# CAPITAL MANAGEMENT UPDATE

## 1H14 capital management strategic progress

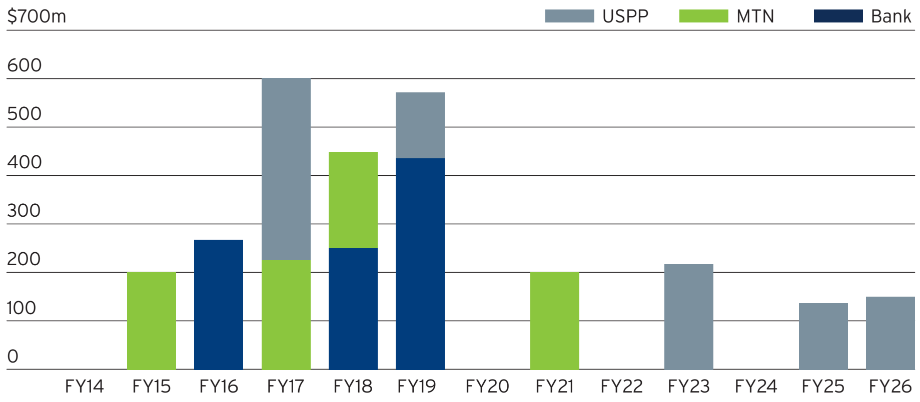
- S&P credit rating upgraded to BBB+ from BBB
- Increased and extended syndicated bank facility to $1.7bn
- Issued A$506m of long term USPP and A$200m MTN
- Increased average debt maturity to 4.8 years from 3.8 years

## 1H14 capital management initiatives

- Disposed of $232.6m[1] non-core assets
- DRP activation to deliver approximately $46m[2]
- Established TIAA-CREF office alliance
- Launched marketing program for sale of 50% of 275 Kent Street, NSW

| | 1H14 | FY13[3] |
|---|---|---|
| Balance sheet gearing[4] | 28.8% | 23.6% |
| Covenant gearing[5] | 36.9% | 35.2% |
| Look-through gearing | 29.5% | 24.4% |
| ICR[6] | >4.5x | >5.0x |
| Total interest bearing debt[7] | $2,802.1m | $2,260.1m |
| Average borrowing cost[8] | 5.6% | 5.7% |
| Average debt maturity | 4.8yrs | 3.8yrs |
| S&P credit rating | BBB+ | BBB |
| Hedged percentage | 58.7% | 50.9% |
| Average hedge maturity | 4.2yrs | 3.6yrs |

### DRAWN DEBT MATURITIES AS AT 31 DECEMBER 2013




1) Non-core asset sales include settled disposals (Manning Mall, NSW and Logan Megacentre, QLD) and exchanged disposals (54-60 Talavera Road, NSW, Orange City Centre, NSW and Gippsland Centre, VIC).
2) December 2013 distribution.
3) Proforma as at 3 July 2013 post $1.7bn syndicated loan transaction.
4) Net debt (at foreign exchange hedged rate) excluding leases/(total tangible assets – cash).
5) Total liabilities/total tangible assets (refer to 31 December 2013 financial statements).
6) Adjusted EBITDA/finance cost expense.
7) Total interest bearing debt (at foreign exchange hedged rate) excluding leases.
8) Includes margins and line fees.