

New Zealand Social Infrastructure Fund



ASM Presentation 2018

August 2018

Agenda

- **Welcome**
- **Apologies**
- **Introduction**
- **Confirm quorum**
- **Presentation – Chairman**
- **Formal business**
- **Presentation Investment Manager**
- **General business**

Investment & Portfolio Highlights

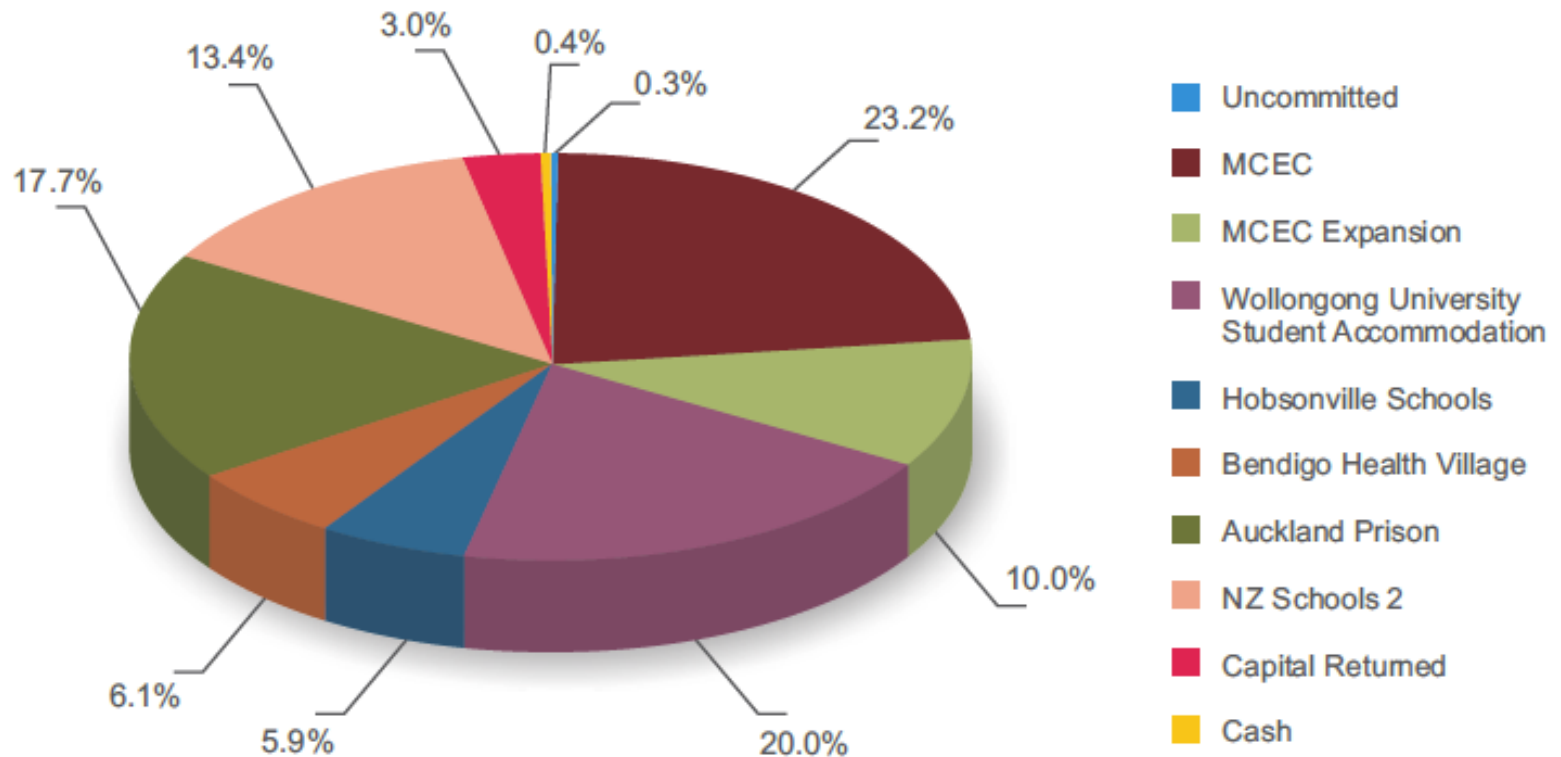
Operating Assets

All performing well and distributions flowing to the PIP Fund

- Melbourne Convention and Exhibition Centre and expansion
- Hobsonville Schools (NZ Schools 1)
- Bendigo Healthcare Group Accommodation
- NZ Schools 2 – Ormiston Junior College, Haeata Community Campus, Rolleston Secondary School and Wakatipu High School
- Auckland Prison from 13 July 2018
- Wollongong commences generating cash flow to the PIP Fund in the 2019 calendar year

Investment Mix

Chart 1 – NZSIF Investment Mix 31 March 2018



Distributions & Net Asset Value

Investment Commitments

- Invested to 99.7%
- Fully called from September 2017

Distributions

- Total gross distributions since inception 16.05 cps (including a capital return of 2.8 cps in 2012)
- 2018 - nil
- 2017 1.0 cps. 3 cps paid during 2017 with 1 cps relating to 2017 cash flows

Net asset value

- Value of the NZSIF investment in the PIP Fund at 31 March 2018 was \$52.5m (2017: \$35.3m)
- NAV at 31 March 2018 \$1.28 per share (2017: \$1.01 per share)
 - *increase included call 16cps*

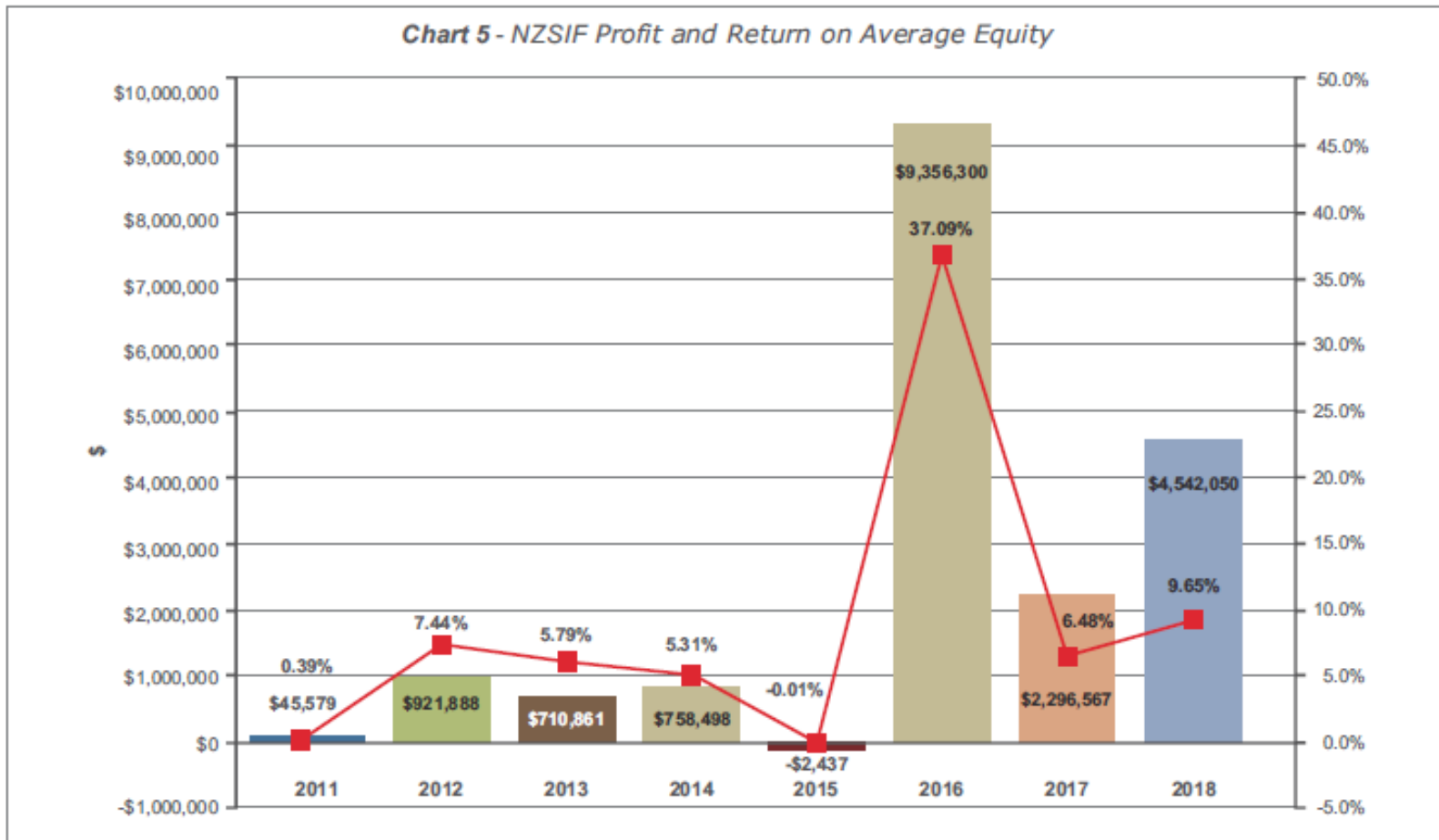
Financials-Profit Detail

	12 months to 31 March 2018 NZ\$000s	12 months to 31 March 2017 NZ\$000s
Distribution income	\$113	\$1,297
Interest income	\$73	\$12
Movement in fair value of PIP Fund	<u>\$4,658</u> \$4,844	<u>\$1,315</u> \$2,624
Administrative Expenses	(\$305)	(\$322)
Interest Expense	(\$0)	(\$5)
Profit before Tax	<u>\$4,539</u>	<u>\$2,297</u>
Income Tax/(credit)	<u>\$3</u>	<u>-</u>
Profit/(loss) for the Period	\$4,542	\$2,297

Financials-Balance Sheet Detail

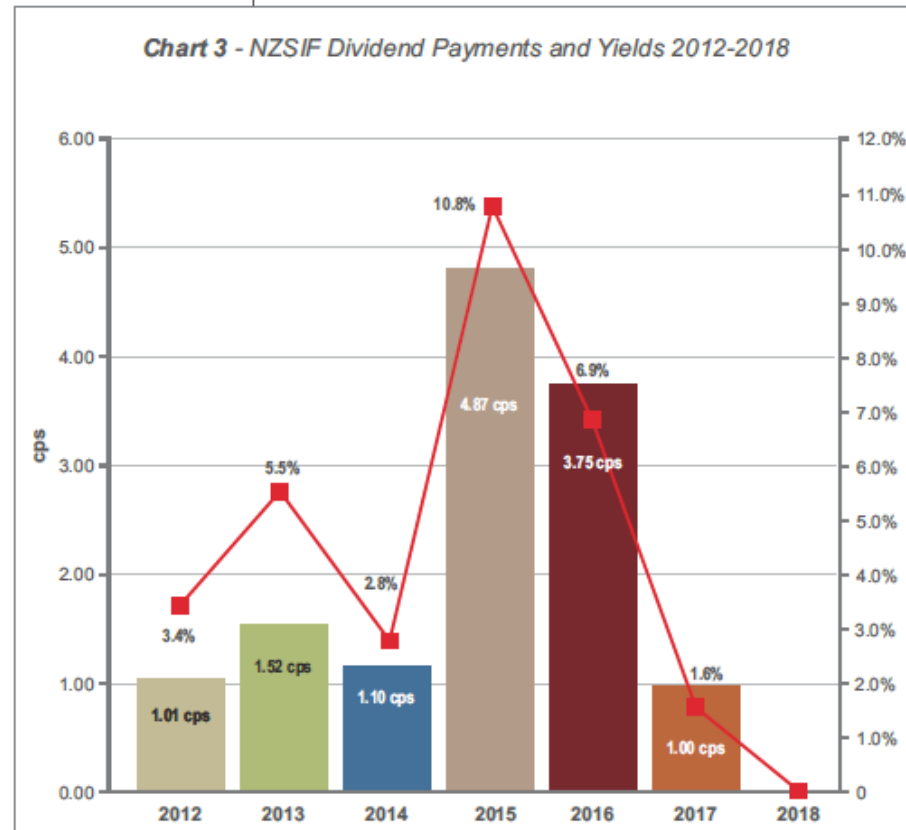
	31 March 2018 NZ\$000s	31 March 2017 NZ\$000s
Investment in PIP Fund	\$52,482	\$35,305
Property, plant, equipment	\$1	\$1
Cash and Cash Equivalents	\$154	\$6,137
Other Current Assets	\$28	\$281
Total Assets	\$52,665	\$41,724
Creditors	\$37	\$38
Overdraft	\$0	\$161
Total Equity	\$52,628	\$41,525
Total Equity and Liabilities	\$52,665	\$41,724
<i>NTA per share (41,000,000)</i>	<i>128cps</i>	<i>101cps</i>
<i>NZD/AUD</i>	<i>.9409</i>	<i>.9142</i>
<i>Called Capital per Share</i>	<i>100cps</i>	<i>84cps</i>
<i>Returned Capital per Share</i>	<i>2.8cps</i>	<i>2.8cps</i>

Profit & ROE Comparison



Operating Distributions

- No NZSIF distributions in the 2018 financial year. Distributions impacted by cash flows being used to meet construction costs, PIP operating costs and to pay performance fees to the PIP Fund manager
- Return to distributions in FY 2019 as all investments are generating cash flow to the PIP Fund



NZSIF Outlook

- All PIP Fund investments will be contributing cash flows in 2019, including Wollongong
- Expecting distributions in 4Q 2018 and 1Q 2019 of approximately 3 cps pre-tax in each quarter
- Expect NZSIF distributions of approximately 7 cps per annum pre-tax thereafter
- Expecting to deliver relatively stable returns over the long term, in excess of fixed interest and to be consistent with the original NZSIF prospectus

Formal Business

- **Financial Reports**
to receive and consider the Annual Report, the Financial Statements and the Auditor's Report for the financial year ended 31 March 2018
- **Resolution - Auditors Appointment and Remuneration**
to resolve that KPMG be reappointed as auditors of the company and that the Directors be authorised to fix the auditor's remuneration for the ensuing year

PIP Fund Presentation

Steven Proctor and Peter Coman will now present for the
Investment Manager

Q&A



Melbourne Convention & Exhibition Centre



Hobsonville Point Primary School



New Zealand Schools 2 – Wakatipu High School



University of Wollongong Student Accommodation



Auckland Prison



Bendigo Healthcare Accommodation

For Further Information

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