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# MARKET RELEASE

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## ARG announces full ownership of NEIL joint venture

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Argosy Property Management Limited the manager of Argosy Property Trust (the "Trust") today confirmed that it had acquired the full ownership of North East Industrial Limited (the "company") which involved the joint venture project at Manawatu Business Park in Palmerston North.

The Trust has finalised agreements to terminate the joint venture by documenting an exchange of the debts and obligations of the joint venture partner for their shares in the company. The change of ownership is effective from 30 November 2010.

At 31 March 2010, the Trust was considered to have been in control of the company. While the minority shareholder held a 50% economic interest in the company, it has been fully consolidated into the Trust's accounts for both the financial year ended 31 March 2010 and the half year to 30 September 2010, separately recognising the minority shareholders' interests.

A price adjustment is to take place following the completion of subdivision work and the issue of titles. This is expected to be complete by mid 2011 and caters for any potential changes to final costs of the subdivision work. In the event that payment is required from either party following the adjustment, this is to be by an exchange of property at valuation. Current projections show it is highly improbable that the Trust will be in a position where payment is required.

The Trust is also pleased to confirm a further unconditional sale at the park for a building with a pending vacancy at a price of \$1.3m (valuation at 31 March 2010: \$1.29m). This takes confirmed sales pending settlement at the park to \$27.7m. This sale, together with recent leasing activity, means that all the buildings at the park will be fully leased.

In a separate transaction, the Trust has confirmed the sale of the vacant industrial property at 6 Zelanian Drive, East Tamaki, for \$3.3m (valuation at 31 March 2010 \$3.65m). The property has been vacant for over 8 months and is not considered to meet the functional requirements of future tenants.

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### Enquiries

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### Argosy Property Trust

Argosy Property Trust is a diversified property trust listed on the New Zealand Stock Exchange. It has a \$946 million portfolio of 81 properties, with 280 tenants across the retail, commercial and industrial sectors. The Trust has a low risk focus on quality properties where value can be added and properties modernised to extend their effective utilisation.

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