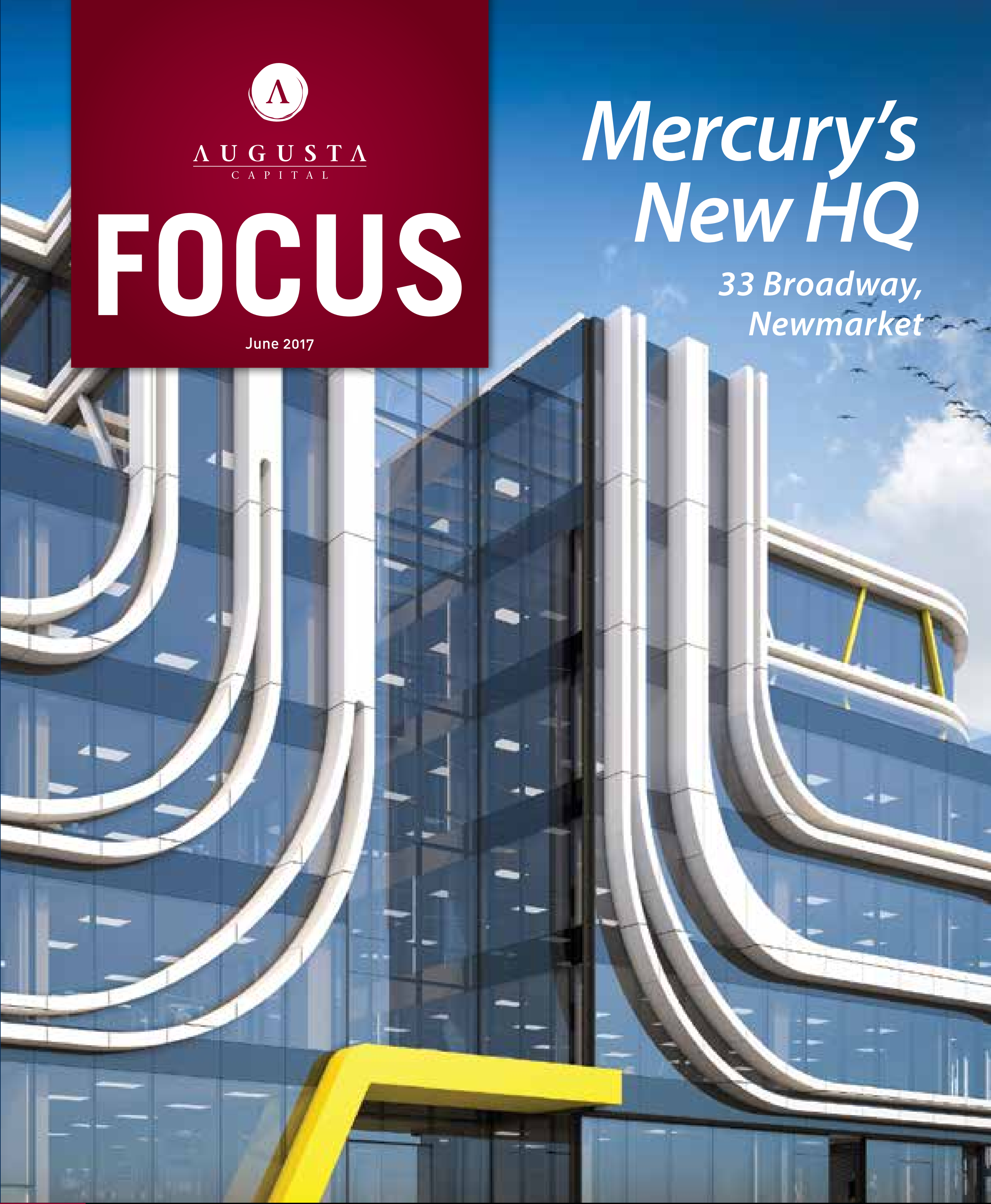
AUGUSTA
CAPITAL

FOCUS

June 2017



Mercury's New HQ

33 Broadway, Newmarket

INSIDE

Q&A: *Sitting down with the COO*

Outward Bound: *A chance to experience an all-expenses-paid course*

PIE or LP?: *Differences between the two schemes*

From the MD

As the chill of winter begins to set in it is hard to believe that we are almost half way through 2017. There has been no sitting still for the Augusta team, and as I write this we are nearing the close of our largest equity raise to date, raising $83.5 million for the development and ownership of 33 Broadway, Newmarket. We have been delighted with the response and interest from investors, achieving record numbers at our roadshows throughout the country.

While I know I have mentioned "our largest equity raise" before, Augusta's investment opportunities continue to climb to new heights as we look to offer bigger and more diversified products to the market.

33 Broadway is a first for Augusta, offering investment in a syndication of a property while it is still under construction. Moving into the funding and development of property assets is a strategic step for Augusta as the competition in the market for high quality, investment grade assets increases. Foreign buyers coupled with a lack of supply are driving yields down and making it more competitive to source quality product.

Earthworks on the Broadway development began last September and are currently tracking ahead of programme. The building is scheduled for completion by the end of 2018, with major tenants Mercury NZ and Tegel expected to move in during the first quarter of 2019.

As per the announcement on the NZX and in February's newsletter Guy French-Wright joined Augusta as Chief Operating Officer at the end of March. Guy has already begun implementing strategies focused on increasing efficiencies, streamlining day to day operations and identifying new investment opportunities. Guy and his family are settling back into life in Auckland, having returned after 15 years in Melbourne, and I am informed (with a sigh of relief) that his sons have been converted from aussie rules to rugby.

I am also pleased to advise of the addition of another staff member to the ever expanding Augusta team. In March we welcomed Carrie Lo as Senior Syndicate Finance Associate in the Auckland office. Carrie has recently returned from London where she spent most of her time as the Financial Controller at Shell. Prior to that, she worked in NZ at KPMG as an Assistant Audit Manager where she obtained her Chartered Accountancy qualification. Carrie is a welcome addition to our finance team, joining at what tends to be the busiest time of year as year-end syndicate financial statements are finalised and distributed.

As you may have seen in the media in April, shareholders of NZX listed company, NPT Limited voted against Kiwi Property's proposal to sell two of its properties and purchase the management rights of NPT's portfolio. Shareholders voted in favour of the introduction of a substantially new board, resulting in Allen Bollard, Bruce Cotterill and Paul Duffy being named as new directors. As the largest shareholder of NPT, we are happy with the outcome of the meeting and look forward to working closely with the newly appointed board, to help shape the new NPT into the future.

Artist Impression

Also recently announced was Augusta Capital's financial result for the year ended 31 March 2017. Highlights include:

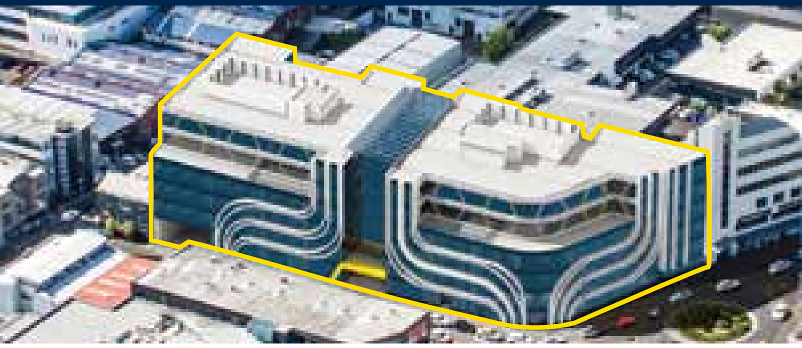
- 19% growth against the prior year in adjusted funds from operations (non GAAP) to $6.75 million, equating to operating earnings per share of 7.7 cents compared to 6.5 cents in the prior year.
- Recurring fees from funds management are now a substantial growth component in overall earnings.
- Total assets under management of $1.6 billion, 9.5% growth on the prior year – set to become $1.7 billion following settlement of 33 Broadway offering on 30 June 2017.
- Five new syndications completed involving $203 million in new equity raisings to realise $347 million in new deal asset values, involving continued expansion into Australia.
- 10% growth in recurring annualised base management fees against the prior year, now at $5.60 million.
- NPAT of $7.75 million, a decrease of 43% against the prior year – related to lower re-valuation gains and disposal gains as directly-held investment portfolio assets continue to be divested.
- A 4 cent increase in the Net Asset Value per share from 94 to 98 cents.

By moving away from a traditional, directly owned investment model to a less capital intensive growth model, we are delivering a more diverse and recurring earnings profile which will better protect and help grow future value for our shareholders. The financial strength of Augusta is not only important for Augusta shareholders but also investors in our syndicated funds. This strength is what enables us to bring a variety of offers and opportunities to the market.

You may have noticed from my comments that we will be changing the focus of our newsletter to be an update for syndicate investors and Augusta Capital shareholders in the future. There are a number of opportunities in the pipeline at present and we look forward to updating you on these in the next few months. The Augusta team and I wish you all the best for the winter months and look forward to seeing you at the syndicate annual meetings taking place throughout the country in August and September, and the Augusta Capital AGM on Thursday 31st August to be held at The Northern Club.

Mark Francis
Managing Director

Invest in Mercury's New Headquarters



Artist Impression

Augusta's current investment opportunity is Mercury's New Headquarters. Located on a prime corner site at 33 Broadway in the sought after suburb of Newmarket, Auckland this will be a substantial office complex with ground floor retail and is currently under construction. This impressive state-of-the-art development is being built to the highest standard by New Zealand's largest private commercial property developer Mansons TCLM.

The property will be anchored by a new 12-year lease to the NZX and ASX listed electricity company Mercury NZ Limited along with a new 10 year lease to New Zealand's leading poultry producer Tegel Foods Limited with the leases providing for 3% annual rental growth.*

There has been unprecedented interest in this offer with the number of enquiries half way through the campaign surpassing the total enquiries of any previous offer.

This is the fourth recent Augusta offer of a Mansons development with both the Spark Head Office (Building C) and the BDO Centre on Graham Street in Central Auckland (which is also known as the NZME Headquarters) built by Mansons. The BDO centre won the "Best of the Best" award at the 2016 New Zealand Property Council awards.

In Mercury's Auckland wide search for their new headquarters, a focus was on attracting staff for the ultra long term and with the accessibility and amenities available they decided on Newmarket as the location. In terms of the actual building, Mansons have a reputation for quality buildings and standing behind their work. Culum Manson says after taking Mercury through the BDO centre, they said that's what we want, but put it in Newmarket. Mercury's CEO Fraser Whineray says they can't wait to make it their home. If you are yet to view the video including Fraser's comments see **www.33broadway.co.nz**

The progress of the development is tracking well, with the earthworks and piling (a condition of settlement) now complete. At the time of writing this the project was six weeks ahead of schedule. As with all Augusta retail offers the return is paid to investors monthly. In this case Manson's will fund the investors return until the property is complete providing an additional approximately 20 months of cashflow before the leases commence. Investors pre-tax return is projected at 7%pa** with the first payment scheduled for 7th August 2017.

Augusta recognise that the investment offering is different from previous syndications in that it involves a property that is under development rather than already built and occupied. The most commonly asked question is why? As you are aware Augusta is conservative in their approach and committed to only offering high quality properties to their investors. In the current world environment (Trump, Brexit, ISIS) the demand from off shore buyers for institutional grade assets in the safe-haven of New Zealand is high. With similar properties in the construction stages selling for sharper yields (i.e higher prices) than 33 Broadway to international funds, the property would not be available to offer to investors once complete. Furthermore, the development agreement between Augusta and Mansons has been set up to mitigate risk to investors. It contains guarantees from Mansons' Equity Limited, along with structured retentions and buy back clauses. Mansons also stand behind their work and as such provide a 10-year expenditure and defects warranty meaning it will generally be responsible for repairing any building defects.

With many previous Augusta syndications being oversubscribed and the unprecedented level of enquiry we would urge that if you are yet to enquire please act promptly. The Product Disclosure Statement is available by contacting the below selling agents or visiting the below website.

If you are considering making an investment and are yet to contact us we are available anytime. We have thoroughly enjoyed meeting many investors around the country during the presentations and look forward to being of further assistance.

Mike Houlker
P: 09 309 6020
M: 021 945 927
mike.houlker@bayleys.co.nz
Bayleys Real Estate Limited
Licensed under the REAA 2008

Samara Phillips
P: 09 375 8490
M: 021 027 61373
samara.phillips@bayleys.co.nz
Bayleys Real Estate Limited
Licensed under the REAA 2008

Sarah Prebble
P: 09 375 6825
M: 027 635 3521
sarah.prebble@bayleys.co.nz
Bayleys Real Estate Limited
Licensed under the REAA 2008

Free Phone: 0800 BAYLEYS (229539) www.33broadway.co.nz

*If completion of the development is not achieved by certain dates, Mercury and Tegel do have the option to cancel their leases. However, in this case, Mansons Broadway will underwrite that vacant space. **Details on how the forecast pre-tax cash return is calculated, and the risks associated with the investment, can be found in the Product Disclosure Statement. Augusta Funds Management Limited is the issuer of the units in the Trust. Prospective investors are recommended to seek professional advice from an Authorised Financial Adviser which takes into account their personal circumstances before making an investment decision. The selling agents are not providing personalised advice, but will provide all prospective investors with a copy of the Product Disclosure Statement.

What are the Differences Between PIE and a Limited Partnership?

As you may be aware, Augusta's latest offer, 33 Broadway Trust, is structured as a Portfolio Investment Entity ("PIE"). We have received a number of enquiries from our investors regarding the different structures we have offered. We thought it would be useful to provide further information as to the difference between a PIE scheme and a LP scheme and the pros and cons of both structures. In a nutshell, the key difference is tax treatment.

What is a PIE scheme?

A PIE is an entity designed by the government in an effort to promote investment. There are several requirements to become a PIE – the key requirement being that at least 90% of the entity's income must be from passive investments (such as interest or rent) and no investor may hold more than 20% of the Units in the Trust. 33 Broadway has also been structured as a Unit Trust so that Investors are liable for no more than their initial investment in the Trust.

The amount of tax you pay in respect of your income from a PIE is based on your Prescribed Investor Rate ("**PIR**") (i.e. 0%, 10.5%, 17.5%, or 28%) not your personal income tax rate.

PIE income is considered separate from other taxable income for the purposes of your tax return and is capped at 28%. Accordingly, investors whose personal income tax rate is greater than 28% will therefore be subject to a lower tax rate. For example, a family trust may select a PIR of 0% and complete a tax return and pay tax on all its PIE allocated income. The trustees can then allocate income to a beneficiary on a lower tax rate or if the trust has any deductible direct expenses that can be used to reduce its tax liability.

What is a Limited Partnership?

A Limited Partnership (LP) is a separate legal person from its Limited Partners and General Partner which is formed under the Limited Partnerships Act 2008. The interrelationship between you as an investor (Limited Partners), the LP and the General Partner (a subsidiary of Augusta responsible for the management of the LP) is set out in the Limited Partnership Agreement. Each General Partner is jointly and severally liable for all debts and liabilities and wrongs and omissions of the LP. That is why Augusta incorporates a special purpose company (e.g. AFM GP (Building B Graham Street) Limited) to undertake the role of the General Partner so that its liability is limited to the assets of that company. In contrast, the Limited Partners (investors) are afforded limited liability provided they do not take part in the management of the LP. As a result, each investor's liability is limited to their capital contribution.

The LP itself does not pay income tax. Rather, the LP distributes the income to the Limited Partners (usually in proportion to the Limited Partner's investment in the LP) and the Limited Partners are then taxed on that income. If you are a New Zealand resident, you will pay tax on your LP investment at your personal income tax rate. New Zealand based investors can see opportunities to attribute non-taxable capital gains and offset partnership losses against income from other sources (subject to loss limitation rule).

Summary of Advantages and Disadvantages of Pie and Limited Partnership Schemes

We set out below a summary of the key advantages and disadvantages of structuring a scheme as a PIE or a Limited Partnership.

PIE Scheme

ADVANTAGES

Tax on PIE income is capped at 28% for individual investors. Investors whose personal income tax rate is greater than 28% will therefore be subject to a lower tax rate.

So long as you provide the correct PIR rate, you will not have to file a tax return. Augusta will pay the tax on your behalf at your nominated PIR (unless 0% PIR is nominated) and undertake any adjustments to your interest in the Scheme in order to comply with the PIE tax requirements.

DISADVANTAGES

No investor may hold more than 20% of the Units in the PIE.

If you do not provide your correct PIR, you will have to complete an income tax return to make up any tax shortfall (which you will need to pay at your personal income tax rate). If you overestimate your PIR you will not be able to reclaim any overpaid tax. Accordingly, it is important that you notify Augusta as soon as possible if your PIR changes.

Limited Partnership

ADVANTAGES

LP's are taxed according to their personal income tax rate of each investor. This provides a tax benefit to those who have a special tax status such as a charitable trust or a family trust.

Limited Partners' are not jointly and severally liable for debts and obligations of the LP. Accordingly, Limited Partner's liability is limited to their capital contribution.

The LP structure allows losses to be used by the limited partners personally, rather than remaining in the company. Investors can choose to claim depreciation.

DISADVANTAGES

Need to file tax return.

Maximum tax rate is 33%.

> ***"Whether a scheme is structured as a PIE or an LP, Augusta will be the Manager of the scheme and subject to the same statutory duties under the FMC Act."***

Whether a scheme is structured as a PIE or an LP, Augusta will be the Manager of the scheme and subject to the same statutory duties under the FMC Act. Accordingly, both structures allow investors to have a passive investment whilst the day-to-day management is handled by a professional fund manager. Other common elements include: (i) investors' liability is limited to their initial investment in the scheme; (ii) overseen by an external statutory Supervisor (Covenant Trustee Services); (iii) the Custodian (also Covenant) who holds all the scheme's property on trust on behalf of the scheme.

Louise Connell
Legal and Compliance Manager

A word from Bryce

Annual Meetings

As pointed out in our key dates in previous editions of our newsletters, the Annual Meetings for our New Zealand schemes are coming up in the next couple of months. Annual Meetings are a great opportunity for investors to be updated on their investment, understand the future strategy for the property, meet the management team and other investors as well as a chance for any queries to be answered. Over the years we have had investors ask us if it is okay to bring their children (or other family members) along to these meetings. We welcome and encourage any family members to come along as it is a great opportunity for others to gain a better understanding of property and the investment the family has made. Involving the next generation may assist with succession planning for your investment in the future. To ensure we can accommodate extra people it would be appreciated if you could notify us if you have any family members who will be attending when the time comes to RSVP to the meetings.

Further opportunity in Australia

We are in the process of finalising due diligence on a modern industrial office warehouse building in Brisbane. Situated in a prime location close to the motorway network and the Brisbane International Airport, the property is occupied by an international tenant with a WALE of 11.4 years and a lease that provides annual rental growth.

We are looking at raising approximately AUD$17.75m and it is expected that the offer will be open in early July. A product disclosure statement will be distributed at this time and will include information on the property and cashflow projections.

Queensland's current economic situation is summed up below.

"Queensland's economic growth is solid with state final demand in positive territory up 1.8%, supporting job growth, with employment up 0.6% in March 2017."

"The spectacular lift in gas exports is buoying the state's economy, providing a substantial dividend to Queensland's economic growth."

"The growth outlook for Queensland is 3.4% each year on average across the forecast period to 2020. Over the next three years we can expect a real leg up from a surge in gas exports. Queensland's state final demand is recovering and this is contributing to a positive outlook for the state, boding well for the future."

"The lower Australian dollar continues to help drive exports, international service exports including education, tourism fuelled with demand by income growth in the emerging Asian economies. Tourism has gained substantial momentum with visitor spending growing at 10.6% per annum with a record high of $5.1 billion in the year 16. It is anticipated that this should further grow climbing 6.8% per year until at least 2019."

Source: Deloitte Queensland Business Outlook May 2017

Managing Construction Cost Increases

As you may know, on many of our investments we have been adding further value by undertaking refurbishment, construction and extension works to make the building more attractive to our tenants, and in turn strengthening our ability to increase rental rates.

It is a time consuming and challenging task to ensure that investors, banks and other parties know that we have these works under control and that we are getting the best result and return for money spent. The challenges are a direct result of increased project costs currently being experienced throughout New Zealand which are creating many headaches for developers, as they struggle to achieve an adequate return on their financial outlay.

By way of background, the Capital Goods Price Index which tracks cost escalation nationally showed annual growth in construction costs reaching 6% in the December 2016 quarter which is well above the 26 year average of 3.7% per annum.

Many factors play a part in this increase but a clear contributor is the abnormal population growth requirements, predominantly in Auckland, Tauranga, Hamilton, Christchurch and other major city and regional centres. This has been further compounded by the pressures put on the construction industry by recent earthquakes and the effect they have had on buildings and building code requirements. In Christchurch and Wellington in particular, urgent structural and strengthening work has been required on many properties to increase seismic ratings and retain occupancy levels. This is further exacerbated by the shortage of skilled labour throughout the country, particularly in the sub-trades. We are mindful of these challenges and it is important to know that Augusta is continually looking at ways to add value while still working within the constraints of cost, resourcing and time increases.

We have not experienced any major issues so far in this regard but it requires continual monitoring and effort by our team. Rest assured, we will continue to keep the interests of our investors first and foremost and undertake improvement works that add value for all parties.

Bryce Barnett
Executive Director

Last Brisbane Syndicate: Quinns Hill Road

Location: Quinns Hill Road, Staplyton

Settled: July 2016

Type: Industrial

Tenants: Nu-Pure Pty Limited and A&L Windows (Qld) Pty Ltd

Investor Equity: A$14,000,000, 280 units of A$50,000

Current distribution: 7% post-tax

Augusta and Outward Bound

Founded in 2001 with two staff in a home office, Augusta has grown to a team of over thirty people managing $1.6 billion dollars of property throughout New Zealand and Australia.

The support from investors has enabled Augusta to develop and grow into the company it is today, and to say thank you we want to give back and play a part in someone getting the opportunity to grow and reach their potential. Augusta would like to sponsor and send an investor or immediate family member (child or grandchild) of an investor on an Outward Bound course.

Outward Bound, located in the Marlborough Sounds, helps participants reach their full potential through challenges in the outdoors. The classrooms of Outward Bound are the mountains, bush and waterways of the Marlborough Region. People of all ages, cultures, abilities and backgrounds are welcome at Outward Bound, with several courses available to cater to the needs of each individual.

All Outward Bound Courses are designed on these principles:

Learning through experience

Learn by doing! Applicants will learn about themselves and others from challenge, success and failure, self-reflection and feedback. All activities are designed to promote learning that can be transferred to home and work.

Adventure and Challenge

Outward Bound courses are based on real adventure. Participants will have experiences that are physically, mentally and emotionally challenging. They will be pushed to their limits and helped to conquer their fears.

Physical Activities

All activities involve situations where there are real consequences. Outward Bound's highly skilled instructors deliver courses, which include activities such as: sailing, kayaking, high ropes, rock climbing, solo experience, tramping and physical training. Previous outdoors experience is not required to participate.

Safe and Supportive Environment

While students will be placed in unfamiliar settings, clearly maintained boundaries are enforced ensuring physical and emotional safety. Instructors are chosen with the right combination of skill, experience and abilities, guaranteeing supportive relationships and culture.

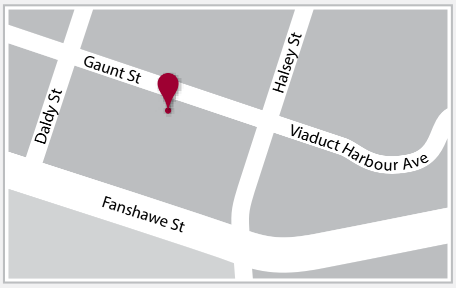
For more information and course details, go to **www.outwardbound.co.nz**

If you would like to be considered or have a family member considered, please write to Adelle McBeth, with how it will make a difference to your life or future and how it could help you realise your potential.

All submissions will be considered and the recipient will be notified by the end of July. The recipient will have the full course fees paid for as well as a $500 contribution toward travel costs.

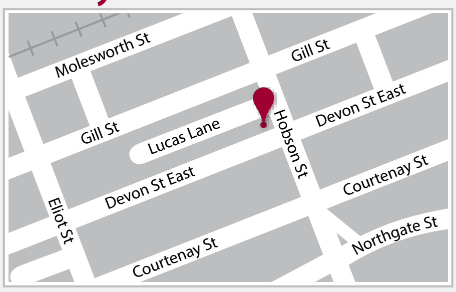
Please write to Adelle McBeth, **adelle@augusta.co.nz** by Friday 14th July.

Auckland



Level 2, Bayleys House, 30 Gaunt Street,
Wynyard Quarter, Auckland 1010
PO Box 37953, Parnell, Auckland 1151
Tel: +64 9 300 6161 **Fax:** +64 9 300 6162

New Plymouth



335 Devon Street East, New Plymouth
PO Box 44, New Plymouth 4310
Tel: +64 6 759 1520 **Fax:** +64 6 759 1521

Q & A with: Guy French -Wright

Augusta Chief Operating Officer

When did you join Augusta?

In March 2017.

Where were you prior to joining Augusta?

I have lived in Australia for 14½ of the last 16 years. I started out my career in Investment Banking with Macquarie Bank in Sydney before returning to NZ where I spent a year with Bayleys in Auckland where I also met my wife Megan. Ironically she worked for Mike Houlker who now leads the Bayleys syndicate business for Augusta products.

Following Bayleys, I moved to Melbourne where I have forged a career in property development and general management for some of Australia's most successful private and publicly listed property businesses. This includes a recent period of 7 years with ASX Top 50 listed company, Mirvac Group as the General Manager of Commercial Development.

What professional achievement are you most proud of?

A good question but I think this would be leading the transformation of Mirvac Group, who were best known for being a major office owner, into one of Australia's most successful office developers in all major Australian markets.

So, are you a New Zealander or an Australian?

Absolutely a New Zealander. I am originally from Christchurch where I grew up and went to boarding school and university before completing postgraduate studies in Otago. Importantly for our investors in New Plymouth, I retain strong ties to Taranaki where my family has lived for the last 22 years.

Why have you returned to New Zealand and more specifically what attracted you to Augusta?

On a personal level, I have a young family with two boys. A major motivation for this return is to get away from aussie rules before it is too late for my 6 year old son Hugo! Professionally, a return to New Zealand had to be for a role which had significant diversity in a day. In spending time with Mark and Bryce through their search process, I knew that Augusta was very likely to fulfil this requirement and I am pleased to say after 2 months my assumption was well founded.

What have your initial observations been at Augusta?

For me, the one thing that stands out above all else is the focus of all of our people in ensuring investors capital is preserved and the all-important distribution is maintained. Every day I see and hear a collective dedication across our people in finance, legal and asset management ensuring both of these objectives are achieved.

Augusta Golf Days

At Augusta we love any opportunity to meet and catch up with our investors and our Augusta Golf Days have provided us a great opportunity to do this. We have recently held two fantastic days in both New Plymouth and Tauranga. As well as a great day of golfing, the club rooms were the perfect venue for non-golfers to come along and join the Augusta team for a drink. We look forward to holding these golf days again in New Plymouth and Tauranga as well as some other locations in 2018.

The Augusta name chosen by Managing Director, Mark Francis, actually derives from The Masters Tournament, also known as The Masters or The US Masters, being one of the four major championships in professional golf. The Masters is held at the same location every year, Augusta National Golf Club, a private course in the city of Augusta, Georgia, U.S.

Mark is an avid golf fan and was inspired by the fact that The Masters at Augusta is regarded as the best of the four major tournaments, essentially being viewed as the epitome of the golfing world. Since formation of the company Mark has had the same vision for Augusta Capital to be the best of the best in its field.

Defibrillator Donation

Augusta Capital Ltd has kindly donated a defibrillator cabinet to New Plymouth's Peringa Association Football Club. The club identified a need for the unit to be publicly available, given the close proximity to Lake Rotomanu (a recreational lake), Peringa's playing grounds and nearby Waiwhakaiho netball courts. The club thanks Augusta for its generosity.

Pictured is Executive Director Phil Hinton presenting the cabinet to Adrian Leach Treasurer of Peringa.

Managing Risk in Property

Investors will be aware that a core outcome for Augusta is to provide sustained yields and the preservation (and growth) of equity within the syndicate portfolio. This is particularly important where investors are seeking consistent, maintainable income from their properties and is one of the reasons that we suggest the best way to fundamentally managing risk is to spread equity over a number of different syndicates.

However, with the increasing requirements from banks for lower loan to value ratios and a more conservative bank lending policy, within individual syndicates at times this has led to syndicate distributions needing to temporarily reduce in order to build funds for debt reduction, which has been problematic for many of our investors.

In addition, risk profiles increasing due to shortening lease terms, potential vacancies, capital expenditure requirements or high repairs and maintenance have all been issues individual syndicates have faced over time which can affect the sustainability of yield.

The management team at Augusta have been looking carefully at ways the risk profile for investment can be managed, therefore providing increased continuity of distribution to investors over time.

Firstly, one way to protect distributions in the medium to long term, is to make sure that the Loan to Value Ratio (LVR) is kept at prudent levels throughout the life of the syndicate. As property values can fluctuate over time, especially as lease terms diminish, repayment of debt as surplus cash flow becomes available is an important step in ensuring a reducing LVR is achieved. Effectively prudent management of the loan to value ratio creates capability for future initiatives to add value to your investment.

Secondly, the management team at Augusta does everything within their power to keep the property value as high as it can during the life of the syndicate. This is a core function of a successful manager and involves making sure the tenant is happy with the premises as a place to trade from, that any repairs are attended to promptly and that negotiating with the tenant to extend the lease term is carried out whenever possible. If done well, then not only is sustainable income more assured, but also the value of the property is maximised at the ultimate time of sale in the future, which gives investors the best chance of growth in their equity.

Risk in property investment is inherent and can be managed as far as controllable aspects are concerned. However, there will always remain macroeconomic factors such as interest rates, market changes in demand and supply, and influences around the tenants' business that Augusta cannot fully control. In these situations we will do our best to inform investors of what we see coming up that could impact on their property investment, so they can plan for the future accordingly.

Phil Hinton
General Manager

Key Dates for 2017

New Zealand Syndicates:

Annual Meeting Dates:

Meetings held in Auckland
17/18 August

Meetings held in Christchurch
21/22 August

Meetings held in New Plymouth
14/15 September

Reporting Dates:

June 30 Financial Statements, Tax schedules, budget forecast and tenancy schedules

July 31 Annual Managers Letter & FMCA Annual Report

Australian Syndicates:

Annual Meeting Date:

All meetings to be held in New Plymouth 3 November

Reporting Dates:

30 September Audited Schemes Financial Statements

31st October Non-Audited Schemes Financial Statements

31st October Annual Managers Letter & FMCA Annual Report

24th November Tax schedules (prepared by Staples Rodway)

Glossary of Terms

LVR The Loan to Value Ratio is the loan amount compared to the current value of the property. All commercial bank loan facilities have a maximum LVR as an ongoing covenant (condition of the loan).

IRR The Internal Rate of Return calculates the annualised return over the investment's life time. It includes all income (distributions) plus capital growth/decline. Augusta often calculates the IRR when an offer has been received to sell a property.

IC Ratio The Interest Cover ratio is used to show how easily the investment can pay its interest costs. The formula is the annual income (rent) divided by the annual interest cost. All commercial bank loan facilities have a minimum IC ratio as an ongoing covenant.

H&S or HSWA The Health and Safety at Work Act 2015 came into effect in April 2016. It sets out the principles, duties and rights in relation to workplace health and safety. Under HSWA a business or undertaking (PCBU) must look after the health and safety of its workers and any other workers it influences or directs. Senior business leaders are responsible for ensuring that the business is meeting its health and safety responsibilities. Furthermore, workers and other persons at workplaces have a duty to keep themselves safe and not cause harm to others.

FMCA The Financial Markets Conduct Act 2013 governs how financial products are created, promoted and sold, and the ongoing responsibilities of those who offer, deal and trade them.

FMA The Financial Markets Authority is a New Zealand government agency responsible for (among other things) regulating Augusta's offerings and management of its investments.

AML The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 places obligations on New Zealand's financial institutions and casinos to detect and deter money laundering and terrorism financing.