
MARKET RELEASE

Acquisition of Progressive Enterprises Main Distribution Centre

Argosy Property Limited is pleased to announce the unconditional agreement to acquire the main Auckland distribution warehouse for Progressive Enterprises at Favona Rd, Mangere. The property is to be acquired for \$74 million, reflecting a passing yield of 8.2%. Progressive Enterprises have been in occupation of the building since 1979 and the lease has a further 11 years to run.

The property is well located with excellent access to the Auckland motorway system, which will be further improved upon completion of the Waterview Interchange connecting to the Auckland North Western Motorway.

This off-market acquisition is consistent with Argosy's strategy, and increases the weighting to Auckland industrial property. The property will form part of the Core portfolio.

The acquisition (after also allowing for the settlement of the Wellington Stout St property) will take Argosy's debt-to-asset ratio to 40.1%, which is marginally above the medium term gearing target of 35-40%, but well below our 50% debt covenant. The Board remains committed to having its debt-to-asset ratio in the target range in the short to medium term.

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Press enquiries

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Argosy Property Limited

Argosy Property Limited is the largest diversified property fund listed on the New Zealand Stock Exchange. It has a \$977 million portfolio of 63 properties across the retail, commercial and industrial sectors. Argosy is, and will remain, invested in a portfolio that is diversified by primary sector, grade, location and tenant mix. The portfolio is located in the primary Auckland and Wellington markets with modest tenant-driven exposure to provincial markets.