: Earnings Per Share	Current	Previous
	6 months	corresponding 6 months
	Cents per Unit	Cents per Unit
Earnings per unit - Net profit after taxation	(2.78)	(0.72)
Earnings per unit - Operating profit before taxation	3.77	4.37
Earnings per unit - Operating profit after current taxation (distributable profit)	3.22	3.94

**ISSUED AND QUOTED SECURITIES AT END OF CURRENT PERIOD**

Category of securities issued	Number	Quoted	Number	Paid-up value
			Number cents	(If not fully paid)
<b>ORDINARY UNITS:</b>			Cents	\$
Balance at 01/07/09	997,718,478			817,120,000
Issued during current 6 month period				
Buy back during current year				
Balance at 31/12/09	997,718,478			817,120,000

**COMMENTS BY DIRECTORS**

- (a) Material factors affecting the revenues and expenses of the Trust for the current 6 months:  
At 31 December 2009 the Trust revalued its portfolio resulting in a decrease in asset values of \$63.1m for the six months.
- (b) Significant trends or events since end of current 6 months:  
 (1) At 31 December 2009, the 30 June 2009 fee review was still in progress. The fee charged for the six months to 31 December 2009 has been calculated on an interim basis at 0.65% of gross investment assets. The outcome of the fee review will be retrospectively applied to 1 July 2009.  
 (2) The Manager, AMP Haumi Management Limited is currently undertaking a review of the appropriate corporate governance model to apply to the AMP NZ Office Trust, which will ascertain how to improve alignment of interests with those of unit-holders.  
 (3) On 20 January 2010, the Tax Working Group issued a series of tax reform recommendations which if adopted will have an impact on AMP NZ Office Trust. The two key recommendations in this report that will have a potential adverse impact on AMP NZ Office Trust will be the eliminating of tax depreciation on buildings and the introduction of a land tax. The immediate cash flow impact on ANZO of any proposed land tax is muted as in most cases leases enable the tax to be passed through to businesses. However, any introduction of a land tax will inevitably suppress market conditions and this impact is not yet able to be quantified as the Tax Working Group has not provided details around the potential tax levels. The Group's recommendation to remove depreciation allowances on buildings will have an adverse effect on ANZO distributable profit. If the recommendations are adopted by the Government ANZO's prospective FY11 after tax distributable profit would be adversely affected by approximately 8-10% on a worst case scenario, whereby the depreciation allowance on buildings is fully abolished.
- (c) Changes in accounting policies since last Annual Report to be disclosed:  
None

This interim report was approved by resolution of the Board of Directors of AMP Haumi Management Limited, as manager of AMP NZ Office Trust, on 3 February 2010



(signed by) Authorised Officer of Listed Issuer

04/02/2010