



360 CAPITAL INDUSTRIAL FUND

ARSN 099 680 252

2013 Full Year Financial Results Presentation | 12 August 2013

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Section 1: Key Achievements



22 Hawkins Crescent, Bundamba, QLD (API)

Key FY13 Achievements

4 for 1 consolidated basis

Fund repositioned for growth

Financial metrics ¹	<ul style="list-style-type: none">Statutory net profit of \$13.6m significantly above a FY12 statutory net loss of \$11.2Operating EPU of 21.48cpu², 9.7% above guidanceDPU of 18.00cpu³ in line with guidance and 88.2% tax advantagedDPU 12.5% above FY12 on recapitalised balance sheet30 June closing price of \$2.04 was a 5.2% premium to 30 June 2013 NTA per Unit of \$1.94⁴
Capital management	<ul style="list-style-type: none">Raised \$88m of new equity to simplify the capital structure, reduce the LVR and acquire assets<ul style="list-style-type: none">Debt reduced from \$222.6m to \$160.4mLVR reduced from 61.5% to 46.9%Fund's register now comprises ~60% institutional investorsFixed interest rates on \$155m of debt at 3.0% plus marginIntroduced DRP for the Fund, activated in June quarter with 21.1% participation
Property portfolio	<ul style="list-style-type: none">Continued to increase portfolio quality<ul style="list-style-type: none">acquired \$37.2m of quality assetsdisposed of \$46.0m of non-core assets100% tenant retentionOccupancy maintained at 98.4%Increased WALE from 4.9 years to 5.1 yearsRe-leased 51,864 sqm or 15% of the portfolioDe-risked leasing profile with renewals, extensions and removal of break clauses at Warwick Farm and Bibra Lake
Corporate governance	<ul style="list-style-type: none">Change of Responsible Entity to 360 Capital Investment Management Limited

Notes:

1. Results presented on a post balance date 4 for 1 Unit consolidation
2. 5.37 cpu on a pre consolidated basis

3. 4.50 cpu on a pre consolidated basis
4. 0.49 cpu on a pre consolidated basis

Section 2: Price Performance



Price Performance

Index outperformance since listing in December 2012

- Strong market support for capital raisings

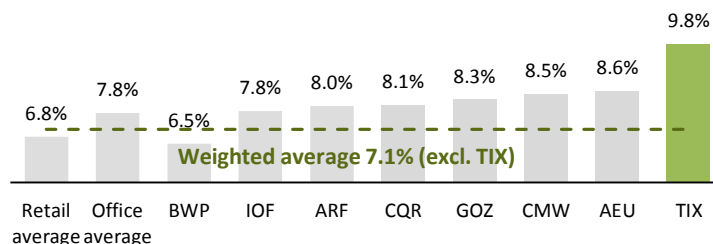


Peer comparison

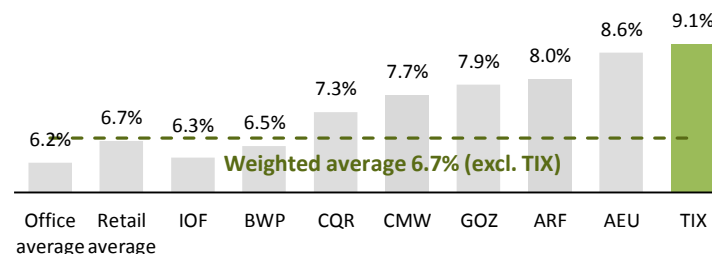
Attractive pricing relative to trading peers

- TIX's FY14 EPU yield and DPU yield are substantially higher than the average across A-REIT trading peers

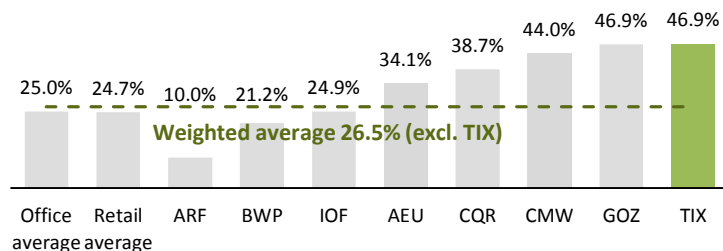
FY14 earnings yield¹



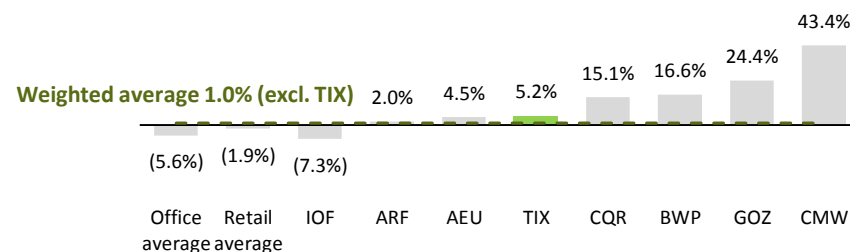
FY14 distribution yield¹



Gearing²



Premium/(discount) to NTA³



Sources: Capital IQ, Thomson consensus estimates and company reports as at 9 August 2013

Notes: CQR: Charter Hall Retail REIT, CMW: Cromwell Property Group, GOZ: Growthpoint Properties Australia, ARF: Arena REIT, AEU: Australian Education Trust, BWP: BWP Trust, IOF: Investa Office Fund. Retail average comprises Westfield Trust, CFS Retail Property Trust Group, BWP Trust, Charter Hall Retail REIT, Federation Centres, Carindale Property Trust and Shopping Centres Australasia Property Group. Office average comprises Investa Office Fund and Commonwealth Property Office Fund

1. FY14 EPU and DPU yields based on guidance and consensus estimates (market prices as at 30 June 2013)

2. Stated gearing as last reported as at the date of this presentation according to company filings

3. All NTAs as last reported as at the date of this presentation according to company filings

Section 3: Financial Results Overview



Key Financials¹

Results ahead of guidance

	FY13	FY12	Change
Statutory net profit/(loss)	\$13.6m	\$(11.2)m	221%
Statutory EPU	26.4cpu	(24.8)cpu	206%
Operating earnings ²	\$11.1m	\$9.7m	14.4%
Operating EPU	21.48cpu	21.48cpu	-
DPU	18.00cpu	16.00cpu	12.5%
Total assets	\$347.1m	\$355.5m	(2)%
Net assets	\$181.2m	\$92.2m	96%
Units on issue	93.2m	45.2m	106%
NTA per Unit	\$1.94	\$2.04	(5)%
LVR ³	46.9%	61.5%	(15)%

- FY13 statutory net profit impacted by significant one-off costs associated with ASX listing and defence of management challenge
- FY13 operating earnings (accounting for one-off costs and non-cash items)
 - 14.4% increase on FY12 primarily due to higher property income from acquisitions
- FY13 DPU grew 12.5% on FY12
 - represents an 8.8% yield on 30 June 2013 closing price of \$2.04
- 48m units issued/\$88m raised during the period
 - Operating EPU undiluted
 - NTA per Unit of \$1.94 marginally diluted
- Significant reduction in LVR through asset sales and capital raisings
- Conservative payout ratio demonstrates sustainable distributions
- FY13 earnings of 21.48cpu surpassed 19.6cpu operating EPU guidance

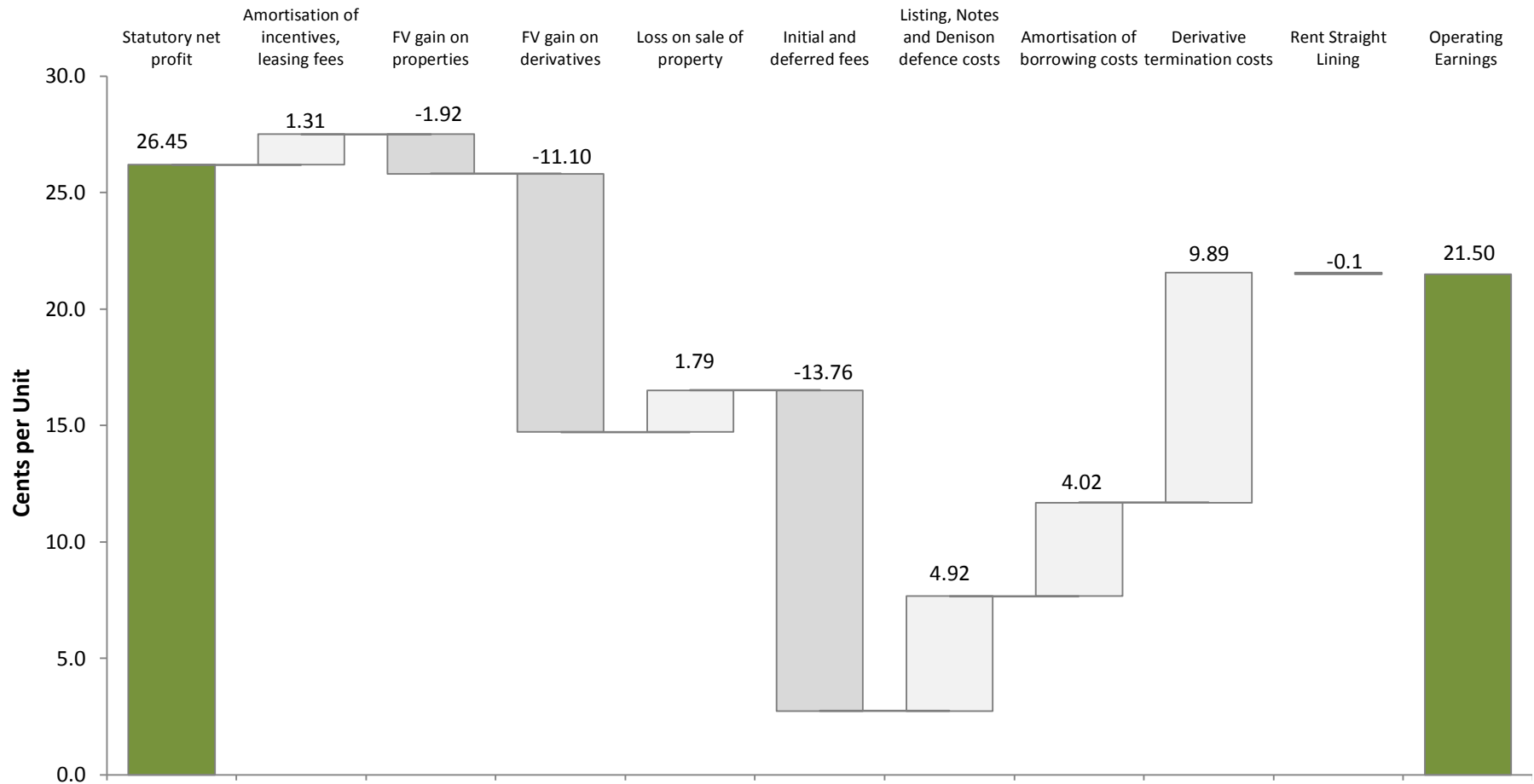
Notes

1. Information has been provided on a post-consolidation basis. Fund Units were consolidated on a 1 for 4 basis effective 9 July 2013

2. Operating earnings is statutory net profit adjusted for amortisation of incentives and leasing fees, fair value losses on properties and derivatives, gains on the sale of properties, relinquishment of initial and deferred fees by the Responsible Entity and one-off costs associated with the ASX listing, the unsecured notes and defence of the Denison management challenge.

3. LVR (loan to value ratio) is calculated in accordance with debt facility documentation as borrowings (excluding unsecured notes) divided by property values as determined by last external valuations as adopted by the financier

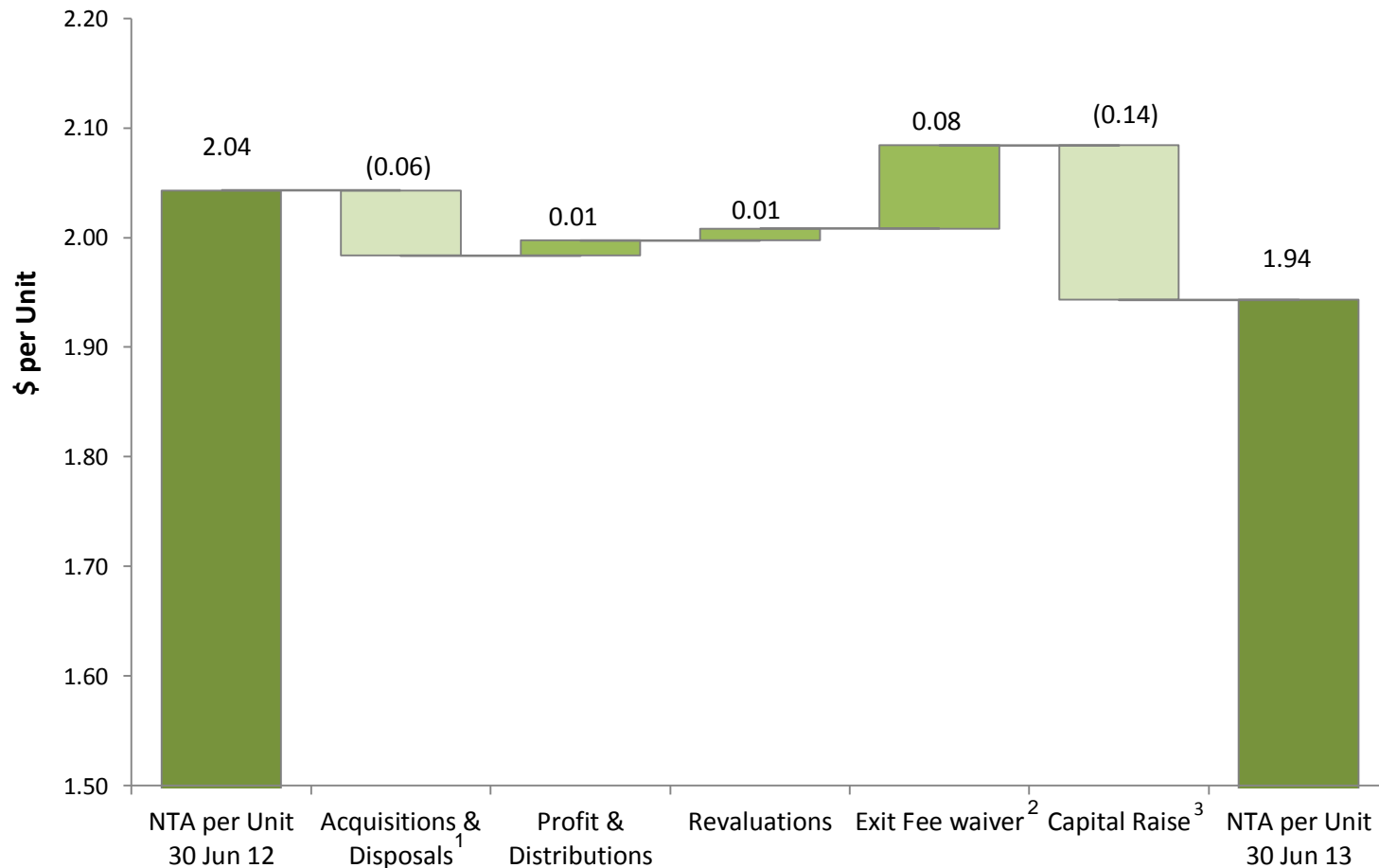
Operating Earnings Reconciliation



Notes

1. Operating earnings is statutory net profit adjusted for amortisation of incentives and leasing fees, fair value losses on properties and derivatives, gains on the sale of properties, relinquishment of initial and deferred fees by the Responsible Entity and one-off costs associated with the ASX listing, unsecured notes and defence of the Denison management challenge. 10

NTA per Unit reconciliation



Notes

1. Disposal costs and stamp duty
2. 7.1m in provisions relating to initial and deferred fees relinquished by the responsible entity on listing
3. 48m units issued (post consolidation basis)

Section 4: Capital Management



Key Debt Indicators

Significant reduction of debt and finance costs

	FY13	FY12	Change
Drawn senior debt	\$160.4m	\$222.6m	-28%
LVR ¹	46.9%	61.5%	-24%
Weighted average debt duration	2.5 years	3.5 years	-29%
"All-in" debt cost ²	5.6 ³ %	7.0%	-20%
Hedged	96.6%	72.0%	34%
Hedge duration	2.7 years	1.9 years	42%

- Decrease in senior debt reflects proceeds of asset sales and equity raisings
- Repayment of expensive unsecured notes followed March 2013 equity raising
- LVR is within the Fund's target range of 40% to 50%
 - further reduction anticipated through the application of disposal and DRP proceeds
 - LVR covenant step downs removed with an overall LVR covenant of 55% for the remainder of the facility term
- March 2013 reset hedging arrangements
 - New three year swap put in place at 3.0% p.a. plus margin
 - Hedging target of 90% to 100% of total debt

Notes

1. LVR (loan to value ratio) is calculated in accordance with debt facility documentation as borrowings (excluding unsecured notes) divided by property values as determined by last external valuations as adopted by the financier

2. Includes margin

3. Reduced to 4.9% post balance date

Debt Facility

Simplified debt facility

Lender	National Australia Bank	
Facility limit	\$180.0 ¹ m	
Drawn debt	\$160.4m	
Maturity	December 2015	
Security	First ranking mortgages over portfolio	
Covenant metrics	LVR	46.9%
	ICR	2.2 times
Covenant limits	LVR	< 55.0%
	ICR	> 1.6 times

- TIX remains well within debt facility covenants
 - lender support for growth
- Post 30 June debt facility limit decreased to \$180.0m
 - Overall margin saving of approx. \$1.1m (or 1.15cpu) p.a.
 - In addition, if the Fund's LVR is <45%, a further margin reduction would result in total savings of \$1.3m (or 1.40cpu) p.a.

Notes:

1. As at 15 July 2013 the facility limit has been reduced to \$180m

Section 5: Property Portfolio

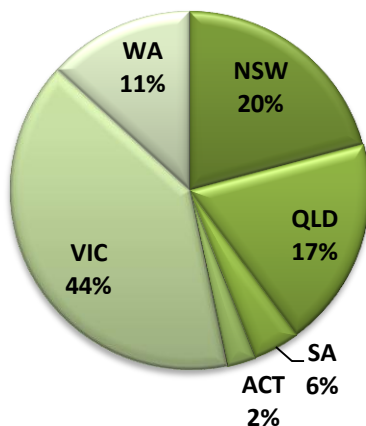


Portfolio overview

Pure-play industrial with strong and stable metrics

- Maintained high occupancy of 98.4%
 - 100% tenant retention
- Increased WALE from 4.9 years to 5.1 years via
 - Lease extensions to Visy Industries and Dana Australia
 - 2 acquisitions with average WALE of 10.0 years
- Diversified tenant base with no single tenant representing more than 9% of total net income
- Modest valuation uplift of \$3.0m or 0.9% on previous book value
 - Portfolio WACR firmed 11bp to 8.93%

Geographic diversification (by income)



Number of assets	20
Net lettable area (sqm)	353,722
Property valuation (\$m)	340.7
WACR	8.93%
Occupancy rate (by area)	98.4%
WALE (by income)	5.1 years

Top 10 tenants	Rent (\$m).	% total
The Reject Shop	2.7	8.5%
API	2.8	8.5%
AWH Ltd	2.8	8.2%
Visy Industries	2.1	6.1%
Hugo Boss Australia	2.0	6.1%
Deliver Australia	1.6	4.8%
Elite Logistics	1.6	4.8%
Kent Transport Industries Pty Limited	1.4	4.3%
Newell Rubbermaid	1.3	3.8%
GM Holden	1.3	3.8%
Top 10 total	19.7	58.8%

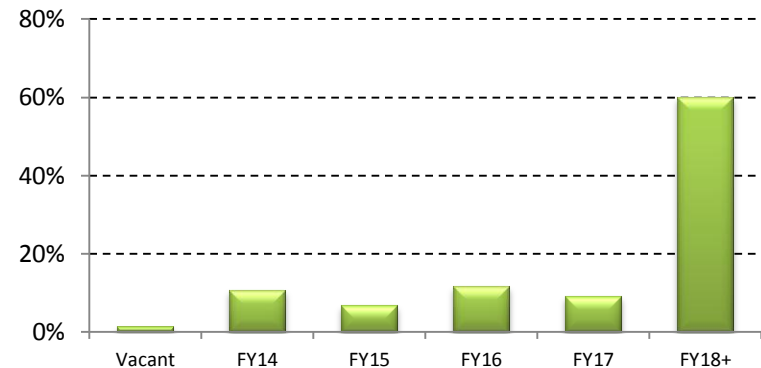
Leasing activity

Maintaining outstanding asset management performance

Leasing activity

- Leased 51,864sqm or 15% of the total portfolio including:
 - Visy Industries 27,599sqm
 - Dana Australia 10,631sqm
- Break clause for CTI Freight Systems at Bibra Lake removed
 - Final break clause under negotiation to be removed
- Lease expiry profile underpins stability and cashflow strength
- Strong FY13 like-for-like NPI growth due to
 - solid re-leasing activity
 - leasing up of vacant space

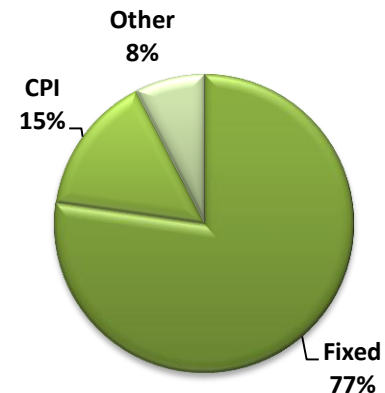
Portfolio lease expiry profile (by income)



Leasing metrics

- Average fixed rental growth of 3.5% p.a. on 77% of portfolio
- Average incentives on renewals of 3.9% for FY13
- Portfolio 2.0% over-rented based on most recent valuations
- Rents on renewals generally reset to market levels

Rent review profile (by income)



Leasing activity (cont.)

Manageable FY14 and FY15 lease expiry profile with strong earnings visibility

Major lease expiries for FY14 and FY15

Tenant	Address	Area (sqm)	Income (\$m)	% income	Expiry
Plexicor Australia	5-9 Woomera Avenue, Edinburgh Parks, SA	10,580	1.02	3.1%	Sep-2013
Linfox Australia	40-48 Howleys Road, Notting Hill, VIC	11,053	1.07	3.2%	Dec-2013
GM Holden	14-17 Dansu Court Hallam, VIC	15,333	1.27	3.8%	May-2014
	Total FY14	36,966	3.36	10.0%	
DKSH Australia	12-13& 14-17 Dansu Court Hallam, VIC	10,238	0.81	2.4%	Oct-2014
Allpower Industries	102-128 Bridge Road, Keysborough, VIC	4,601	0.33	1.0%	Dec-2014
Wallara Australia	102-128 Bridge Road, Keysborough, VIC	1,867	0.13	0.4%	Jan-2015
Slattery's	60 Marple Avenue Villawood, NSW	5,733	0.11	0.3%	Mar-2015
Link Building Solutions	102-128 Bridge Road, Keysborough, VIC	3,590	0.21	0.6%	Apr-2015
Dana Australia	39-45 Wedgewood Road, Hallam, VIC	10,631	0.78	2.3%	May-2015
	Total FY15	36,660	2.37	7.0%	

- Current vacancy limited to 5,722sqm within 3 properties:
 - 6 Albert Street Preston 1,859sqm
 - 223-235 Barry Road, Campbellfield 3,434sqm (asset held for sale)
 - 500 Princes Highway, Noble Park 429sqm

Acquisitions & Disposals

Executing repositioning strategy

- Repositioning strategy enhancing portfolio quality
- Single asset opportunities exist
 - quality portfolio offerings remain limited
- Measured and selective appetite for growth
 - 15 offers made, however target assets remain on market
 - No FUM targets
- Earnings and Distribution focus with all acquisitions
 - Debt costs significantly reduced, however equity remains expensive at current trading price

Acquisitions enhance portfolio quality

69 Studley Court, Derrimut VIC
Deliver Australia



457 Waterloo Road, Chullora NSW
Elite Logistics



Acquisition Opportunities ²	Value (\$m)	No. Properties
Reviewed	>400	>30
Offers submitted	259	15
Transacted	37	2

FY13	Disposals	Acquisitions
Properties	6	2
Total price	\$46.0m	\$37.2m
Average Value	\$7.7m	\$18.6m
Running yield ¹	9.8%	8.6%
WALE	3.0 years	10.0 years
Vacancy	12.2%	Nil

Notes:

1. Before capex (acquisitions have limited capex requirements)
2. Since listing in December 2012

Acquisitions & Disposals (cont.)

Measured approach to disposals

- 3 assets considered non-core are held for sale at \$28.7m showing a passing yield of circa 8.53%.
- Characterised by:
 - non-core locations
 - short WALE of 2.8 years
 - higher capital expenditure requirements
- Disposals program based on careful analysis of portfolio matrix with strategy of continuing to improve the quality of the portfolio through asset recycling while balancing earnings impact

Properties held for sale in FY14

60 Marple Avenue, Villawood NSW
Kent Removals



223-235 Barry Rd, Campbellfield VIC
Precision Mail



5-9 Woomera Ave, Edinburgh Parks SA
Plexicor Australia



Notes:

1. Before capex (acquisitions have limited capex requirements)

Section 6: 360 Capital as Responsible Entity



360 Capital as Responsible Entity

Co-investment aligns manager's interest

- Major co-investment aligns managers interest
 - 360 Capital Property Group holds 58.9% of 360 Capital Diversified Property Fund (360CDPF)
 - 360CDPF holds 15.1% of TIX following the June 2013 DRP
 - has a strategy to maintain a co-investment of between 15% and 20%
- Simple and transparent fee structure
 - External management model with major co-investment
 - MER comprises 60bp of responsible entity fee and approximately 22bp of recoverable expenses
 - No performance fees, leasing fees, acquisition or disposal fees
- Fund Investment Committee
 - Oversees all investment, disposal and strategy decisions
- Unitholders approved change in Responsible Entity to 360 Capital Investment Management Limited with 99.7% support
 - Brought Fund into line with other funds managed by 360 Capital Property Group
- Introduction of DRP
 - Activated June 2013 quarter with a 21.1% participation (including 360CDPF take-up)
 - Proceeds from June 2013 quarter DRP applied to pay down debt

Section 7: Post 30 June Activity



Post 30 June 2013 activity

Active asset management and opportunities for growth

- Grace Records expansion at Hume ACT
 - Total investment of \$4.0m including land purchase of \$1.6m
 - 8.5% pre-agreed yield on acquisition of land and completed product
 - New 4 year lease extension to Grace Records
 - moves expiry from 2018 to 2022

Unit consolidation

- 1 for 4 Unit consolidation to remove volatility and increase investor appeal
- Effective 9 July 2013

54 Sawmill Circuit, Hume ACT
Grace Group



Section 8: Summary and Outlook



Summary & Outlook

Achievable, clear and proven strategy

Summary

- Only A-REIT invested exclusively on Australian, passive, institutional grade industrial property
- FY13 operating EPU of 21.48cpu ahead of guidance
- FY13 DPU of 18.00cpu in line with guidance
- \$88m of new equity raised
 - Capital structure simplified
 - Increased portfolio quality via acquisitions
- Register now comprises ~60% institutional investors
- DRP introduced
- Clearly defined operating strategy
- Disciplined approach to earnings and distributions

Outlook

- Industrial market metrics remain solid (see Appendix F)
- Fund to continue to implement enhancement/growth strategy
 - Targeting suitable acquisitions in \$15m to \$40m range
 - Targeted LVR reduction to <45% via non-core asset sales
- Opportunity for accretive acquisitions
- Continue to drive operational performance via active asset management
- Clear focus on operating EPU and DPU growth rather than FUM targets

69 Studley Court, Derrimut VIC
Deliver Australia



457 Waterloo Road, Chullora NSW
Elite Logistics



Forecast FY14 Earnings and Distribution

Delivering sustainable distributions

Forecast FY14 guidance

- Operating EPU 20.0cpu
 - Assumes no further acquisitions and includes non-core asset sales of \$28.7m with proceeds conservatively applied to reduce debt rather than recycling capital into acquisitions.
- DPU 18.6 cpu
 - Reflects a payout ratio of 93%

	Forecast FY14	Change on FY13
Net operating earnings	\$18.5m	66.7%
Units on Issue	93.7m	0.5%
Operating EPU	20.0cpu	(7.0)%
DPU	18.6cpu	3.3%
Payout ratio	93%	9.1%

Appendices

A	Balance Sheet as at 30 June 2013
B	Profit and Loss for the year ended 30 June 2013
C	Operating earnings reconciliation
D	Movements in issued capital
E	Portfolio details
F	Industrial market outlook

Balance Sheet as at 30 June 2013

	30 Jun 2013 (\$m)	30 Jun 2012 (\$m)
Cash and current assets	4.8	9.1
Trade and other receivables	1.5	1.6
Properties held for sale	28.7	46.5
Properties at fair value	312.0	298.3
Total assets	347.0	355.5
Trade and other payables	7.5	4.4
Fee Provisions	-	7.1
Interest bearing liabilities	158.5	220.0
Derivative financial instruments	-	5.8
Other financial liabilities	-	26.0
Total liabilities	166.0	263.3
Net assets	181.0	92.2
Units on issue	372.9 ¹	180.6
NTA per Unit	\$0.49²	\$0.51

Notes

1. 93.2m post consolidation
2. \$1.94 on a post consolidated basis

Profit and Loss for 30 June 2013

	FY2013 (\$m)	FY2012 (\$m)
Property rental	35.6	32.6
Total revenue	35.6	32.6
Direct property expenses	(7.8)	(6.7)
Responsible Entity fees	(2.0)	(2.0)
Initial and deferred establishment fees	7.1	(3.4)
Custodian fees	(0.2)	(0.1)
Other expenses	(2.6)	(2.2)
Finance costs	(17.0)	(12.7)
Fair value gain/(loss) on derivative financial instruments	5.7	(5.8)
(Loss)/gain on termination of derivative financial instruments	(5.1)	-
Fair value gain/(loss) on property fair values	1.0	(10.1)
(Loss)/gain on sale of properties	(0.9)	(0.5)
Total costs	(22.0)	(44.0)
Net profit/(loss)	13.6	(11.2)
Non-cash adjustments	(2.5)	20.9
Net operating profit/(loss)¹	11.1	9.7
Operating earnings (cpu)	5.37 ²	5.37

Notes

1. Operating earnings is statutory net profit adjusted for amortisation of incentives and leasing fees, fair value losses on properties and derivatives, gains on the sale of properties, relinquishment of initial and deferred fees by the Responsible Entity and one-off costs associated with listing, unsecured notes and defence of the Denison management challenge.

2. 21.48cpu on a post consolidated basis



Operating Earnings Reconciliation

	FY2013 (\$m)	FY2012 (\$m)	Change
Statutory net profit	13.6	(11.2)	222%
Rent straight lining adjustment	0.0	(0.8)	(95)%
Amortisation of incentives, leasing fees	0.7	0.5	47%
Amortisation of borrowing costs	2.1	0.1	1,650%
Performance fees & exit fees	(7.1)	3.4	(309)%
Fair value gain / (loss) on properties	(1.0)	10.0	(110)%
Fair value gain / (loss) on derivatives	(5.7)	5.9	(198)%
Loss / (gain) on sale of property	0.9	0.5	82%
Derivative termination costs	5.1		
Listing, unsecured notes, defence costs	2.5	1.2	105%
Operating earnings	11.1	9.7	14%
Weighted average Units on issue	206.4 ¹ m	180.6m	14%
Operating EPU	5.37²cpu	5.37pu	-
DPU	4.50³cpu	4.00cpu	13%
Payout ratio	84%	75%	12%

Notes

1. 51.6m on a post consolidation basis
2. 21.48cpu on a post consolidated basis
3. 18.00cpu on a post consolidated basis



Movements in Issued Capital

	FY2013 \$'000	FY2012 \$'000
Issued capital		
372,886,435 ¹ ordinary units fully paid (2012: 180,554,382)	264,235	179,145
Movements in issued equity during year to 30 June 2013	\$'000	Units #
Opening balance @ 1 July 2012	179,145	45,138,596
Notes conversion	1,044	530,164
Institutional placement	12,331	6,850,333
Underwritten entitlement offer	51,377	28,543,052
Last placement in June 2013	24,319	12,159,340
Unit Fraction Issue		124
Capitalised capital raising costs	(3,981)	-
Issued units at 30 June 2013	264,235	93,221,608

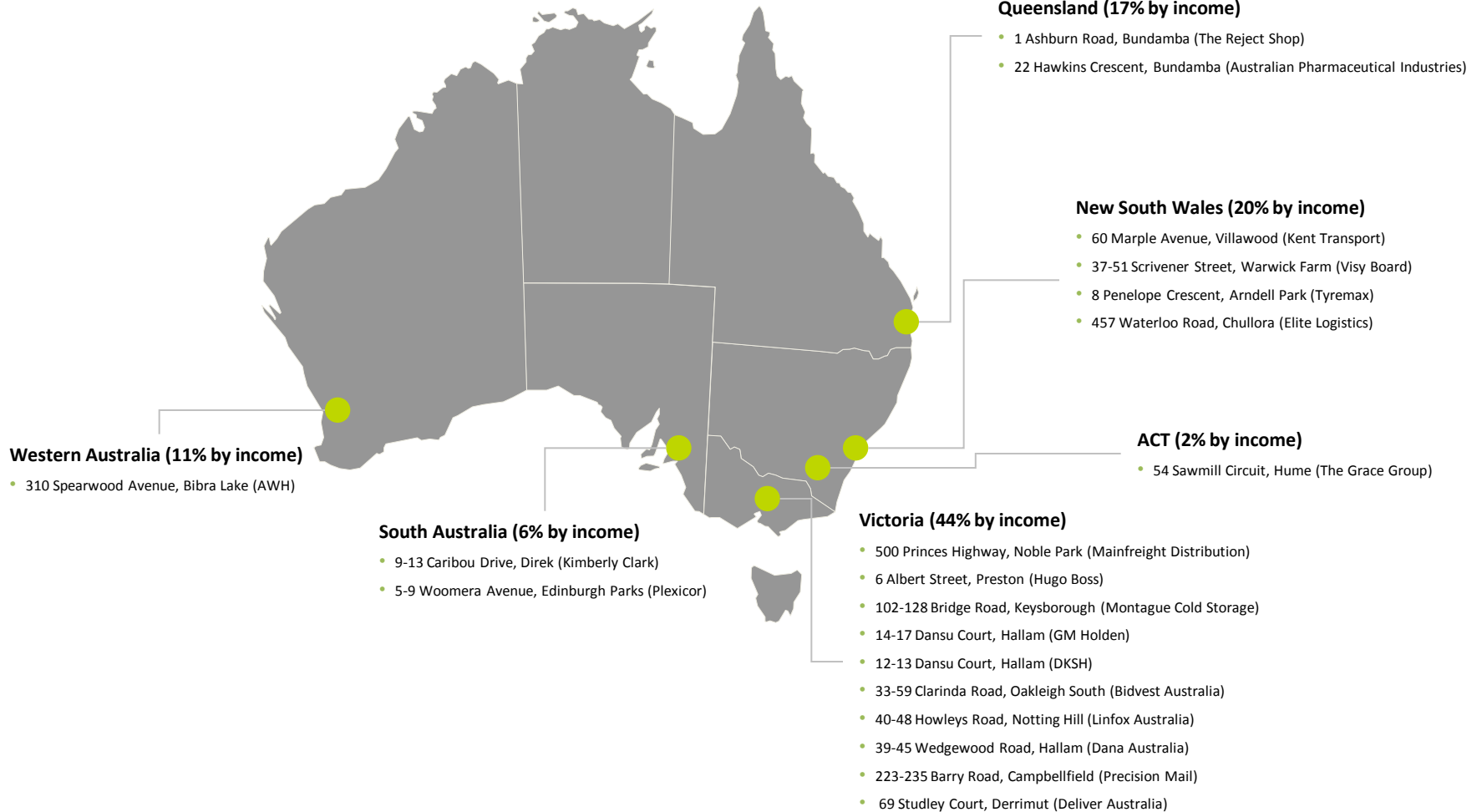
Notes

1. 93.2 on a post consolidation basis



Portfolio Overview

Well diversified \$340.7m portfolio



Portfolio Overview as at 30 June 2013

Property	State	Valuation ¹	Last Valued	Capitalisation rate	Net lettable area	Occupancy ¹	WALE ²
		(\$m)	(date)	(%)	(sqm)	(%)	(years)
60 Marple Avenue, Villawood	NSW	18.7	Jun 2013	9.50	18,529	100.0	3.4
37-51 Scrivener Street, Warwick Farm	NSW	20.9	Jun 2013	9.75	27,599	100.0	5.0
457 Waterloo Road, Chullora	NSW	17.3	Jun 2013	9.25	16,051	100.0	9.7
8 Penelope Crescent, Arndell Park	NSW	14.1	Jun 2013	8.50	11,423	100.0	2.9
54 Sawmill Circuit, Hume	ACT	8.9	Jun 2013	8.50	5,684	100.0	5.1
22 Hawkins Crescent, Bundamba	QLD	34.2	Jun 2013	8.25	18,956	100.0	11.4
1 Ashburn Road, Bundamba	QLD	30.7	Jun 2013	8.50	26,628	100.0	6.6
9-13 Caribou Drive, Direk	SA	9.2	Jun 2013	8.75	7,023	100.0	6.3
5-9 Woomera Avenue, Edinburgh Parks	SA	5.0	Jun 2013	10.50	10,580	100.0	0.2
102-128 Bridge Road, Keysborough	VIC	22.0	Jun 2013	9.25	24,617	100.0	3.8
69 Studley Court, Derrimut	VIC	20.0	Jun 2013	8.00	20,731	100.0	10.3
500 Princes Highway, Noble Park	VIC	19.0	Jun 2013	9.25	13,714	96.9	2.6
6 Albert Street, Preston	VIC	17.0	Jun 2013	10.00	20,517	90.9	4.9
14-17 Dansu Court, Hallam	VIC	14.6	Jun 2013	8.75	17,070	100.0	1.0
12-13 Dansu Court, Hallam	VIC	11.4	Jun 2013	8.75	11,542	100.0	3.0
33-59 Clarinda Road, Oakleigh South	VIC	10.1	Jun 2013	9.25	10,774	100.0	2.5
40-48 Howleys Road, Notting Hill	VIC	9.3	Jun 2013	8.75	11,053	100.0	0.5
39-45 Wedgewood Road, Hallam	VIC	8.4	Jun 2013	9.00	10,631	100.0	1.9
223-235 Barry Road, Campbellfield	VIC	5.0	Jun 2013	11.25	11,092	69.0	2.9
310 Spearwood Avenue, Bibra Lake	WA	45.0	Jun 2013	8.67	59,508	100.0	5.4
Total/weighted average (20 properties)		340.7		8.93	353,722	98.4	5.1

Notes

1. By are

2. By income

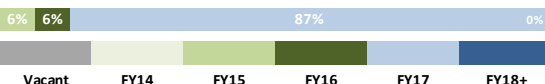
60 Marple Avenue, Villawood NSW



The property is located in the traditional industrial precinct of Villawood, a central western suburb of Sydney situated approximately 26 kilometres west by road from the Sydney CBD. The property comprises three main industrial buildings, together with an ancillary lube building, a truck wash, and surplus hardstand/yard area. The buildings features a mix of office and warehouse areas with amenities and loading docks.

Location:	Villawood, NSW
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$18.7m
Cap rate:	9.50%
NLA (sqm):	18,529
WALE (years):	3.4
Vacancy:	Nil

Major tenants	NLA (sqm)
Kent Transport Industries	8,896
Hazstore	3,901



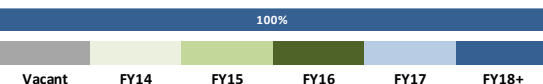
37-51 Scrivener Street, Warwick Farm NSW



The property is located at Warwick Farm, 31 kilometres south west of the Sydney CBD. Warwick Farm is a small established industrial precinct located on the northern side of the Hume Highway. The property comprises a mixture of traditional industrial buildings and modern high clearance warehouses. There are also three ground floor workshops and three, two level office areas. There are associated staff amenities and offices. There are also two large awnings providing 1,844sqm and 992sqm of covered space.

Location:	Warwick Farm, NSW
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$20.9m
Cap rate:	9.75%
NLA (sqm):	27,599
WALE (years):	5.0
Vacancy:	Nil

Major tenants	NLA (sqm)
Visy Board	27,599



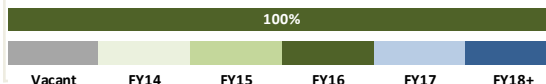
8 Penelope Crescent, Arndell Park NSW



The Property is located approximately 40 kilometres west of the Sydney CBD in the suburb of Arndell Park. Arndell Park is an established industrial precinct located on the northern side of the Great Western Highway. The property consists of a modern high clearance industrial building comprising a warehouse with a 7 to 9.5 metre internal clearance and covered loading dock areas. The property also features associated offices and staff amenities over two levels of 63sqm.

Location:	Arndell Park, NSW
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$14.1m
Cap rate:	8.50%
NLA (sqm):	11,423 ¹
WALE (years):	2.9
Vacancy:	Nil

Major tenants	NLA (sqm)
Tyremax	11,423

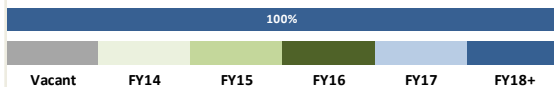


54 Sawmill Circuit, Hume ACT


Completed in 2010, the property is located in the industrial precinct of Hume, providing easy access to the Monaro Highway and is within close proximity to the Canberra CBD. The property is a warehouse and storage facility and provides internal clearance of 11 metres. The property comprises 5,000 sqm of warehouse 600 sqm of office and on site parking for 67 cars. The tenant also has a lease provision for future expansion.

Location	Hume, ACT
Type:	Industrial
Ownership/title	100%/Leasehold ¹
Book value	\$8.9m
Cap rate	8.50%
NLA (sqm)	5,684
WALE (years)	5.1
Vacancy	Nil

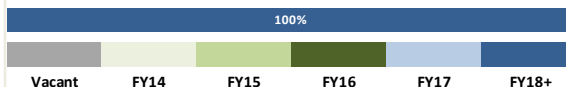
Major tenants	NLA (sqm)
Grace Group	5,684


22 Hawkins Crescent, Bundamba QLD


The property was completed in 2009 and is situated approximately 33 kilometres south west of the Brisbane CBD on the junction of three major highways offering exceptional access to the Port of Brisbane, the CBD and interstate. This state distribution facility for API is located within a 350 hectare master planned estate and is an emerging industrial location. The building has 10 metres of internal clearance and is 100% temperature controlled. There is a 1,487sqm of office accommodation and 210 car spaces on site. The property is in close proximity to fund's Reject Shop property.

Location	Bundamba, QLD
Type:	Industrial
Ownership/title:	100%/Freehold
Book Value	\$34.2m
Cap rate	8.25%
NLA (sqm)	18,956
WALE (years)	11.4
Vacancy	Nil

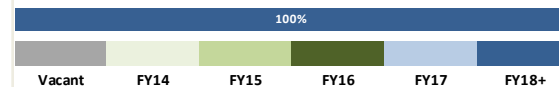
Major tenants	NLA (sqm)
API	18,956


1 Ashburn Road, Bundamba QLD


The property was completed in 2010 and is situated approximately 33 kilometres south west of the Brisbane CBD on the junction of three major highways offering exceptional access to the Port of Brisbane, the CBD and interstate. The property is Reject Shop's state distribution facility and comprises 1,544 sqm of office accommodation and 25,050 sqm of warehouse. The building is located within a 350 hectare master planned estate and is an emerging industrial location. The facility incorporates drive around truck access, 140 car spaces and trailer parking. The property is in close proximity to the fund's API facility. The tenant also has a lease provision for future expansion.

Location	Bundamba, QLD
Type:	Industrial
Ownership/title:	100%/Freehold
Book Value	\$30.7m
Cap rate	8.50%
NLA (sqm)	26,628
WALE (years)	6.6
Vacancy	Nil

Major tenants	NLA (sqm)
The Reject Shop	26,628

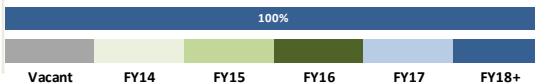


9-13 Caribou Drive, Direk SA


Completed in 2009, the property is located 25 kilometres north of Adelaide, 3 kilometres from the Northern expressway and proposed new off ramp and is the state distribution facility for Kimberley Clarke. The building comprises 6,612 sqm of warehouse with 9.65 metre internal clearance and 410 sqm of office. The property 4 integrated finger docks for B Double trucks with dock levellers on a separate dock for rear loading vehicles. The property also incorporates 5,900 sqm of driveway and hardstand and parking for 35 cars.

Location:	Direk, SA
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$9.2m
Cap rate:	8.75%
NLA (sqm):	7,023
WALE (years):	6.3
Vacancy:	Nil

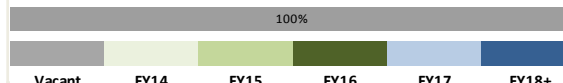
Major tenants	NLA (sqm)
Kimberly Clark	7,023


5-9 Woomera Avenue, Edinburgh Parks SA


The property is located within the suburb of Edinburgh, approximately 28 kilometres north of the Adelaide CBD. Edinburgh Parks is a modern industrial estate opposite General Motors Holden's Elizabeth complex. The property comprises two modern warehouse buildings connected by a central canopy with 7.5 metre internal clearance offices of 320sqm and ample car parking.

Location:	Edinburgh Parks, SA
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$5.0m
Cap rate:	10.5%
NLA (sqm):	10,580
WALE (years):	0.2
Vacancy:	Nil

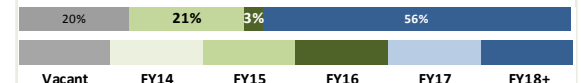
Major tenants	NLA (sqm)
Plexicor	10,580


102-128 Bridge Road, Keysborough VIC


The property is located in the south-eastern suburb of Keysborough, approximately 30 kilometres south east of the Melbourne CBD. The property comprises a purpose built industrial cold store facility, with associated offices, loading facilities and car parking. Two newly constructed warehouses with internal offices are situated toward the rear of the property and the site benefits from two street access. The property is in close proximity to East Link Fwy.

Location:	Keysborough, VIC
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$22.0m
Cap rate:	9.25%
NLA (sqm):	24,617
WALE (years):	3.8
Vacancy:	Nil

Major tenants	NLA (sqm)
Montague Cold Storage	8,655



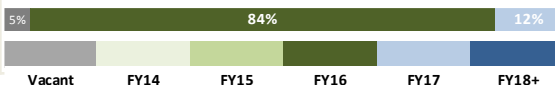
500 Princes Highway, Noble Park VIC



The property is located on the north side of Princes Highway approximately 30 kilometres south east of the Melbourne CBD. The property comprises three buildings including a three storey office building of approximately 4,000sqm, a specialised warehouse of 8,507sqm with up to 9 metre internal clearance serviced for dangerous goods and a two storey laboratory building. The site also provides ample on site parking.

Location:	Noble Park, VIC
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$19.0m
Cap rate:	9.25%
NLA (sqm):	13,714
WALE (years):	2.6
Vacancy:	3.1%

Major tenants	NLA (sqm)
Mainfreight Distribution	8,403
Newell Australia	3,679



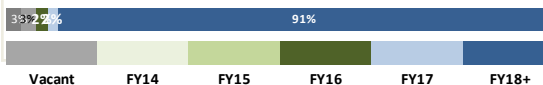
6 Albert Street, Preston VIC



The property is located in the traditional industrial precinct of Preston approximately 8 kilometres north of the Melbourne CBD. The property consists of four buildings, including a modern four level, high quality office, showroom and warehouse building constructed circa 2001, and three older style single storey low clearance office and warehouse buildings. The office building was purpose built for the major tenant Hugo Boss Australia.

Location:	Preston, VIC
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$17.0m
Cap rate:	10.00%
NLA (sqm):	20,517
WALE (years):	4.9
Vacancy:	9.1%

Major tenants	NLA (sqm)
Hugo Boss Australia	8,124
Flair Industries	4,426



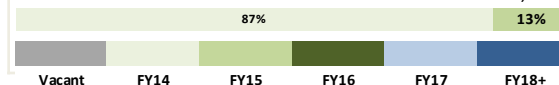
14-17 Dansu Court, Hallam VIC



The property is situated within the established south eastern industrial precinct of Hallam, approximately 30 kilometres from the Melbourne CBD. The property comprises a large high clearance warehouse of 15,330 sqm, offices of 1,730 sqm and 140 car spaces. The property is adjacent and with easy access to the Princess Highway. The building has a combination of on grade and levelled docks and the site has dual street access. The property adjoins 12-13 Dansu Court.

Location:	Hallam, VIC
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$14.6m
Cap rate:	8.75%
NLA (sqm):	17,070
WALE (years):	1.0
Vacancy:	Nil

Major tenants	NLA (sqm)
GM Holden	15,333
DKSH	1,778

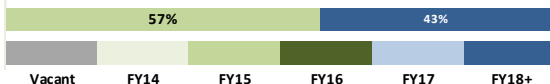


12–13 Dansu Court, Hallam VIC


The property is situated within the established south eastern industrial precinct of Hallam, approximately 30 kilometres from the Melbourne CBD. The property is a modern office high clearance distribution facility with 8.5 meter internal clearance with semi detached offices of 3,026 sqm. The property is adjacent and with easy access to the Princess Highway. The property adjoins 14-17 Dansu Court.

Location:	Hallam, VIC
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$11.4m
Cap rate:	8.75%
NLA (sqm):	11,542
WALE (years):	3.0
Vacancy:	Nil

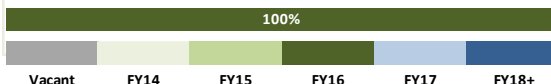
Major tenants	NLA (sqm)
DKSH	8,102
Mitre 10 Australia	3,026


33-59 Clarinda Road, Oakleigh South VIC


The property is situated approximately 17 kilometres south-east of the Melbourne CBD. There are two buildings on the site with the larger warehouse of 8,643 sqm being 30% temperature controlled cold store and associated offices. The second building is 1,000 sqm of warehouse and offices. The property is a short distance to both the Nepean and Monash freeways.

Location:	Oakleigh South, VIC
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$10.1m
Cap rate:	9.25%
NLA (sqm):	10,774
WALE (years):	2.5
Vacancy:	Nil

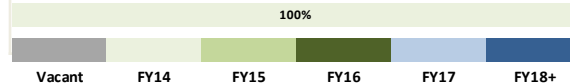
Major tenants	NLA (sqm)
Bidvest Australia	10,774


40–48 Howleys Road, Notting Hill VIC


The Notting Hill/Mulgrave area is an office and industrial precinct located 1 kilometre east of Monash University and approximately 18 kilometres south east of the Melbourne CBD. The property is 2 kilometres from the Monash freeway and comprises three high clearance warehouses of minimum 7 metre internal clearance. The building also incorporates 1,112 sqm of single level offices and approximately 130 car spaces.

Location:	Notting Hill, VIC
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$9.3m
Cap rate:	8.75%
NLA (sqm):	11,053
WALE (years):	0.5
Vacancy:	Nil

Major tenants	NLA (sqm)
Linfox Australia	11,053



39–45 Wedgewood Road, Hallam VIC


The property is situated within the established south eastern industrial precinct of Hallam, approximately 30 kilometres from the Melbourne CBD. The property comprises an 8,076 sqm industrial/manufacturing facility with 7 metre internal clearance and 2,008 sqm of office accommodation. The site has drive around access, onsite parking for 112 vehicles and is in close proximity to the Princess Highway.

Location:	Hallam, VIC
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$8.35m
Cap rate:	9.00%
NLA (sqm):	10,631
WALE (years):	1.9
Vacancy:	Nil

Major tenants	NLA (sqm)
Dana Australia	10,070

100%

Vacant FY14 FY15 FY16 FY17 FY18+

223-235 Barry Road, Campbellfield VIC


The property is located within the established industrial precinct of Campbellfield 17 kilometres north of the Melbourne CBD. The property comprises three office/warehouse buildings of varying ages with internal clearances of between 4.2 and 6 metres. The site is 3kilometres north of the Hume Highway and Western Ring road interchange.

Location:	Campbellfield, VIC
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$5.0m
Cap rate:	11.25%
NLA (sqm):	11,092
WALE (years):	2.9
Vacancy:	31.0%

Major tenants	NLA (sqm)
Precision Mail	6,113

54%

46%

Vacant FY14 FY15 FY16 FY17 FY18+

310 Spearwood Avenue, Bibra Lake WA


The property is located within the established Bibra Lake Industrial Area, approximately 17 kilometres south of the Perth CBD. The property comprises four warehouses with between 7.5 and 9.5 metre internal clearance. The site has drive around and through truck access and three street frontages.

Location:	Bibra Lake, WA
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$45.0m
Cap rate:	8.67%
NLA (sqm):	59,508
WALE (years) ¹ :	5.4
Vacancy:	Nil

Major tenants	NLA (sqm)
AWH	44,297
CTI Freight Systems	15,211

26%

74%

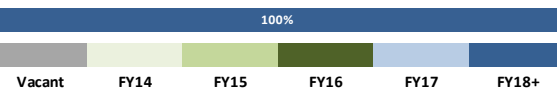
Vacant FY14 FY15 FY16 FY17 FY18+

457 Waterloo Road, Chullora NSW


The property comprises a recently refurbished traditional freestanding office and warehouse facility. Access to the warehouse is via 18 roller doors, providing a mixture of on-grade and raised dock access. Chullora is an established industrial precinct and is located approximately 15 kilometres west of the Sydney CBD and is accessed via the Hume Highway and is in close proximity to both the M5 and M4 Motorways and the Enfield Intermodal Port.

Location:	Chullora NSW
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$17.3m
Cap rate:	9.25%
NLA (sqm):	
WALE (years):	9.7
Vacancy:	Nil

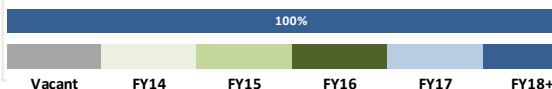
Major tenants	NLA (sqm)
Elite Logistics	16,051


69 Studley Court, Derrimut VIC


The property is a modern freestanding office and warehouse facility completed in 2009 comprising office accommodation positioned over two levels and a high clearance warehouse benefiting from large canopies and large container rated hardstand and truck weighbridge. Access to the warehouse is via 18 roller doors, providing a mixture of on-grade and raised dock access. Derrimut is an established yet emerging industrial precinct approximately 12 kilometres west of the Melbourne CBD and is accessed via both the Western Ring Road and Westgate Freeway.











Location:	Derrimut, VIC
Type:	Industrial
Ownership/title:	100%/Freehold
Book value:	\$20.0m
Cap rate:	8.00%
NLA (sqm):	
WALE (years):	10.3
Vacancy:	Nil

Major tenants	NLA (sqm)
Deliver Australia	20,731





Industrial Market Outlook

	Past 6 Months		Next 12 Months	
	Market Direction	Comment	Market Direction	Comment
Tenant Demand		<ul style="list-style-type: none">• Demand stable across all markets• Some increased interest in pre-commitments		<ul style="list-style-type: none">• Demand is expected to modestly increase upon a stabilised economy
Supply		<ul style="list-style-type: none">• Increasing primarily due to pre-commitments and limited speculative development• Availability of land in Melbourne impacting supply		<ul style="list-style-type: none">• Supply to increase with new developments after an extended period of low supply
Vacancy		<ul style="list-style-type: none">• Stable in most markets		<ul style="list-style-type: none">• Vacancy to remain stable as modest supply will be balanced against modest demand improvement
Investment Demand		<ul style="list-style-type: none">• Strong in Prime markets• Modest improvement in Secondary markets		<ul style="list-style-type: none">• Strong demand in Prime markets• Demand for Secondary assets subdued but improving
Capitalisation rates		<ul style="list-style-type: none">• Yields firmed in Prime markets• Yields remained stable in Secondary markets		<ul style="list-style-type: none">• Yields continuing to firm given low interest rate environment