abacus property

'It's all about the property'

FY17 Results Presentation

324 Queen Street, Brisbane QLD

FY17 financial summary

14 Martin Place, Sydney NSW

710 Collins Street, Melbourne VIC

201 Pacific Highway, Sydney NSW

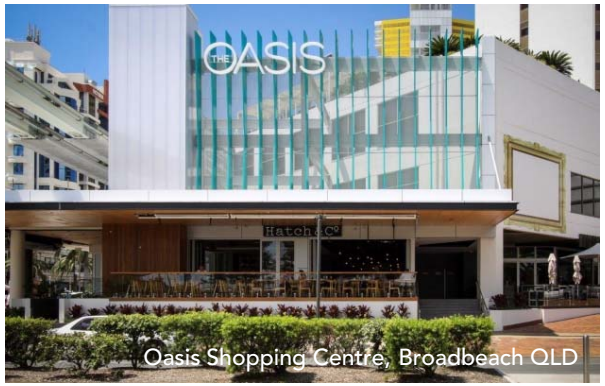
Statutory profit	Underlying profit	Net tangible asset
$285.1 million	$186.8 million	$3.02 per security
Up 53%	Up 51%	Up 13.5%

Underlying EPS	Underlying DPS	Payout ratio
32.7 cps	17.5 cps	53.5%
Up 46%	Up 3%	

Total assets	Group gearing	Interest cover ratio
$2.4 billion	20.5%	7.4x

FY17 highlights

Spice apartments, Brisbane QLD



Oasis Shopping Centre, Broadbeach QLD

710 Collins Street, Melbourne VIC

Record underlying profit of $186.8 million, up 51% from FY16

- All aspects of the business contributed to this result

Strong transactional activity during the period across our investment portfolio

- Acquired 7 commercial properties totalling over $205 million in value during the period to date
- Added 4 self-storage assets valued at $22 million to the portfolio
- Sold 4 commercial properties for over $160 million

Expanding our third party capital program

- Expanding relationships with global capital partners
- Strong performance fee income turbo charging investment returns

Residential developments platform delivers multiple projects as anticipated

- Realised over $170 million of cash from residential development projects
- Completed three residential developments during the year
- Sold one multi-site residential project following approval

201 Pacific Highway, St Leonards NSW

Financial results and capital management

Diversified business delivers record results

Key financial metrics	Jun 17	Jun 16
Consolidated Group[1] AIFRS statutory profit	**$285.1m**	**$185.9m**
Abacus AIFRS statutory profit	**$257.9m**	**$169.7m**
Underlying profit[2]	**$186.8m**	**$124.0m**
Underlying earnings per security	32.7c	22.4c
Distributions per security[3]	17.5c	17.0c
Cashflow from operations	**$168.5m**	**$85.7m**
Interest cover ratio[4]	7.4x	4.2x
Weighted average securities on issue	571m	555m

1. The Group consists of the merged Abacus Property Group, Abacus Hospitality Fund, Abacus Wodonga Land Fund and ADIF II
2. Calculated in accordance with the AICD/Finsia principles for reporting Underlying Profit
3. Includes distributions declared post period end (3 July 2017 and 1 July 2016)
4. Calculated as underlying EBITDA divided by interest expense and includes impairments on inventory

Underlying earnings per security growth of 46% to 32.7cps

- 17.5 cps distribution covered by recurring earnings

Increased underlying results from the commercial and self-storage sectors while solid results from residential developments maintained revenue on the prior corresponding period (pcp)

Highlights of underlying profit result in FY17:

- $10 million of additional net rental income across the commercial and self-storage portfolios
- $13 million of additional fee income
- $50 million of gains from the sale of commercial properties
- $30 million of profits from residential development projects

Recent acquisitions and improvement in rental returns at 14 Martin Place, Ashfield Mall and Bacchus Marsh delivered an 8% increase ($4.7 million) in net rental income across the commercial portfolio

14% increase ($5.5 million) in self-storage EBITDA

- Continuing to deliver gains across RevPAM, occupancy and net lettable area

13.5% growth in net tangible assets per security

Abacus has a strong balance sheet

Balance sheet gearing reduced to 20.5% on the back of realisations across our investment portfolio and residential developments

- Remains well below targeted limit of up to 35%

NTA per security grew by 13.5% to $3.02 driven by strong earnings performances across the entire business and portfolio cap rate compression

- 8.6% contribution from increased retained earnings
- 4.9% contribution from fair value movements

Increased liquidity of $295 million provides for $500 million+ of acquisition capacity

Balance sheet metrics	Jun 17	Jun 16
NTA per security	$3.02	$2.66
NTA per security less August distribution[1]	$2.93	$2.59
Abacus total assets	$2,386m	$2,322m
Net tangible assets[2]	$1,737m	$1,480m
Total debt facilities	$873m	$873m
Total debt drawn	$514m	$629m
Average cost of drawn debt	5.2%	5.4%
Abacus gearing ratio[3]	20.5%	25.8%
Covenant gearing ratio[4]	23.9%	29.5%
Debt term to maturity	3.4 yrs	3.5 yrs
% hedged of drawn debt	49%	53%
Weighted average hedge maturity	2.5 yrs	2.7 yrs

1. 8.75c distribution in August 2017 and 8.5c in August 2016 respectively
2. Excludes external non–controlling interests of $48.5 million (FY16: $43.3 million)
3. Bank debt minus cash divided by total assets minus cash. If joint venture and fund assets and debt are consolidated proportionately based on Abacus' equity interest, look through gearing is 25.1%
4. Covenant gearing calculated as Total Liabilities (net of cash) divided by Total Tangible Assets (net of cash)

Investment portfolio overview

33 Queen Street, Brisbane QLD

It's all about the property
Investment portfolio of $1.8 billion

Key portfolio metrics	Jun 17	Jun 16
Investment portfolio value[1] ($m)	1,831	1,714
Commercial portfolio[1] ($m)	1,202	1,140
Self-storage portfolio ($m)	629	574
Investment portfolio WACR[1,4] (%)	7.08	7.48
No. of commercial assets[1]	34	32
Net lettable area (NLA) (m^2)[2,3]	226,811	254,048
Occupancy[2,3] (% by area)	90.5	91.2
WALE[2,3] (yrs by income)	4.1	4.3
Like for like rental growth[2,3] (%)	2.7	2.7

1. Includes assets acquired under our third party capital platform, inventory and PP&E
2. Excludes self-storage assets
3. Excludes development assets
4. Weighted Average Cap Rate

Investment portfolio remixing continues with increases across the self-storage, office and retail portfolios

Investment portfolio delivered 5.0% or $74.8 million revaluation gains in FY17

Commercial portfolio delivered a 2.0x increase in underlying EBITDA to $133.7 million in FY17 from $68.2 million in FY16 driven by both increased rental income from existing and new assets and asset sales

Occupancy slightly reduced to 90.5% following the sale of higher occupancy assets and the acquisition of lower occupancy assets with strong value add characteristics

Occupancy continues to be impacted by a number of redevelopment/refurbishment projects

Commercial portfolio like for like rental growth of 2.7%

It's all about the property
Building long term returns – Third Party Capital

$1.3 billion current AUM ($495m Abacus share)

- We pride ourselves with investing alongside our partners

Continuing to add partnerships

- Red Cross building mandate for private investors
- GAW opportunity fund and 2 industrial acquisitions
- 324 Queen Street, Brisbane transaction with Investec

Delivering stronger returns from performance fee revenue

- Sale of third Heitman asset, 35 Boundary St in Brisbane delivered an asset level IRR of 14.7%
- Sale of KKR JV asset, World Trade Centre in Melbourne delivered an asset level IRR of 33.1%

Continuing to discuss opportunities to work with major global investors focused on the syndication of development finance projects

Current capital partnering assets	Sector	Amount[1]
4 & 14 Martin Place, Sydney NSW	Office/Retail	$153.5m
32 Walker Street, North Sydney NSW	Office	$35.6m
180 Queen Street, Brisbane QLD	Office/Retail	$29.5m
35 Boundary Street, Brisbane QLD	Office	$40.25m
Oasis, Gold Coast QLD	Retail	$103.5m
201 Pacific Highway, St Leonards NSW	Office/Retail	$115.0m
Lutwyche City, Brisbane QLD	Retail	$65.0m
Merivale, South Brisbane QLD	Residential development	$275.0m
324 Queen Street, Brisbane QLD	Office	$132.0m
182–198 Maidstone Street, Altona VIC	Industrial	$30.0m
2-34 Davidson Street, Chullora NSW	Industrial	$35.0m
Red Cross Building, Sydney NSW	Office	$112.9m
Total		$

1. Represents the acquisition price for commercial properties or the total estimated sales revenue from residential developments

It's all about the property
Office portfolio – vacancy provides upside

7.0%
WACR[1,3]

81.5%
Portfolio occupancy[1]

$623m
Portfolio value

(2.2)%
rental growth[1,2]

3.7 yrs
WALE[1,4]

33 Queen Street, Brisbane QLD

- Occupancy currently 62%
- Expansive ground floor space now leased to F&B provider
- Office refurbishment program ongoing as space comes up
- Leasing progressing well with spec fitout space
- 1,000m^2 or 16.6% of space currently under negotiation

201 Pacific Highway, Sydney NSW

- Occupancy currently 74%
- Good leasing progress to date
- HOA out for 1,200m^2 or 7.3% of space
- Remaining 2 floors of vacancy, 2,900m^2, have multiple parties shortlisted
- NAB renewal for 1,250m^2 @ $570pm^2 for 3 years

1. Excludes development assets
2. Like for like rent growth - Excluding movement in occupancy, rental growth would be 4.1%
3. Weighted Average Cap Rate
4. Weighted Average Lease Expiry

It's all about the property
Retail portfolio – development driving growth

6.3% WACR[1,3]

92.0% Portfolio occupancy[1]

$402m Portfolio value

9.5% rental growth[1,2]

5.2 yrs WALE[1,4]

Bacchus Marsh, Bacchus VIC

- Refurbishment program completed in FY16
- Occupancy improved to 88% in FY17
- 7.5 year lease expiry profile
- 36% like for like rental growth driven by new format expanded majors and strong specialty leasing
- Sale of Coles Express pad site for $2m profit and a 74% return on cost

Oasis, Broadbeach QLD

- Redevelopment program ongoing throughout FY17/18
- Occupancy improved to 89% in FY17
- 3.9 year lease expiry profile
- Restaurant precinct project completed
- Monorail dismantled providing unobstructed views and potential additional NLA
- Focus on implementing leasing strategy

1. Excludes development assets
2. Like for like rent growth - Excluding movement in occupancy, rental growth would be 6.0%
3. Weighted Average Cap Rate
4. Weighted Average Lease Expiry

It's all about the property
Industrial portfolio – low WALE provides opportunity

8.3%
WACR[1,3]

100%
Portfolio occupancy[1]

$177m
Portfolio value

3.3%
rental growth[1,2]

1.6 yrs
WALE[1,4]

169 Australis Drive, Derrimut VIC

- Occupancy currently 100%
- All tenancies expire in FY18
- Rent growth of 50% experienced on re-leasing
- 23% recently re-leased for further 3 years at $75pm^2
- Upcoming vacancy presents opportunity

2-34 Davidson Street, Chullora NSW

- Acquired 100% vacant in GAW JV
- Executed a new lease over 10,000m^2 warehouse space at $125pm^2 for 5 yrs
- Marketing 7,900m^2 office space
- Office space can be split to add further warehouse space when needed
- Considering ability to add further improvements to site including possible residential uses

1. Excludes development assets 2. Like for like rent growth 3. Weighted Average Cap Rate 4. Weighted Average Lease Expiry

It's all about the property
Self-storage: continuing growth strategy

Self-storage portfolio: $629 million

14.2% increase in underlying EBITDA to $43.7 million in FY17 driven by strong trading and recent acquisitions

- 13.6% increase in self-storage revenue

Portfolio delivered c.$27.3 million of valuation gains driven by an improvement in revenue and a decrease in average cap rate to 7.7% from 8.0%

Established portfolio's metrics improved over the 12 months to:

- 89.2% occupancy up 1.8%
- $262m^2 rental rate up 1.2%
- $234m^2 RevPAM[4] up 3.1%

12,000m^2 or 4.1% increase in portfolio NLA during the period

High occupancy levels to dictate stronger growth in overall rental rate to drive future RevPAM growth

- Focus on adding extra NLA from organic NLA growth

1. Includes commercial and industrial properties held for redevelopment
2. Average over last 12 months (by area) of established facilities
3. Adjusted to FY17 FX rate of NZ/AUD $1.05 for comparison purposes
4. RevPAM: Revenue per available square metre

Key metrics	AUS	NZ	Jun 17	Jun 16
Portfolio value ($m)	501.5	128.0	629.5	574.4
No. of self-storage assets	53	12	65	62
WACR	7.7%	7.9%	7.7%	8.0%
NLA[1] (m^2)	241,000	61,000	302,000	290,000
Land (m^2)	399,000	105,000	504,000	480,000
Occupancy[2]	89.0%	89.8%	89.2%	87.4%
Average rental rate[2], $psm	$260	NZ$281	$262	$259
RevPAM[4] (per available sqm)[2]	$232	NZ$252	$234	$227

Greensborough facility, Melbourne VIC

It's all about the property
Self-storage: continuing growth strategy

Portfolio consists of:

- 53 established self-storage facilities and
- 7 newly converted self-storage facilities with further expansion potential – average age 2 years
- 5 non storage assets with conversion potential of 16,000+m^2 of NLA
- Average length of stay approximately 40 months

Portfolio growth continues with a further 4 assets added in FY17

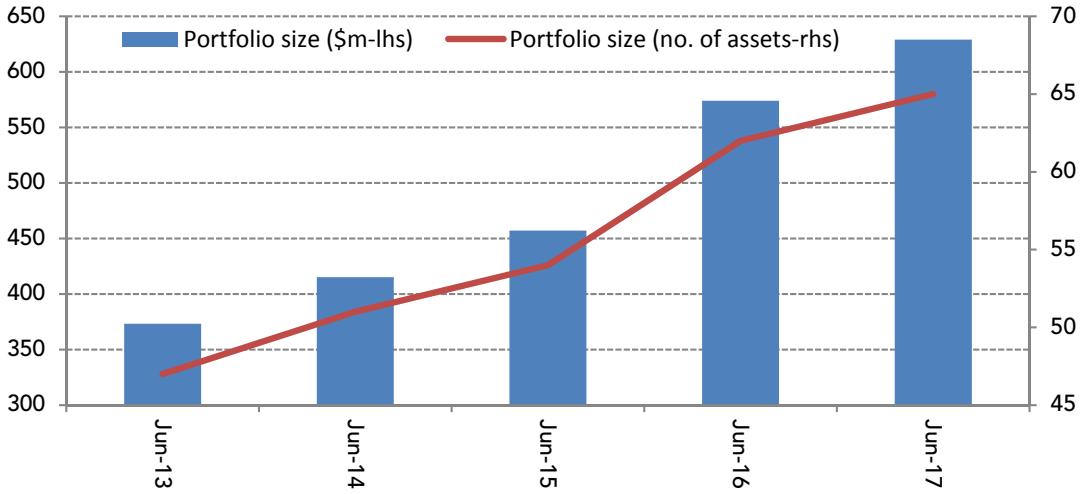
- $12.2 million on 2 established facilities
- $9.8 million on 2 non storage assets with conversion potential
- $4.6 million of growth capex spent during period

Focused on acquisition, development, expansion and optimisation

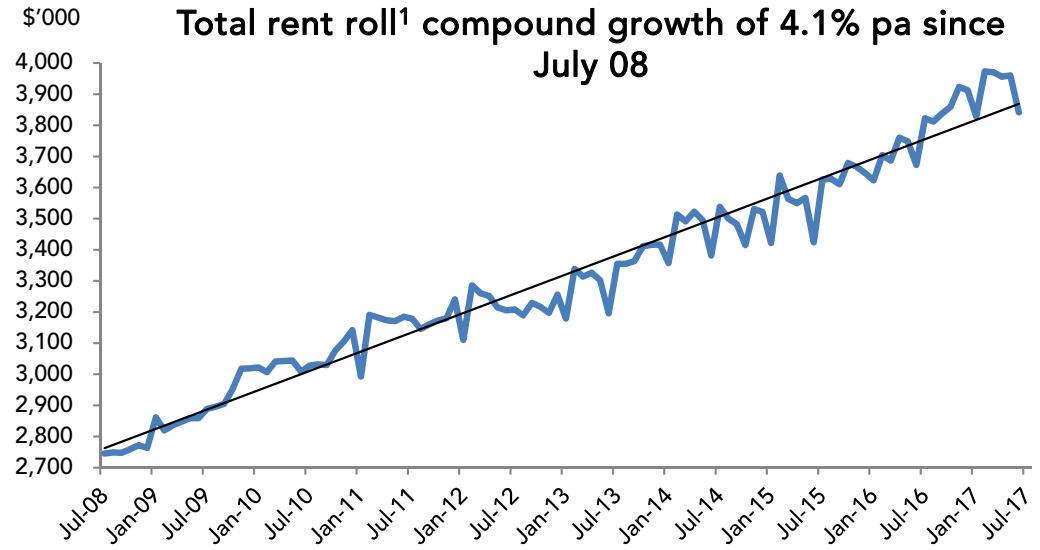
Like for like portfolio – comprises 51 established facilities

- 5.5% rent roll growth year on year driven by occupancy gains of 3.3% and rental rate growth of 2.1%

Portfolio value compound growth of 13.9% pa since FY13



Total rent roll[1] compound growth of 4.1% pa since July 08



1. Total rent roll per month for like for like portfolio of 41 facilities held since July 2008

The Eminence residential development, Carlton, Melbourne VIC

Developments overview

It's all about the property
Developments – delivering on strategy

$55.0 million underlying EBITDA contribution

- Strong results to maintain levels of earnings following record FY16 year
- 3.5% fall due to a reduction of finance income as projects realised

Business has again delivered impressive returns with the completion of residential projects in Melbourne, Brisbane, Sydney and Canberra

- $30 million of equity profits from developments and loans
- $4.5 million of fee income

Reduction of $51 million to $448 million of assets reflects:

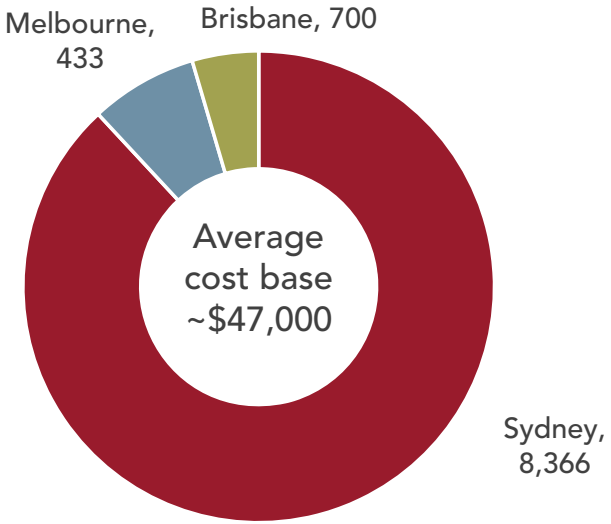
- $135 million of capital and interest repayments offset by additional interest accruals and drawdowns on new and existing loans
- Additional drawdowns heavily weighted to existing construction projects Ashfield Central, One A and Luminary

Pipeline remains heavily focused on the Sydney residential market

- Almost 90% of units or land lots are located in this market
- Sydney residential market outlook remains positive

Key metrics	Jun 17	Jun 16
Residential exposure	95.8%	96.2%
Sydney exposure (by $)	77%	73%
Loans	$308.0m	$370.3m
Equity	$140.3m	$129.3m
Average interest rate	9.3%	10%

Unit and land lot diversification by state and average cost base per unit/land lot (subject to planning approval)



It's all about the property
Residential pipeline – developments

$118 million of invested capital across 8 residential development projects completing, under construction or planning for c1,400 units

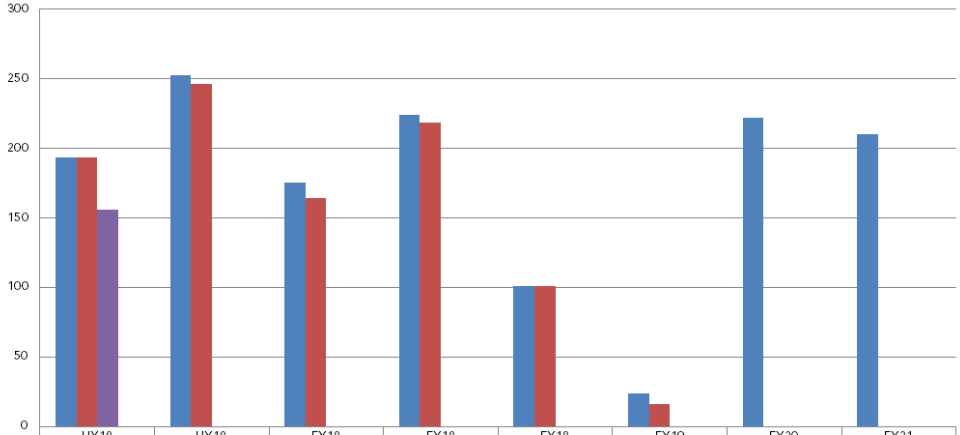
Completed and committed projects of 945 units are 98% sold down

- 1 completed project is 100% sold and 80% settled
- 4 projects under construction are 97% pre-sold

Successful FY17 with the completion of three residential projects delivering robust earnings to the Group

FY18 pipeline project updates:

- The Eminence: 80% settled earlier than scheduled. No terminations to date despite high FIRB sales percentage. Anticipating full settlement on time by September 2017
- One A Apartments: 11 sales remaining. Strong pricing of units in Sydney. Construction well advanced and anticipating completion in H218
- Ashfield Central: All units sold. Settlements due in H218
- Ivy and Eve: 12 sales remaining. Brisbane unit market is anticipating valuation pressure at low quality end of market. Affordable sales prices, location and quality of build important factors in maintaining settlement success. Ivy and Eve completion anticipated in H118 and H218



	HY18 The EMINENCE (Queensberry St)	HY18 Ivy Apts (Merivale 1)	FY18 One A Apts (Erskineville)	FY18 Eve Apts (Merivale 2)	FY18 Ashfield Central (Ashfield)	FY19 Hawthorn	FY20 Mina Parade	FY21 Spencer West
Units	193	252	175	224	101	24	222	210
Sold	193	246	164	218	101	16	0	0
Settled	156	0	0	0	0	0	0	0
% of FIRB Sales	46.6%	45.7%	21.3%	59.3%	21.0%	8.4%	0	0

The Eminence, Carlton, Melbourne VIC

It's all about the property
Residential pipeline – land approvals

$233 million of invested capital across 11 residential land projects actively progressing through the local and state government approvals process

100% exposure to the Sydney metropolitan market

- Fundamentals remain solid with demand exceeding supply

FY17 delivered full or partial project realisations following successful sales outcomes during the year

- French Street, Werrington – Settlement of 138 land lots. Stages 3 and 4 remain (251 lots)
- Campsie – 441 unit approved site sale settled delivering c.$10m profit in excess of all accrued interest

Future projects will be expedited as quickly as practically possible:

- Camellia: Council elections due in September 2017. Awaiting response from RMS and TfNSW on traffic studies. Parramatta light rail service to stop adjacent to site
- Riverlands: Development application for 241 lots has been submitted to council. A s.96 will further subdivide site into 422 duplex lots. Considering all strategies for the site
- 55 Aird Street, Parramatta: Awaiting gazettal for 136 units prior to a sale of the council approved site

Artist's impression of 55 Aird Street, Parramatta NSW. Site has an approved planning proposal from council providing 15:1 FSR ratio that can provide up to 136 units

Summary

Artist's impression of Ashfield Central residential development, Sydney NSW

Summary – strong value proposition

Artist's impression of residential development Hawthorn, VIC

Bacchus Marsh Village Shopping Centre, Bacchus Marsh, VIC

Lutwyche City Shopping Centre, Brisbane, QLD

Very proud of our record results this year

- Delivered growth in recurring earnings
- Profits achieved on sale or realisation of assets or projects during the period continues to validate our diversified core plus strategy while delivering on our high expectations

Increased FY17 DPS covered by recurring earnings despite transactional activity

- DPS payout ratio of 53.5% of underlying earnings per security
- DPS growth is stable and sustainable despite EPS fluctuations

FY18 outlook remains positive

- Diversified balance sheet well positioned with a strong pipeline to continue to outperform
- Significant liquidity available to drive investments into self-storage and investment assets
- Investment product availability will be key
- Third party relationships enhanced through track record
- Capital management initiatives will also be considered

Targeting an FY18 distribution per security of 18.0cps a 3% increase on FY17

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Abacus Storage Operations Limited ACN: 112 457 075

324 Queen Street, Brisbane QLD

'It's all about the property'

FY17 Results Presentation Appendices

Appendix A
Segment balance sheet

Abacus balance sheet	Property Investment ($m)	Property Development ($m)	Unallocated ($m)	June 2017 ($m)	June 2016 ($m)
Commercial investment properties	946.3			946.3	813.8
Self-storage investment properties	625.2			625.2	570.3
Inventory		93.1	15.6[1]	108.7	83.4
Property, plant and equipment	4.7			4.7	4.7
Loans and interest	92.2	308.1		400.3	530.9
Other investments and financial assets	29.3	13.2		42.5	49.7
Equity accounted investments	133.4	33.9		167.3	179.9
Cash and cash equivalents			28.2	28.2	37.0
Other assets			30.3	30.3	20.1
Goodwill and intangibles			32.4	32.4	32.5
Total assets	**1,831.1**	**448.3**	**106.5**	**2,385.9**	**2,322.3**
Interest bearing liabilities				517.3	651.4
Other liabilities				66.3	120.1
Total liabilities				**583.6**	**771.5**
Net assets				**1,802.3**	**1,550.8**

1. AWLF inventory

Appendix B
Segment earnings (underlying profit)

	Commercial	Storage	Development	FY17 Total	FY16 Total
Rental income	75.3	69.7		145.0	131.3
Finance income [1]			43.9	43.9	46.3
Fee income [2]	12.6			12.6	12.5
Share of profit from equity accounted investments [3]	32.8 [4, 6]		20.7 [5]	53.5	19.4
Sale of inventory				0.0	2.9
Net change in fair value of investments derecognised [5]	43.5			43.5	16.0
Other Income	2.4		1.1	3.5	0.0
Interest				0.4	0.5
Total Underlying Revenue	**166.6**	**69.7**	**65.7**	**302.4**	**228.9**
Expenses	(15.2)	(25.9)	(3.0)	(44.1)	(42.8)
Segment result before corporate overheads	**151.4**	**43.8**	**62.7**	**258.3**	**186.1**
Corporate overheads	(17.8)		(7.7)	(25.5)	(22.2)
Underlying EBITDA	**133.6**	**43.8**	**55.0**	**232.8**	**163.9**
Finance costs				(32.9)	(31.3)
Depreciation and amortisation expense	(1.9)	(0.4)		(2.3)	(1.8)
Tax expense				(9.8)	(6.8)
Non-controlling interests				(1.0)	0.0
Underlying Profit				**186.8**	**124.0**
Change in fair value of investments	48.2	27.3	(10.6)	64.9	85.6
Change in fair value of derivatives				4.3	(8.3)
Impairment of land development				0.0	(40.6)
Tax benefit on significant items				1.9	9.0
Net Profit attributable to Abacus securityholders				**257.9**	**169.7**

1. Fee and interest on loans – includes $9.4 million of transactional activities
2. Income from third party capital JV's and funds
3. Distributions from joint ventures
4. Excludes fair value gain of $0.7 million
5. Transactional activities
6. Includes transactional activities of $17.7 million

Appendix C
Net tangible asset reconciliation

	30 June 2017	30 June 2016
Consolidated Group net assets	**1,814.6**	**1,559.3**
Less		
Total external non–controlling interest	(48.5)	(43.3)
Total stapled security holders' interest in equity	**1,766.1**	**1,516.0**
Less		
Intangible assets and goodwill	(32.4)	(32.4)
Deferred tax assets/liabilities (net)	3.4	(3.6)
Total net tangible assets	**1,737.1**	**1,480.0**
Securities on issue	575.6	556.6
Net tangible assets per security	**3.02**	**2.66**

Appendix D
Abacus cashflow analysis[1]

	$'000
CASHFLOWS FROM OPERATING ACTIVITIES	
Income receipts	235,753
Interest received	952
Distributions received	664
Income tax paid	(2,944)
Borrowing costs paid	(31,468)
Operating payments	(71,271)
Payment for land acquisition	(26,979)
NET CASHFLOWS FROM OPERATING ACTIVITIES[2]	**104,707**
CASHFLOWS FROM INVESTING ACTIVITIES	
Payments for investments and funds advanced	(148,091)
Proceeds from sale / settlement of investments and funds repaid	215,119
Purchase and disposal of property, plant and equipment	(727)
Purchase of investment properties	(140,041)
Disposal of investment properties	131,254
Payment for other investments	(2,124)
NET CASHFLOWS USED IN INVESTING ACTIVITIES	**55,390**
CASHFLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of stapled securities and return of capital	13,337
Payment of finance and issue costs	(1,428)
Repayment of borrowings	(160,169)
Proceeds from borrowings	37,153
Distributions paid	(57,682)
NET CASHFLOWS FROM FINANCING ACTIVITIES	**(168,789)**
NET DECREASE IN CASH AND CASH EQUIVALENTS	(8,692)
Net foreign exchange differences	47
Cash and cash equivalents at beginning of period	36,284
CASH AND CASH EQUIVALENTS AT END OF PERIOD[3]	**27,639**

1. 30 June 2017 cashflow statement for ABP excluding the consolidation of funds under AASB10
2. Cashflow from operations of $168.5 million adds back the purchase of non–current inventory and development costs of $63.8m
3. Excludes $0.6 million of cash and cash equivalents associated with AWLF

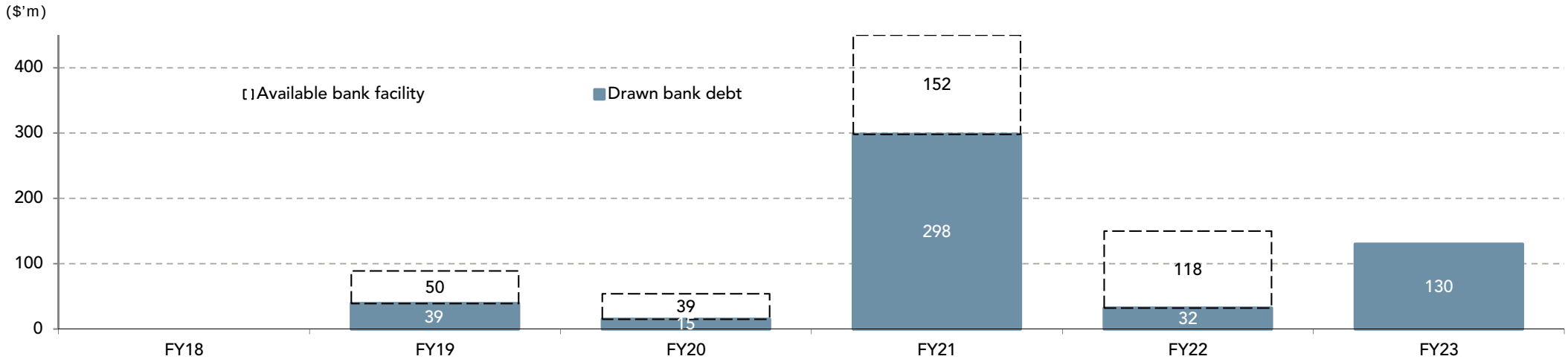
Appendix E
Debt facilities

Capital management metrics	June 2017	June 2016
Total bank debt facilities	$873m	$873m
Total bank debt drawn	$514m	$629m
Term to maturity	3.4 yrs	3.5 yrs
% hedged	49%	53%
Weighted average hedge maturity	2.5 yrs	2.7 yrs
Average cost of debt – drawn	5.2%	5.4%
Group gearing[1]	20.5%	25.8%
Look through gearing[2]	25.1%	30.3%
Covenant gearing	23.9%	29.5%
Covenant gearing limit	50.0%	50.0%
Interest Coverage Ratio	7.4x	4.2x
Interest Coverage Ratio covenant	2.0x	2.0x

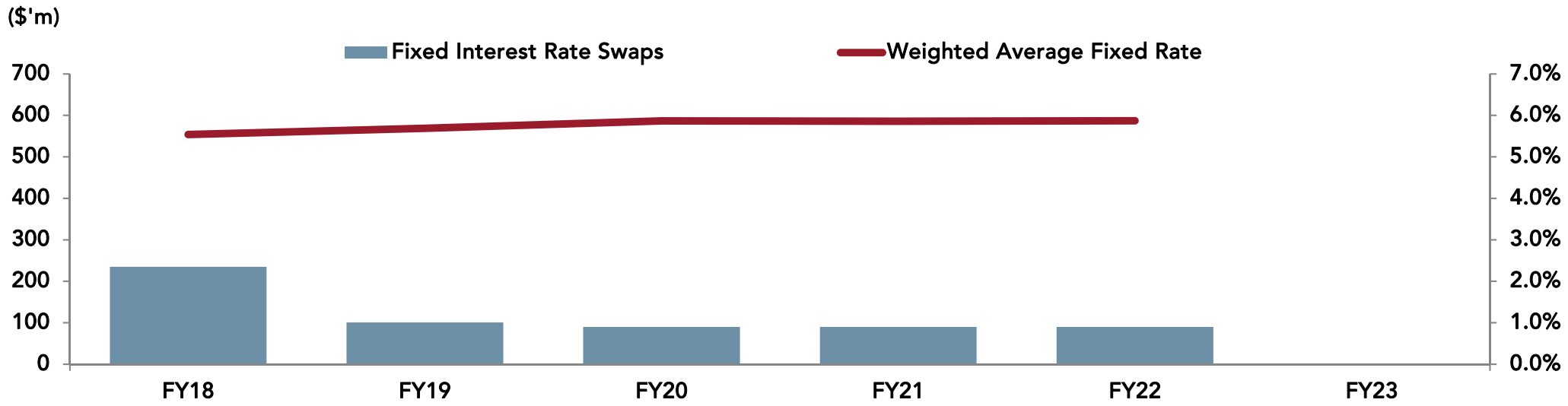
1. Abacus max target group gearing of up to 35%
2. Includes joint venture and fund assets and debt consolidated proportionately with Abacus' equity interest

Appendix F
Debt maturity profiles

Debt maturity profile as at 30 June 2017



Fixed hedging maturity profile as at 30 June 2017



Appendix G
Portfolio revaluations

Revaluation process for Abacus resulted in a net increase in the investment properties values for FY17 of approximately 5.0% or $74.8 million

- $47.5 million across the wholly owned commercial properties
- $27.3 million across the storage portfolio
- Revaluation of assets owned across our third party capital platform resulted in a net increase of $0.7 million

Average cap rate across the Abacus commercial portfolio has decreased to 6.72%

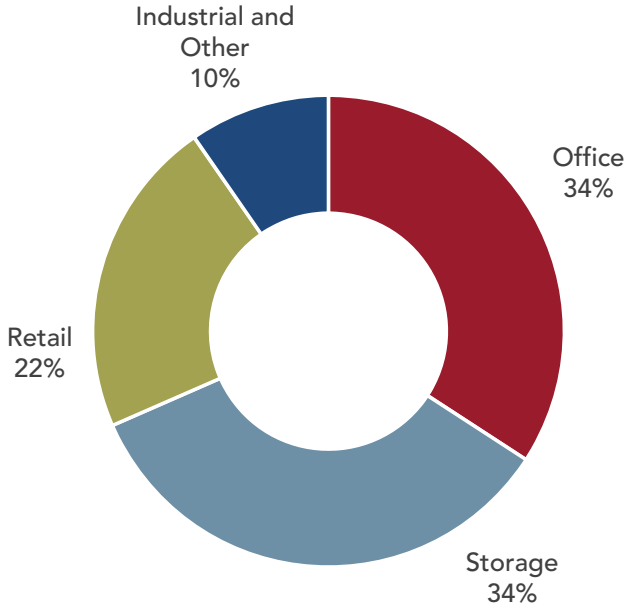
Market transactions illustrative of a tightening cap rate environment across all commercial sectors.

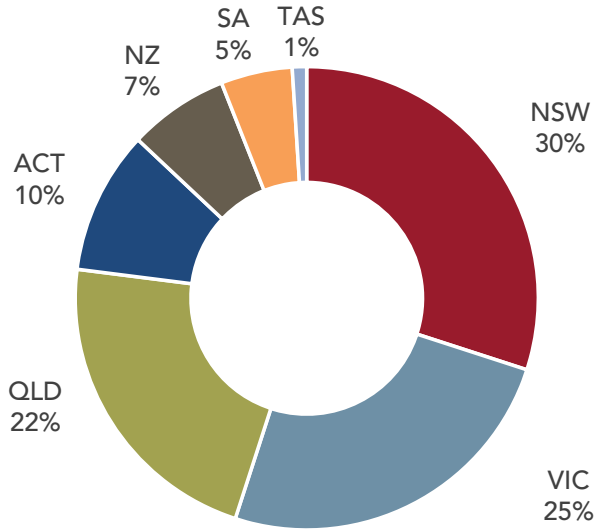
Abacus investment portfolio by sector	Valuation 30 June 2017 $'000	Weighted average cap rate 30 June 2017
Retail	$402,099	6.28%
Office	$622,408	6.98%
Industrial & Other	$177,140	8.34%
Total commercial portfolio	**$1,201,647**	**6.72%**
Storage	$629,459	7.72%
Total investment portfolio	**$1,831,106**	**7.08%**

Appendix H
Summary portfolio metrics

Key portfolio metrics	Jun 17	Jun 16
Investment portfolio value[1] ($m)	1,831	1,714
Commercial portfolio[1] ($m)	1,202	1,140
Storage portfolio ($m)	629	574
WACR[1,4] (%)	7.08	7.48
No. of commercial assets[1]	34	32
NLA (sqm)[2,3]	226,811	254,048
Occupancy[2,3] (% by area)	90.5	91.2
WALE[2,3] (yrs by income)	4.1	4.3
Like for like rental growth[2,3] (%)	2.7	2.7

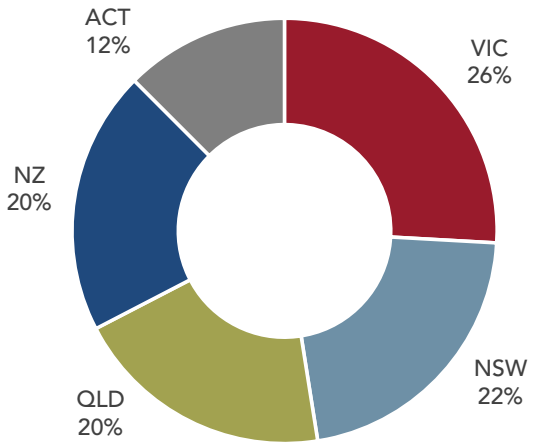
1. Includes assets acquired under our third party capital platform, inventory and PP&E
2. Excludes storage assets
3. Excludes development assets
4. Weighted Average Cap Rate



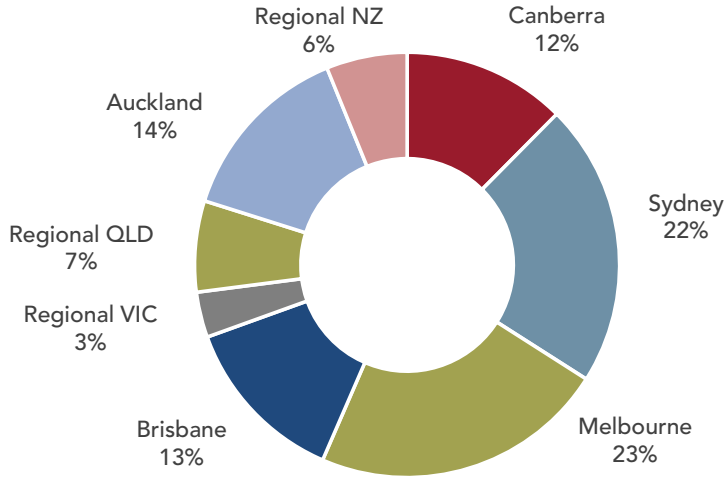


Appendix H
Summary storage portfolio metrics

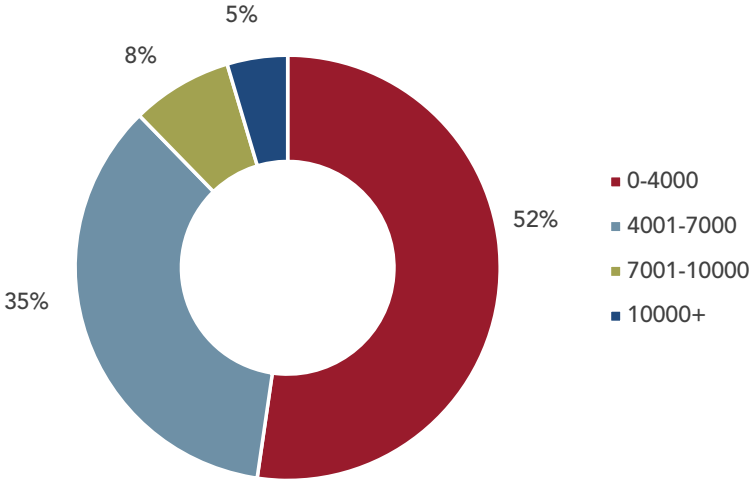
State geographic diversity by NLA



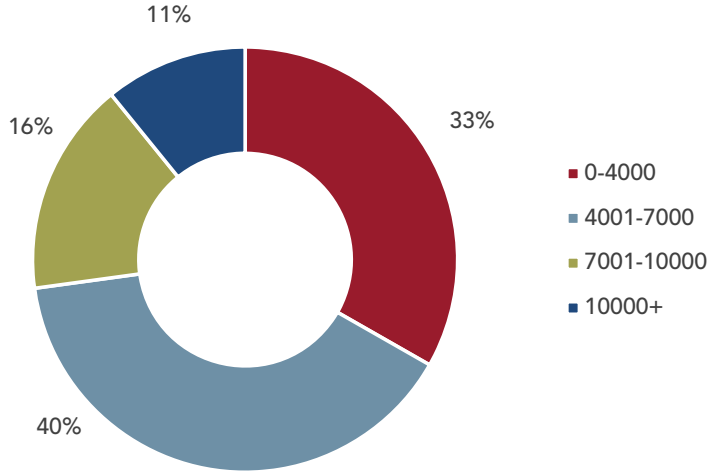
Regional geographic diversity by NLA



Asset net lettable area (m^2) split by number of assets



Asset net lettable area (m^2) split by value

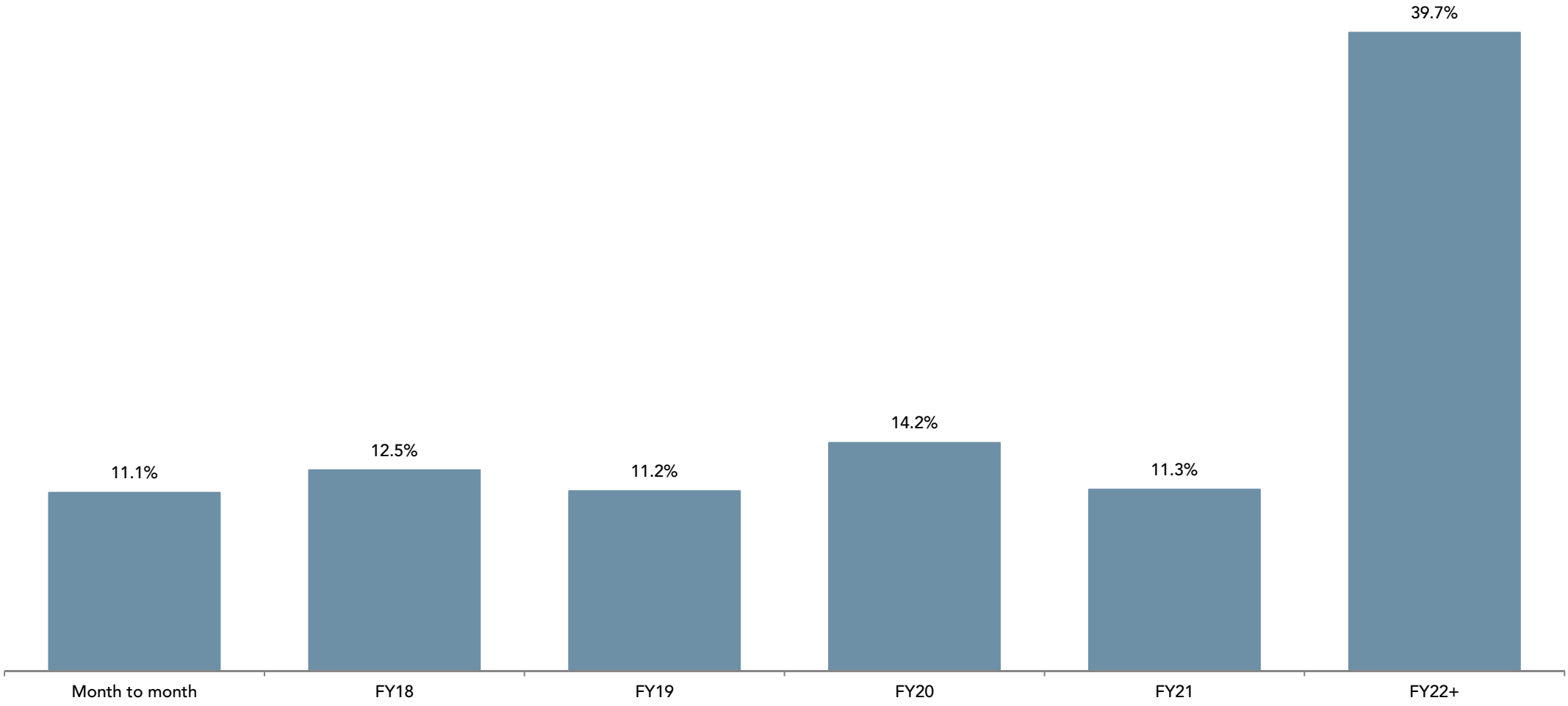


Appendix H
Summary portfolio metrics

Portfolio metrics	Office		Retail		Industrial & Other		Storage	
	Jun 17	Jun 16	Jun 17	Jun 16	Jun 17	Jun 16	Jun 17	Jun 16
Portfolio ($m)	623	492	402	375	177	273	629	574
No. of assets	19	16	5	7	10	9	65	62
Lettable area (sqm)[1]	91,732	84,424	56,250	63,363	78,829	106,261	302,000	290,000
WACR (%)	6.98	7.33	6.28	6.74	8.34	8.39	7.72	7.98
Occupancy[1] (% by area)	81.5	88.7	92.0	86.5	100.0	98.4	89.2[4]	87.4[4]
Average rent psqm	$533	$400	$507	$446	$72	$65	A$262[4]	A$259[4,5]
WALE[1] (yrs by income)	3.7	3.9	5.2	4.9	1.6	4.1	–	–
Rental growth[1,2] (%)	(2.2)[3]	(0.8)	9.5[3]	7.6	3.3	3.0	–	–
RevPAM (per available sqm)	–	–	–	–	–	–	A$234[4]	A$227[4,5]

1. Excludes development assets
2. Like for like rent growth
3. Excluding movement in occupancy, rental growth for Office and Retail portfolio reflects 4.1% and 6.0% increase, respectively period on period
4. Average over last 12 months (by area) of all stabilised assets
5. Adjusted to FY17 FX rate of $1.05 for comparison purposes

Appendix H
Summary portfolio metrics – lease expiry profile



Appendix I
Developments

Projects	Type	Equity	Loans	Total	Interest rate	Security	Returns
RCL Portfolio, NSW	JV/Loan	$39.7m	$102.0m	$141.7m		1st Mortgagee	50% profit share
One A, Erskineville, NSW	JV	-	$31.2m	$31.2m		Unsecured	50% profit share
IVY&EVE, Merivale St, QLD	JV	$27.5m	-	$27.5m		Equity	49% profit share
Marsden Park, NSW	Loan	-	$26.6m	$26.6m		1st Mortgagee	Exit fee upon repayment
Ashfield Central, NSW	Inventory	$24.1m	-	$24.1m		Equity	100% ownership
Grand Ave, Camellia, NSW	Loan	-	$17.4m	$17.4m		1st Mortgagee	50% profit share
Belmore, NSW	Loan	-	$15.9m	$15.9m		1st Mortgagee	50% profit share
Rance Road (Settler's Estate), NSW	Loan	-	$14.8m	$14.8m		1st Mortgagee	50% profit share
The Eminence, Carlton VIC	JV	-	$14.2m	$14.2m		Unsecured	50% profit share
Mina Pde, Alderley, QLD	Inventory	$12.2m	-	$12.2m		Equity	100% ownership
Schofields, NSW	Loan	-	$11.6m	$11.6m		1st Mortgagee	0% profit share
Bosch, Bentleigh East, VIC	Inventory	$11.5m	-	$11.5m		Equity	100% ownership
107 George St, NSW	Loan	-	$9.2m	$9.2m		1st Mortgagee	50% profit share
55 Aird St, NSW	Loan	-	$7.5m	$7.5m		1st Mortgagee	50% profit share
21a-23 George St, NSW	Loan	-	$7.1m	$7.1m		1st Mortgagee	50% profit share
Lane Cove, NSW	Loan	-	$6.5m	$6.5m		1st Mortgagee	50% profit share
Doonside, NSW	Loan	-	$6.4m	$6.4m		1st Mortgagee	50% profit share
Luminary, Hawthorn VIC	Loan	-	$5.1m	$5.1m		Unsecured	50% profit share
17 small projects and investments	-	$25.3m	$32.5m	$57.8m			
Total		**$140.3m**	**$308.0m**	**$448.3m**	**9.3%**		

Appendix I
Residential pipeline – residential construction projects

Schedule of major projects due for development

- Targeted profit on cost of c.20%
- Average interest rate on ABP loans c.9%

Project name	Settlement	Units/Sold	Status	ETR[1]	Ave. Unit Price	ABP Profit share	Comments
EMINENCE, Carlton, VIC	FY18	193/193	Completed	~$110m	$622k	50%	Settlements ongoing with c.80% settled to date
ONE A, Erskineville, NSW	FY18	175/164	Under construction	~$156m	$976k	50%	Settlements begin in H218
IVY & EVE, Merivale, Brisbane, QLD	FY18	IVY:252/246 EVE:224/218	Under construction	~$242m	$560k	49%	IVY settlements: Begin H118 EVE settlements: Begin H218
ASHFIELD CENTRAL, Ashfield, NSW	FY18	101/101 +3 retail units	Under construction	~$81m	$815k	100%	Settlements begin in H218
LUMINARY, Hawthorn, VIC	FY19	24/16 +2 retail units	Pre-sales	~$38m	$1.65m	50%	Construction to commence H118 with completion in FY19
Mina Parade, QLD	FY20	222+ residential products	Planning			100%	Abacus industrial asset now rezoned for staged residential
Spencer West, VIC	FY21	210 + retail	Planning			50%	Mixed use residential and retail development

1. ETR: Estimated Total Revenue (net of sales costs and GST) including management rights

Appendix I
Residential pipeline – residential approval projects

Schedule of major projects awaiting sale to third parties upon rezoning approval

- Average interest rate on ABP loans c.9%

Project name	Timeline	Units	Status	Est. Unit/Lot Price[1]	ABP Profit share	Comments
Camellia, NSW	FY18	15,000m² of retail + 3,250	Awaiting final council approval	~$100k	50%	Local council amalgamations and requests for further information have delayed approval. We are providing further information while Council and DOP push forward with their studies to rezone the entire Camellia suburb
Parramatta: 55 Aird St, NSW	FY19	136	Planning proposal approved Awaiting Gazettal	~$150k	50%	Apartment/Retail building in Parramatta CBD
Parramatta: 107 George St, NSW	FY19	125+	Planning: seeking rezoning to residential	~$150k	50%	Apartment/Retail building in Parramatta CBD
Parramatta: 21a-23 George St, NSW	FY19	100+	Planning: seeking rezoning to residential	~$150k	50%	Apartment/Retail building in Parramatta CBD
Belmore, NSW	FY19	165	Planning proposal being reviewed	~$150k	50%	Stage payment for site up to $24m depending on density achieved. New priority precinct recently announced includes this site. Strategy under review to increases density further

1. Estimated Unit/Lot Price based on market evidence

Appendix I
Residential pipeline – residential land sub-divisions

Schedule of land sub-divisions due for development

Project name	Timeline	Land lots/Sold	Status	Price per lot	Cost to prepare lot	ABP share	Comments
French Road Werrington (Stage 3), NSW	FY18	111/0	Site preparation for sales	$270k	$100k	25%	Approvals received. Site being prepared for 111 small lot sales. Sales to commence in H217
French Road Werrington (Stage 4), NSW	FY19	140/0	Awaiting gazettal	$270k	$100k	25%	Site can accommodate 140 small blocks. Council has approved R2 zoning, gazettal is expected in 2017. DA is to be lodged shortly thereafter
Riverlands, NSW		422/0	Awaiting development approval	~$450k+	$120k	50%	Stage 1 - 15 ha has been approved for rezoning by the council and the NSW State Government via gazettal. Development application for 241 lots in stage one has been submitted. A s.96 will further subdivide site into 422 lots. Abacus will look to develop out this project with its joint venture partner or consider appropriate offers for the site
Rance Road Werrington, NSW		152/0	Seeking rezoning	~$330k	$100k	50%	Original plan approved for 152 small land lots. Updated plan leaves 80 small lots which are currently being marketed with higher density sort on remaining site which requires a new planning proposal.

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