



26 August 2015

Charter Hall Group Full Year Results

30 June 2015



Agenda

- 1 FY15 Results Summary
 - 2 Property Investment
 - 3 Property Funds Management
 - 4 Financial Result
 - 5 Outlook and Guidance
 - 6 Additional Information
-



David Harrison
Joint Managing Director



David Southon
Joint Managing Director



Paul Altschwager
Chief Financial Officer

FY15 Results Summary



Key Achievements

FY15 Results Summary¹

8.7% OEPS growth

8.5% DPS growth

**Total Securityholder
Return of 11.8%²**

\$2.6b in transactions

\$1.9b of acquisitions
\$0.7b of divestments

**Australian FUM
up 18% to \$13.6b**

**\$1.7b gross
equity inflows**

\$1.3b net equity inflows

1. Figures and statistics on this slide are for the 12 months to 30 June 2015.

2. Source: UBS and S&P/ASX.

Solid Growth

FY15 Results Summary

Increase in operating earnings per security (OEPS) to 27.5cps, up 8.7%

- Statutory profit after tax of \$117.9m, up 43.6%
- Operating earnings of \$98.8m, up 21.7%
- Distribution per security of 24.2cps, up 8.5%

Property Investments (PI) operating earnings of \$58.3m, up 17.3%

- Charter Hall co-invested a further \$187m (net) with Property Investments increasing by \$224m to \$944m (including revaluations of \$37m)
- Property Investment yield 7.5% and WACR¹ 7.0%

Property Funds Management (PFM) operating earnings of \$43.3m, up 25.2%

- Secured \$1.7b of gross equity flows and \$1.3b of net equity flows after investor equity returns
- FUM increased by 18% to \$13.6b
- Property Funds Management EBITDA margin increased from 36.2% to 40.1%

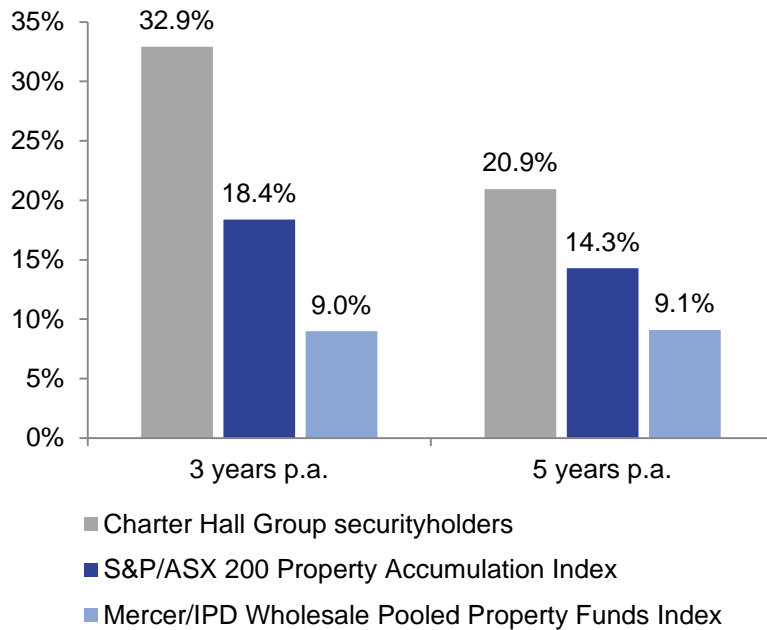
1. WACR is Weighted Average Cap Rate for the Charter Hall Group's Property Investment portfolio and is weighted by individual co-investment value as a proportion of total property investments.

Total Securityholder Returns

FY15 Results Summary

- Total securityholder return for 1 year to 30 June 2015: 11.8%
- Best performance in A-REIT 200 index over 3 years: 32.9% pa¹

Total performance over 3 and 5 years (% pa) to 30 June 2015¹

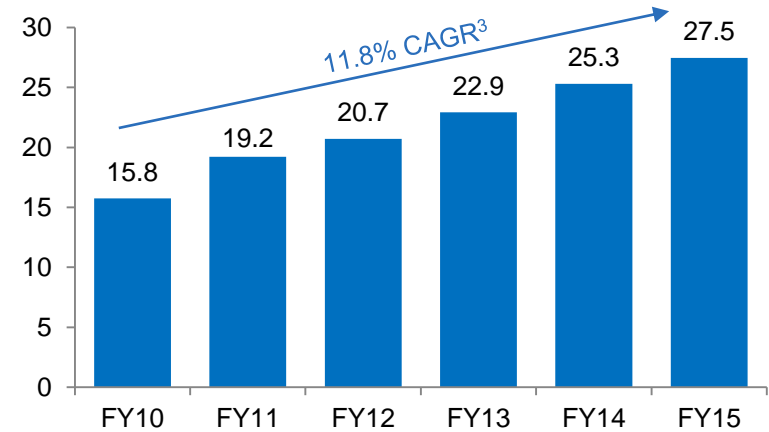


1. Source: IPD, UBS and S&P/ASX.

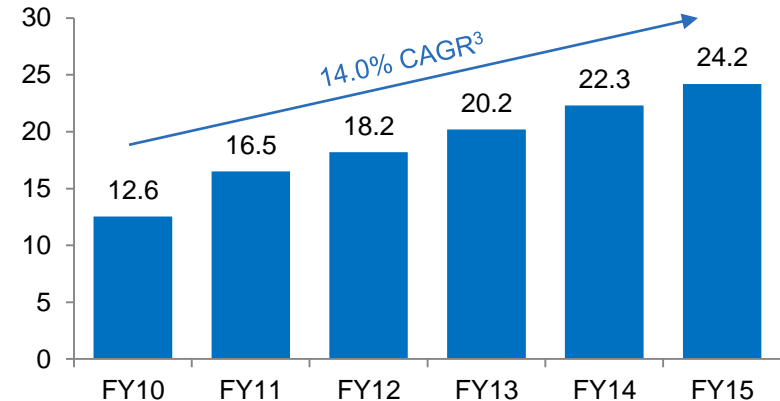
2. Operating earnings per security prior to FY14 restated to include security-based benefits expense.

3. Compound annual growth rate (CAGR) from 30 June 2010 to 30 June 2015.

Operating earnings per security growth²



Distribution per security growth



Consistent Delivery on Strategy

FY15 Results Summary

	Access	Deploy	Manage	Invest
	Access to multiple equity sources	Creating value through attractive investment opportunities	Property funds management, asset management, leasing and development services	Investing alongside our capital partners
12 months	\$1.7b gross equity raised	\$2.6b transactions \$1.9b acquisitions \$0.7b divestments	\$13.6b FUM 276 properties 2,289 tenants 572 leasing deals	\$944m of property investments with 7.0% WACR ¹ and 8.5% discount rate
3 years	\$4.3b gross equity raised	\$8.3b transactions \$5.8b acquisitions \$2.5b divestments	\$5.2b FUM growth 92 additional properties	WALE ² increased by 3.1yrs to 9.1yrs

1. WACR is Weighted Average Cap Rate for the Charter Hall Group's Property Investment portfolio and is weighted by individual co-investment value as a proportion of total property investments.

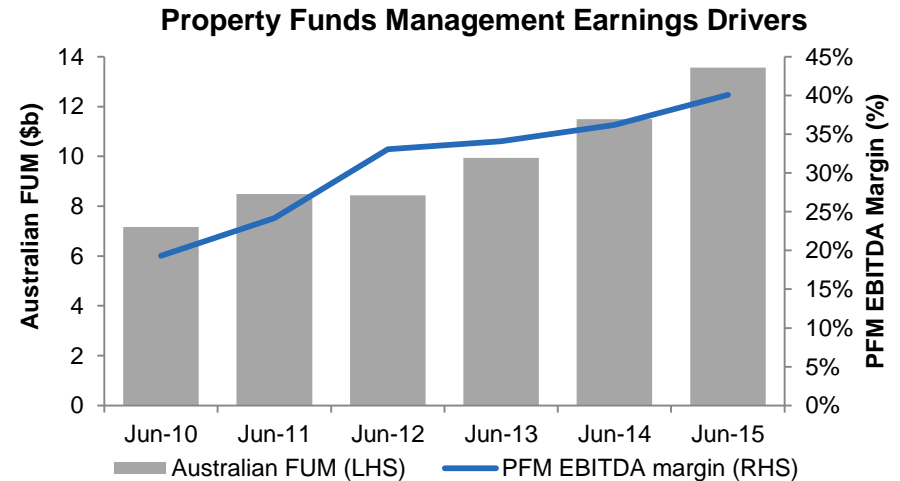
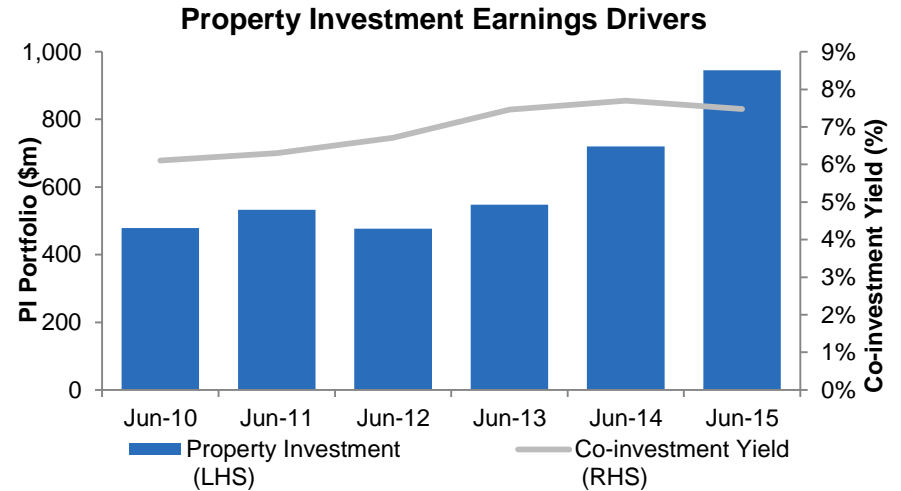
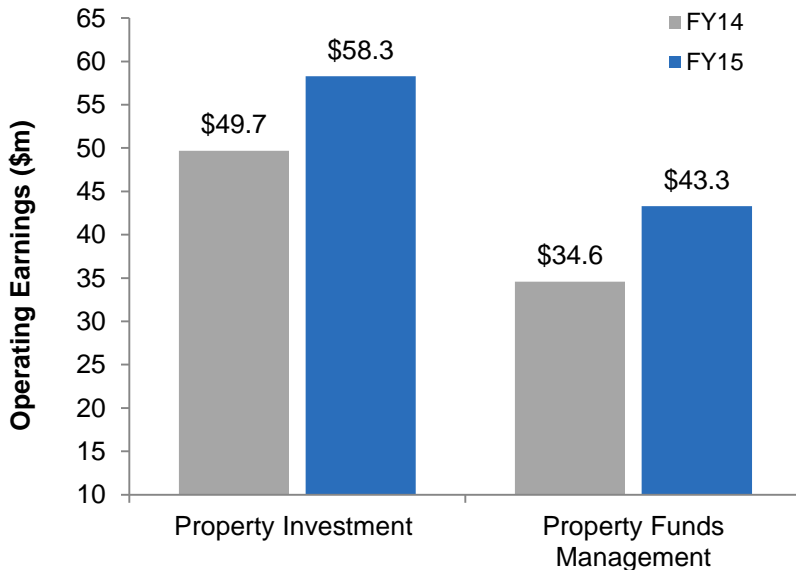
2. WALE is the Weighted Average Lease Expiry for the Property Investment portfolio which is measured by all tenants' remaining leases in years, weighted by each tenant's gross income as a proportion of the total gross income for the portfolio.

Operating Earnings Composition

FY15 Results Summary

Operating earnings of \$98.8m¹, up 21.7% pcp from \$81.2m

- 59% of operating earnings from Property Investment
- Property Investment earnings growth of 17.3%
- Property Funds Management earnings growth of 25.2%



1. Operating Earnings of \$98.8m includes security-based benefits expense of \$2.8m (FY14: \$3.1m) which is not allocated to any of the segments described above. Graphs are shown based on Operating Earnings pre the security-based benefits expense.

Property Investment

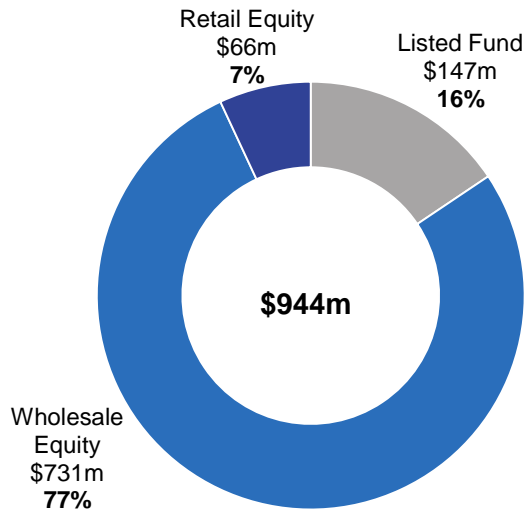


Growth in Property Investment Earnings of 17.3%

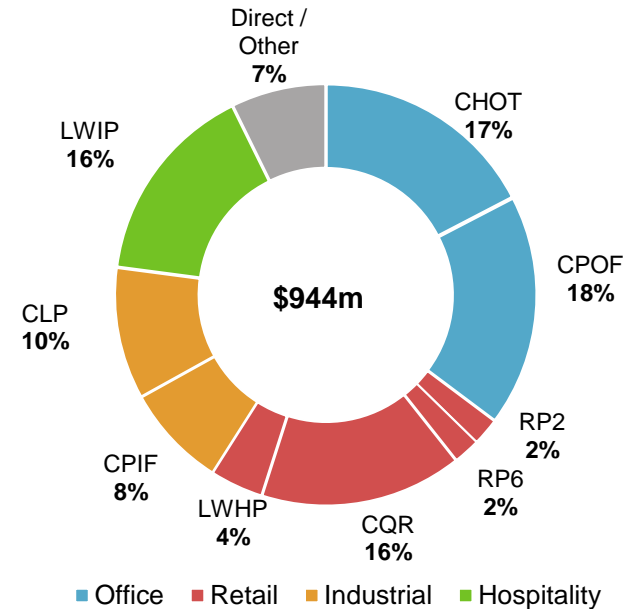
Property Investment

- Charter Hall Group's balance sheet investments increased by \$224m to \$944m
- Portfolio WALE¹ increased by 1.5 years to 9.1 years during FY15, driven by investment into LWIP
- WACR reduced 57bps to 7.00%²

% of CHC property investment portfolio by fund type



% of CHC property investment portfolio by fund³



1. Portfolio WALE calculated as the sum of each fund's WALE by gross income multiplied by its % of the Property Portfolio.

2. Refer to slide 30 for NTA and Cap Rate bridge.

3. Refer to slide 53 for Fund key.

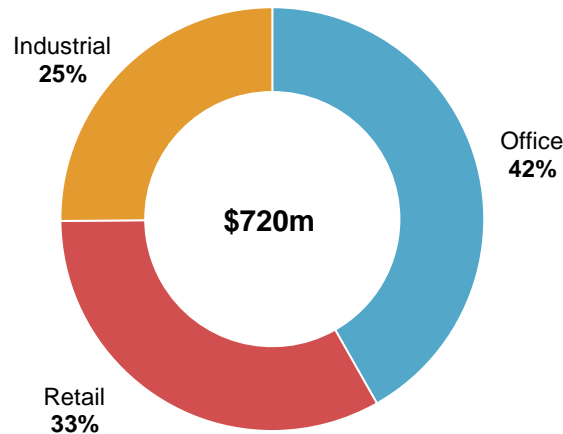
Enhanced Portfolio Quality

Property Investment

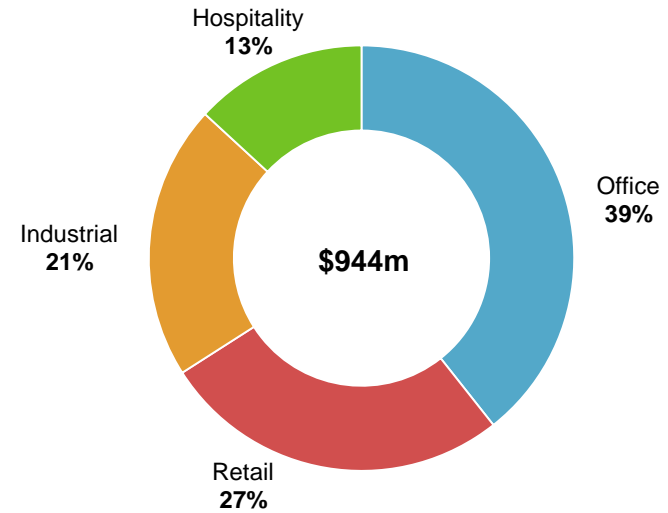
Charter Hall Group continues to focus on reweighting its Property Investments towards a more diversified portfolio

- Property Investment portfolio has increased its exposure to long WALE industrial, hospitality and retail assets
- Diversification of the portfolio has been enhanced during FY15 with investments in LWIP and RP6

**Property Investments by Sector
30 June 2014**



**Property Investments by Sector
30 June 2015**



1. LWIP is allocated between the Hospitality sector (82% Hotels) and Retail sector (18% Dan Murphy's and BWS outlets).

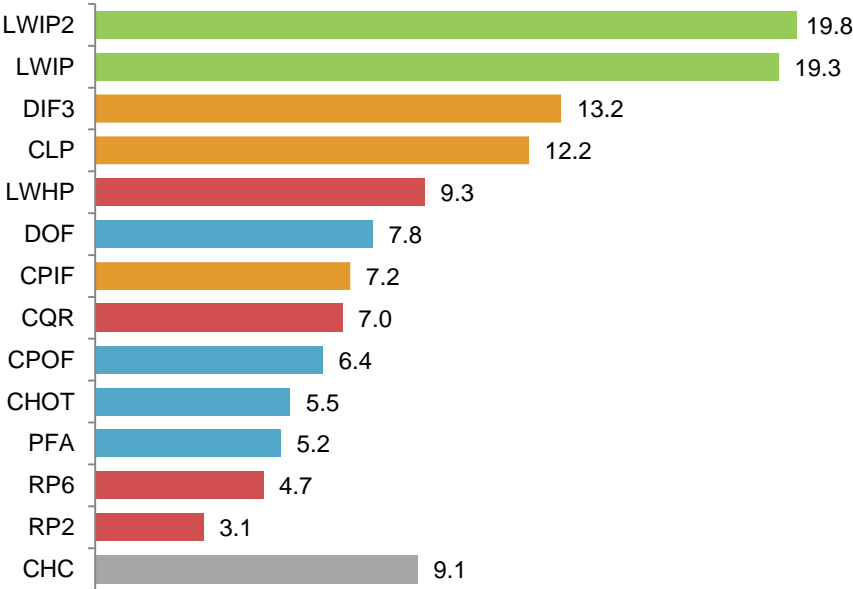
Portfolio WALE and Lease Expiry

Property Investment

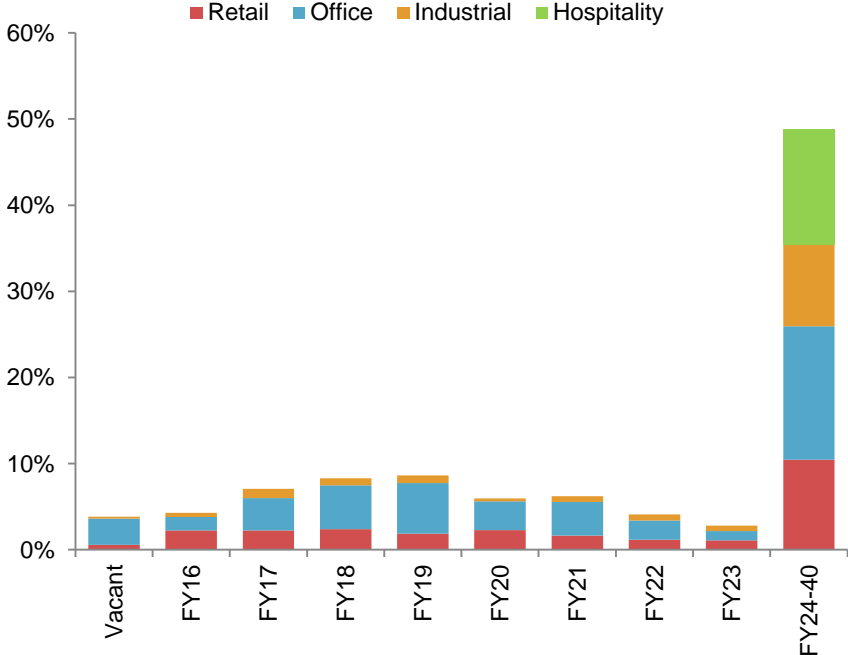
CHC's Portfolio composition and upcoming lease expiries are actively managed

- Portfolio WALE increased by 1.5 years to 9.1 years during FY15
- 50% of leases expiring between June 2024 and June 2040

Core Investments WALE and Portfolio WALE¹



Lease Expiry Profile by Sector



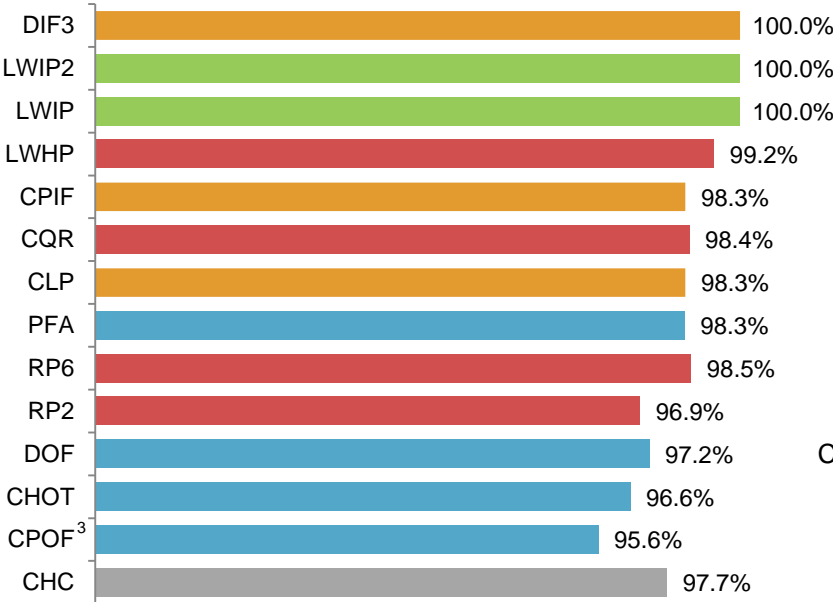
1. Portfolio WALE calculated as the sum of each fund's WALE by gross income multiplied by its % of the Property Portfolio.

Top Tenants by Gross Income

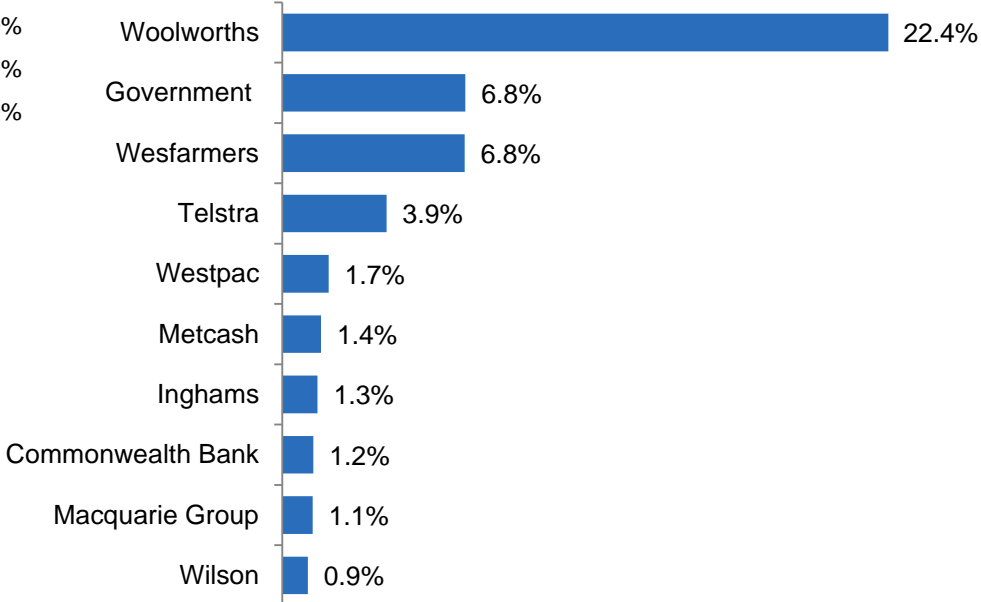
Property Investment

- Property Investment portfolio has high occupancy at 97.7%
- Strong focus on quality of tenant covenants

Occupancy by Gross Income¹



Top 10 Tenants by Gross Income²

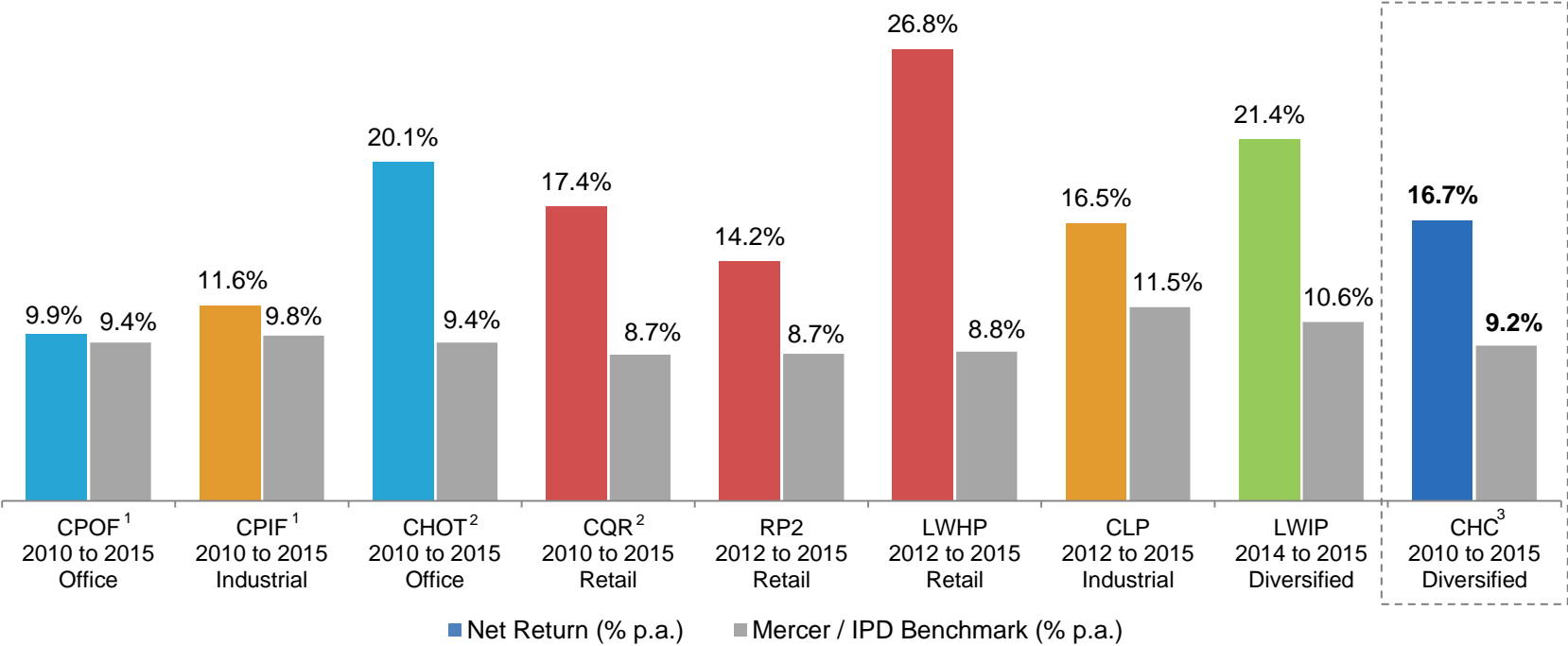


1. Portfolio occupancy calculated as the sum of each fund's occupancy by gross income multiplied by its % of the Property portfolio.
 2. Top tenant classifications refer to companies and their subsidiaries or related companies. Government tenant classification refers to all Government and Government related tenants
 3. CPOF occupancy excludes recent development at 570 Bourke St, Melbourne.

Property Investment Portfolio Net Returns

Property Investment

- CHC current investment portfolio net return over five years to 30 June 2015 is 16.7% per annum, outperforming the IPD/Mercer Wholesale Unlisted Property Funds Index (NAV post fees) which returned 9.2% over the same period
- The net return of each core Property Investment has outperformed the sector specific Mercer/IPD index over the same period, particularly in the Industrial and Long WALE sectors



1. CPOF and CPIF 5 year net return uses Mercer / IPD Wholesale Pooled Property Funds Index benchmark data.
 2. CHOT (formally CQO) and CQR starting value based on security price on ASX.
 3. CHC includes all cash flows from 30 June 2010 for the active portfolio only and excludes realised or non core funds.

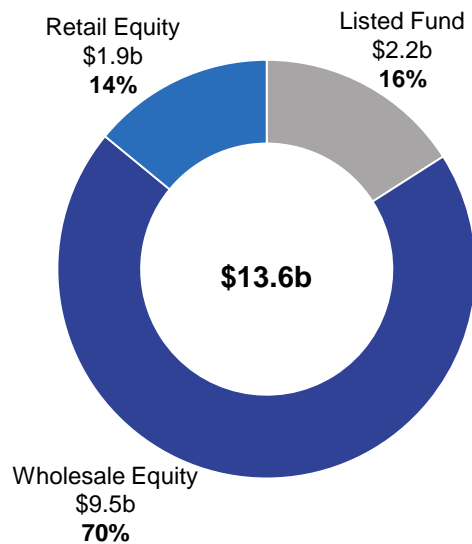
Property Funds Management



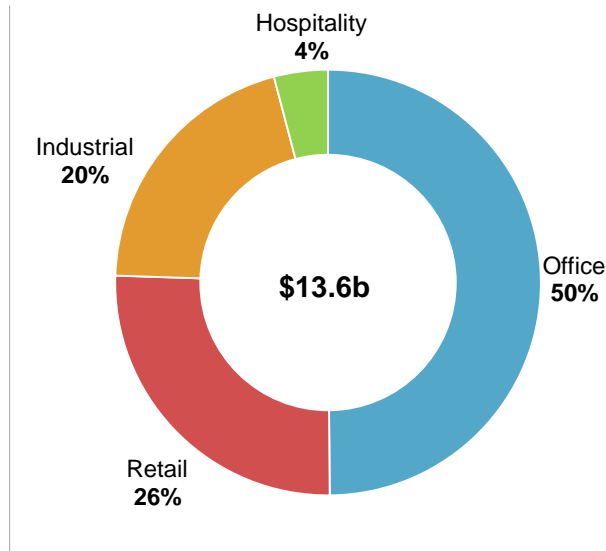
Well Diversified Funds Management Portfolio

	Portfolio Size (\$b)	No. of Properties	No. of Tenants	Gross Income (\$m)	WALE ² (years)	Occupancy (%)	WACR ³ (%)
FY15	13.6	276	2,289	1,120	7.9	97.8	7.10
FY14	11.5	209	2,289	1,000	7.3	96.8	7.68

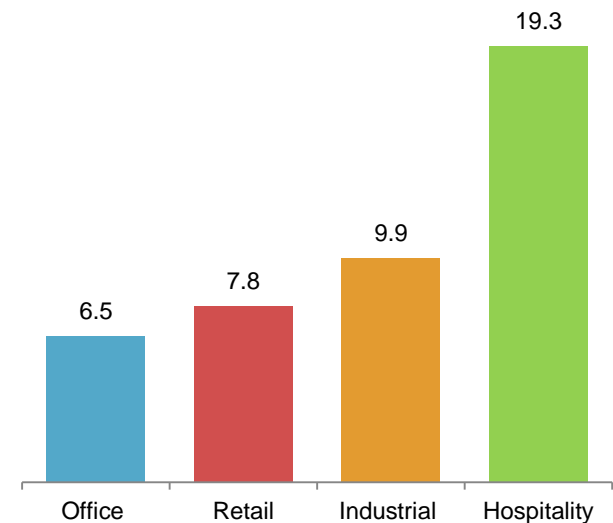
Diversification by equity source



Asset type diversification¹



WALE by sector



1. LWIP is allocated between the Hospitality sector (82% Hotels) and Retail sector (18% Dan Murphy's and BWS outlets).

2. WALE for the Property Funds Management portfolio which is measured by all tenants' remaining leases in years, weighted by each tenant's gross income as a proportion of the total gross income

3. WACR for the Property Funds Management portfolio and is weighted by proportion of total property assets.

Office Sector Activity

Property Funds Management

12 months to 30 June 2015

- Office FUM increased 3% to \$6.7b
- Completed \$325m of acquisitions and \$545m of divestments
- \$220m acquisition of the Western Sydney University's new office campus in Parramatta's CBD, Sydney, with a 15 year WALE (50% CPOF and 50% DOF)
- Completed 152 leasing agreements across 251,249sqm increasing portfolio WALE from 6.2 years to 6.5 years. Major leasing deals included:
 - 31,700sqm renewal to Westpac at Kogarah for 20 years (CPOF/DOF);
 - 20,800sqm renewal to WA Government at Cannington (PFA);
 - 13,800sqm renewal to Telstra at 150 Lonsdale Street, Melbourne (CHOT) and
 - 13,000sqm renewal to Macquarie at No.1 Martin Place, Sydney (CHOT)



Sector overview	30 Jun 2015	30 Jun 2014	Change
FUM	\$6.7b	\$6.6b	\$0.1b
No. of properties	48	55	(7)
Gross income	\$569m	\$586m	(17)
Occupancy	96.9%	95.4%	1.5%
WALE	6.5yrs	6.2yrs	0.3yrs
WACR	7.13%	7.67%	(0.54%)
CHC co-investment	\$372m	\$301m	\$71m

Retail Sector Activity

Property Funds Management

12 months to 30 June 2015

- Retail FUM increased 20% to \$3.5b
- Completed \$466m of acquisitions and \$87m of divestments
- Completed 405 leasing deals over 92,771sqm with occupancy remaining strong at 98.6%
- Established and expanded LWHP with additional equity commitments of \$235m bringing the Partnership's total committed equity to \$418m
- Established RP6, with \$250m of total equity commitments which is a 20:80 partnership between Charter Hall and an institutional investor
- RP6 acquired Pacific Square Shopping Centre Maroubra for \$137m



Sector overview ¹	30 Jun 2015	30 Jun 2014	Change
FUM	\$3.5b	\$2.9b	\$0.6b
No. of properties	95	96	(1)
Gross income	\$297m	\$238m	\$59m
Occupancy	98.6%	98.5%	0.1%
WALE	7.8yrs	8.0yrs	(0.2yrs)
WACR	6.99%	7.61%	(0.62%)
CHC co-investment	\$251m	\$238m	\$13m

1. LWIP's FUM, gross income and CHC co-investment is allocated between the Hospitality sector (82% Hotels) and Retail sector (18% Dan Murphy's and BWS outlets).

Industrial Sector Activity

Property Funds Management

12 months to 30 June 2015

- Industrial FUM increased 32% to \$2.8b
- Completed \$539m of acquisitions and \$64m of divestments including:
 - Acquisition of the six asset (\$171m) Inghams portfolio with assets allocated to CLP, DIF2 and CPIF with WALEs ranging from 20 years to 25 years
- Completed 15 leasing deals totaling 136,271sqm
- CPIF, which ranked as Australia’s number 1 wholesale unlisted property fund¹, completed an equity raising of \$396m
- CLP continues to grow, with the acquisition of five assets during the year, with FUM at \$921m (up from \$608m)
- Charter Hall Direct launched DIF3 in December 2014 and has since settled three assets with a fourth asset exchanged



Sector overview	30 Jun 2015	30 Jun 2014	Change
FUM	\$2.8b	\$2.1b	\$0.7b
No. of properties	76	58	18
Gross income	\$219m	\$176m	\$43m
Occupancy	98.6%	99.4%	(0.8%)
WALE	9.9yrs	9.9yrs	-
WACR	7.43%	7.86%	(0.43%)
CHC co-investment	\$197m	\$181m	\$16m

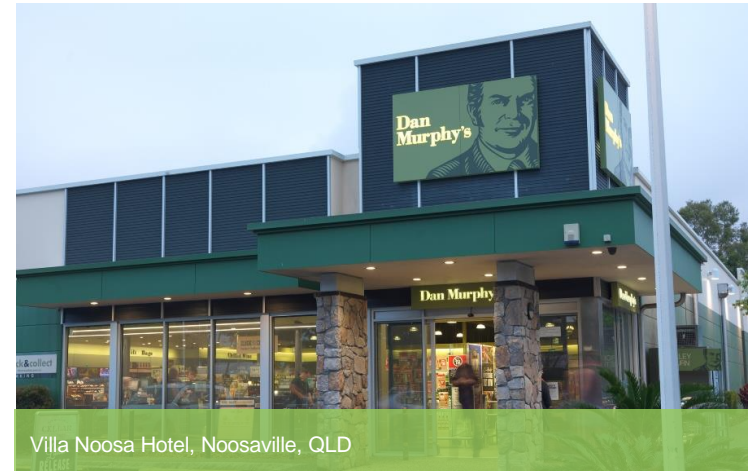
1. Source IPD/Mercer Wholesale Pooled Property Funds Index 3 years to 30 June 2015 (multi-asset funds).

Hospitality Sector Activity

Property Funds Management

12 months to 30 June 2015

- Established the Group's first investment in the Hospitality sector via a new wholesale partnership, LWIP (Long WALE Investment Partnership) which is a 50:50 partnership between Charter Hall and Hostplus
- LWIP acquired a \$603m¹ portfolio of 54 high quality hospitality assets, leased to the ALH Group subject to initial lease terms of 20 years plus options with annual CPI rental increases
- Established the Group's second investment in the Hospitality sector via a new wholesale partnership, LWIP2, between Charter Hall and Hostplus
- LWIP2 acquired three high quality Queensland assets for \$31m, these assets are leased to ALH with a WALE of 19.8 years
- The ALH Group is the market leader in the Australian hotel sector and is 75% owned by Woolworths Limited and 25% by Mathieson Group



Sector overview ¹	30 Jun 2015	31 Dec 2014	Change
FUM	\$0.6b	\$0.5b	\$0.1b
No. of properties	57	54	3
Gross income	\$36m	\$34m	\$2m
Occupancy	100%	100%	-
WALE	19.3yrs	19.8yrs	(0.5yrs)
WACR	6.45%	6.66%	(0.21%)
CHC co-investment	\$124m	\$112m	\$12m

1. LWIP's FUM, gross income and CHC co-investment is allocated between the Hospitality sector (82% Hotels) and Retail sector (18% Dan Murphy's and BWS outlets).

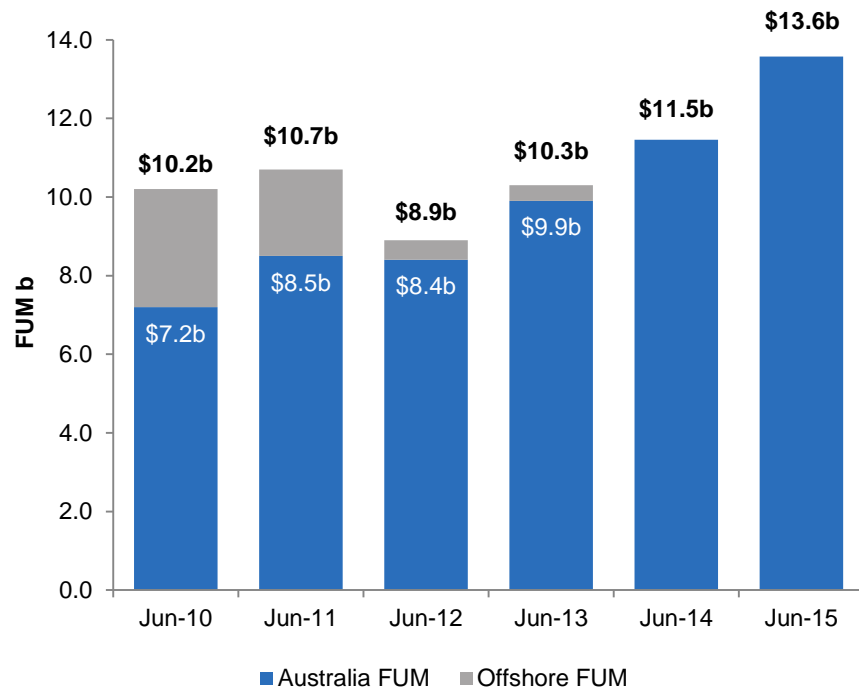
Australian FUM Growth of 18% Drives Earnings

Property Funds Management

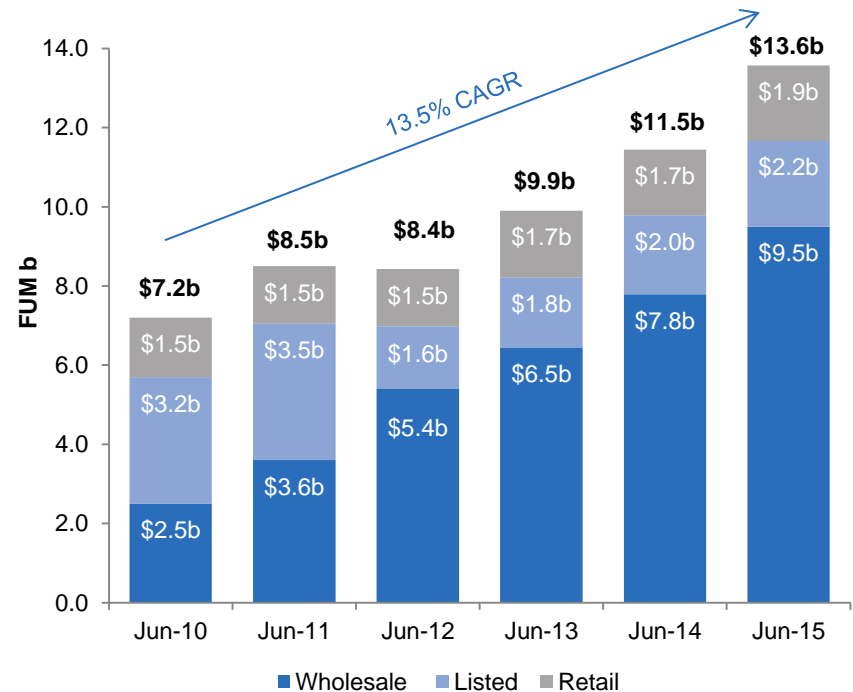
FUM growth driven by activity in the Industrial, Retail and Hospitality sectors

- Australian property FUM has increased \$2.1b, or 18% during FY15 to \$13.6b
- 13.5% CAGR in domestic FUM since June 2010

Total Group FUM



Australian FUM by equity source



1. CAGR from 30 June 2010 to 30 June 2015.

Secured Inflows Across the Funds Platform

Property Funds Management

- Diversified equity sources
- Secured \$1.7b in gross equity flows³ (\$1.3b net) during FY15 across all equity sources

	FY13 (\$m)	FY14 (\$m)	FY15 (\$m)
Wholesale Pooled Funds	147	651	653
Wholesale Partnerships	599	261	598
Listed Funds ¹	142	260	274
Direct Funds ²	288	277	180
Gross equity secured (Australian FUM)	1,176	1,449	1,705
Net equity secured (Australian FUM)	1,003	987	1,297

1. Listed Funds include equity raised in CHC and CQR placements and DRP.

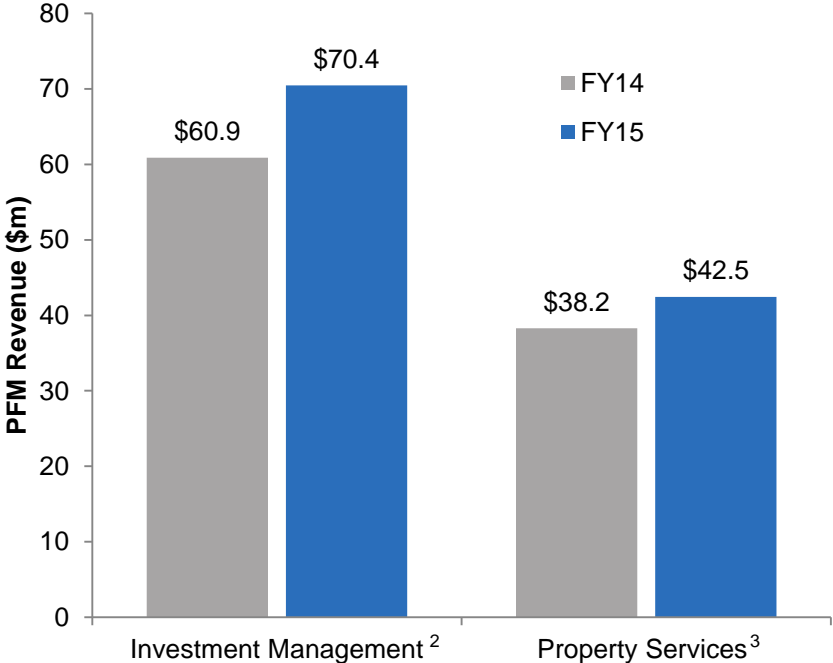
2. Funds and syndicates for retail, SMSF and high net worth investors.

3. Equity flows includes equity received or returned only and excludes undrawn equity commitments.

PFM EBITDA Growth of 26.2%

Property Funds Management

- PFM EBITDA margin on revenue has increased from 36.2% to 40.1%



\$m	FY15	FY14	Change %
Revenue	112.9	99.1	13.9%
Net operating expenses	(67.6)	(63.2)	7.0%
PFM EBITDA¹	45.3	35.9	26.2%
EBITDA margin on revenue	40.1%	36.2%	3.9%

1. PFM EBITDA excludes security-based benefits and depreciation expense.
 2. Investment Management revenue includes fund management fees and transactional / performance fees.
 3. Property Services revenue includes property management, leasing, facilities management, development management and 50% share of CIP.

Development Adding to Fund Performance

Property Funds Management

- Redevelopment opportunities undertaken to enhance both income yield and total returns for managed funds
- In-house development skills are a core competency
- Development pipeline includes major office projects WSU Parramatta, Sydney and 333 George Street, Sydney, a variety of shopping centre expansions and industrial sites
- In addition to the current projects underway, Industrial land banks owned have the potential to add an additional \$0.5b of completion value once pre-leased.



Artist impression of 333 George Street, Sydney, NSW (CPOF)

Development activity (current projects underway)	On completion value
Office ²	\$471m
Industrial ³	\$147m
Retail	\$273m
Total¹	\$891m



Darra, Brisbane, QLD (CLP)

1. \$0.7b included in FUM at 30 June 2015.
 2. Decrease in office development due to 570 Bourke Street, Melbourne and 100 Skyring Terrace, Brisbane reaching practical completion (PC) during the year.
 3. Includes current projects pre-leased and under construction

Financial Result

4

Profit and Loss by Segment

Financial Result

- 21.7% growth in Operating Earnings to \$98.8m
- PI operating earnings up 17.3% to \$58.3m
 - Co-invested an additional \$187m
 - Property investment income yield 7.5%
- PFM earnings increased by 25.2% to \$43.3m with strong revenue growth in all areas
- OEPS growth of 8.7% to 27.5cps and DPS growth of 8.5% to 24.2cps

\$m	FY15	FY14	Change %
Property investment	58.3	49.7	17.3%
Property funds management	43.3	34.6	25.2%
Security-based benefits expense	(2.8)	(3.1)	(9.7%)
Operating earnings	98.8	81.2	▲ 21.7%
Property valuations (net) ¹	37.4	13.2	
Amortisation and impairment of intangibles	(9.3)	(8.5)	
MTM of derivatives ¹	(5.6)	(0.9)	
Other non-operating items ¹	(3.4)	(2.9)	
Total non-operating items	19.1	0.9	
Profit after tax	117.9	82.1	▲ 43.6%
OEPS (cps)	27.5	25.3	▲ 8.7%
DPS (cps)	24.2	22.3	▲ 8.5%
Payout ratio	88%	88%	
ROE ² (earnings)	11.4%	11.4%	-
ROE ³ (total return)	14.5%	13.5%	▲ 1.0%

1. Includes the Group's proportionate share of non-operating items of equity accounted investments on a look through basis.

2. Return on equity (earnings) is calculated as operating earnings divided by opening NTA plus contributed equity during the year.

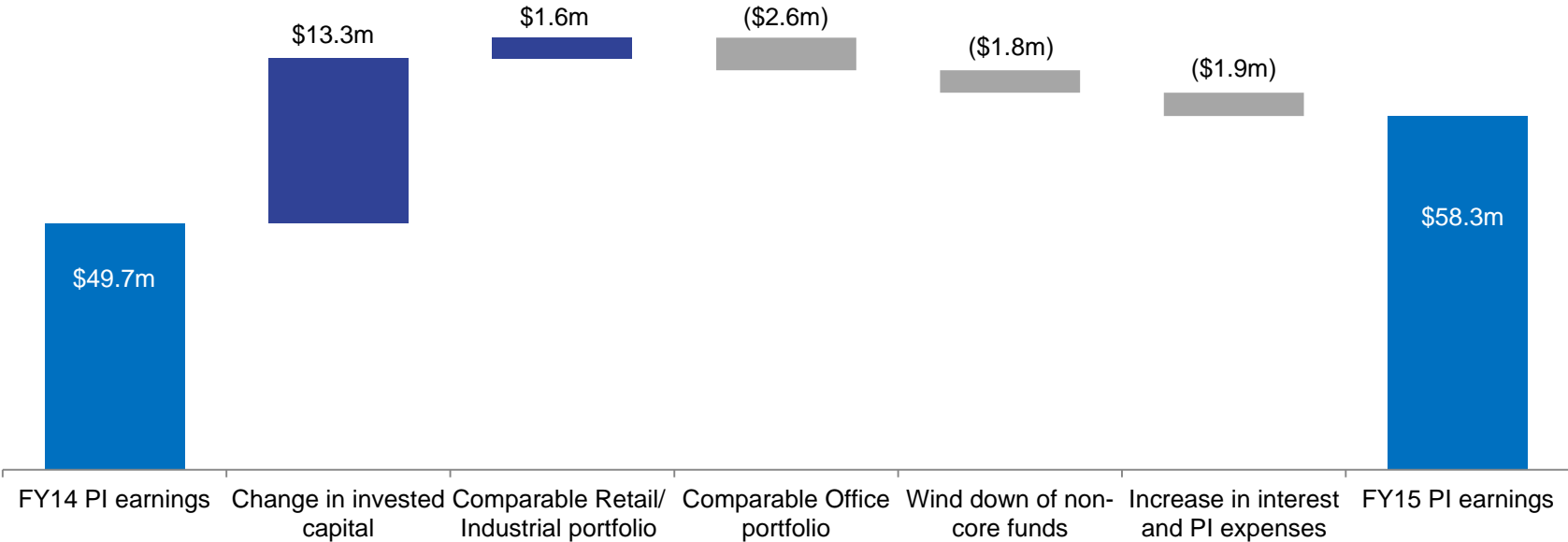
3. Return on equity (total return) is calculated as the growth in NTA per security minus private placement impact plus the distribution paid/payable per security divided by the opening NTA per security.

Property Investment Earning Growth of 17.3%

Financial Result

Operating earnings from Property Investment of \$58.3m, up 17.3%

- \$13.3m contribution from additional \$187m net investments
- \$1.6m or 3.3% growth in earnings from the comparable Retail and Industrial investments
- \$2.6m reduction from core Office portfolio reflecting vacancy and assets sales in CHOT¹ and CPOF
- \$1.8m reduction in investment earnings due to the continued wind down of non-core funds



1. CHOT was impacted by vacancy at No.1 Martin Place, Sydney which is 100% owned by CHOT. As at 30 June 2015 occupancy at No.1 Martin Place had increased to 95%.

Property Funds Management Earnings Up 25.2%

Financial Result

- PFM operating earnings of \$43.3m, up 25.2%
- Investment Management revenue growth of 15.7% driven by:
 - \$5.1m increase in fund management fees attributable to the impact of prior year FUM growth now generating recurring fees
 - \$4.4m increase in transactional revenue
- Property Services revenue growth of 10.9% driven by \$2.4m increase in leasing fees
- Expenses up 7.0%, reflecting impact of FUM growth of 18.0% over the past year and ongoing reinvestment in improved capabilities
- PFM EBITDA margin has expanded 3.9% to 40.1%
 - Revenue to expense growth multiple of 1.9x
- The PFM platform is expected to be in a tax payable position from FY17

\$m	FY15	FY14	Change %
Investment management	70.4	60.9	15.7%
Property services	42.5	38.2	10.9%
Total PFM revenue	112.9	99.1	13.9%
Net operating expenses	(67.6)	(63.2)	7.0%
PFM EBITDA	45.3	35.9	26.2%
Depreciation	(2.0)	(1.4)	42.9%
Income tax	0.0	0.0	-
PFM operating earnings	43.3	34.6	25.2%
PFM EBITDA margin on revenue	40.1%	36.2%	3.9%
PFM EBITDA margin on cost	67.0%	56.8%	10.2%
PFM net expenses / average FUM	54bps	58bps	(4bps)

Balance Sheet Capacity

Financial Result

- Strong balance sheet maintained
 - Cash position of \$152m at 30 June 2015 following equity raise in May 2015
 - \$224m increase in property investments through deployment of equity raise and continued capital recycling
 - Property Investments represent 84% of net tangible assets
- \$240m available liquidity² at 30 June 2015
- Deferred tax asset recognised at 30 June 2015 relating to carry forward tax losses
- As at 26th August 2015, the Group has deployed \$155m of the equity raised in May 2015 (CPOF, DOF, DIF3, RP6, RP2, CLP and LWIP2) to support equity raisings and fund property investments

\$m	30 June 2015	30 Jun 2014
Cash	152	50
Property investments	944	720
Development investments	47	47
Deferred tax assets	7	8
Other tangible assets	50	73
Intangibles	78	88
Total assets	1,278	986
Borrowings	-	-
Other liabilities	78	69
Total liabilities	78	69
Total equity	1,200	917
NTA per security	\$2.76	\$2.38
NAV per security	\$2.95	\$2.64
Balance sheet gearing (net of cash)	0.0%	0.0%
Look-through gearing ¹	31.4%	31.0%
Available liquidity (\$m) ²	240	139

1. Calculated by incorporating Charter Hall's proportional share of total assets (net of cash) and debt (net of cash) of the funds in which it invests.

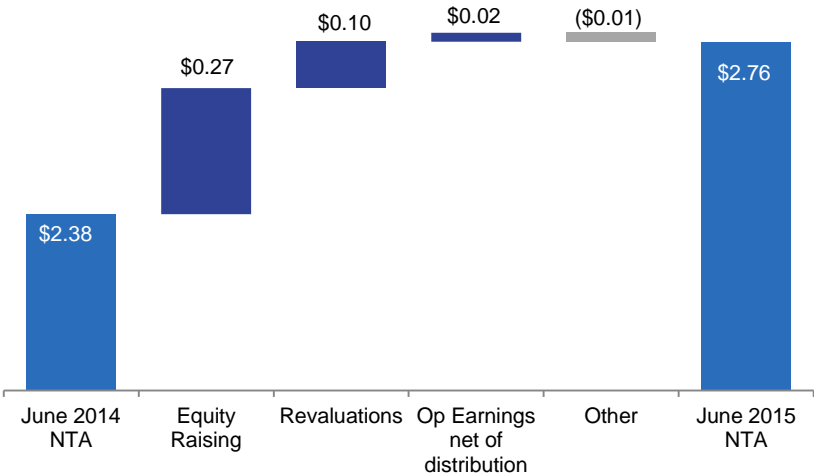
2. Available liquidity at 30 June 2015 excludes \$25m Tranche B of CHC corporate debt facility expiring August 2015.

NTA Per Security and Cap Rate Bridge

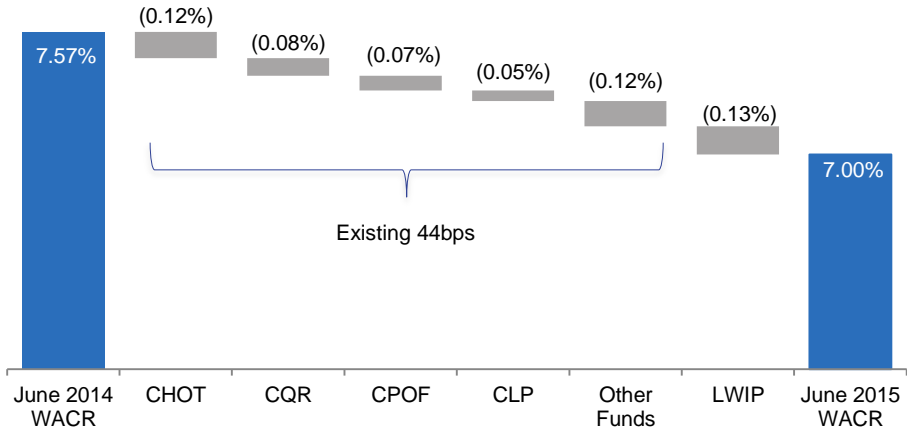
Financial Result

- NTA per security uplift of 38cps primarily due to capital raise and cap rate compression in existing property investment portfolio
- WACR has reduced by 57 basis points:
 - Existing Property Investments cap rate compression of 44 basis points
 - LWIP investment reduces the WACR by a further 13 basis points

NTA (\$ per security)



Weighted Average Cap Rate¹



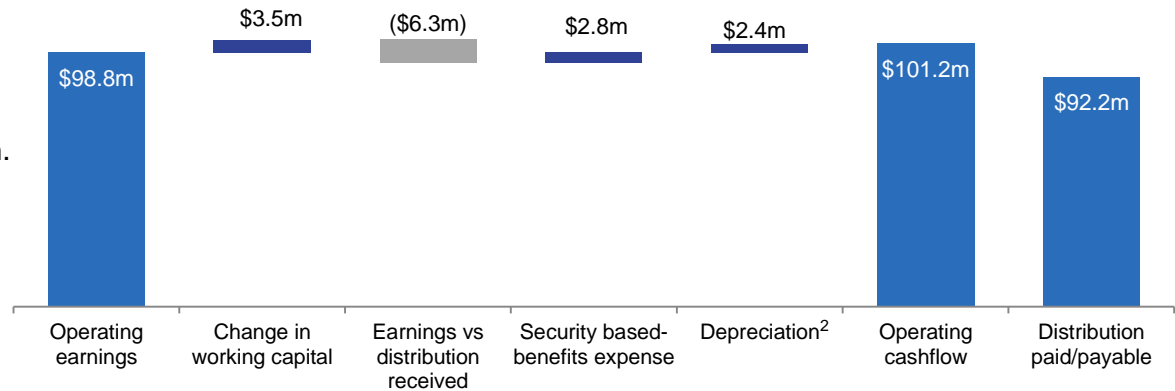
1. WACR is Weighted Average Cap Rate for the Charter Hall Group Property Investments portfolio and is weighted by individual co-investment value as a proportion of total property investments.

Cashflow

Financial Result

- FY15 distribution covered 111% by operating cashflow
- DRP participation of 21.9%¹ will retain approximately \$10.8m of the 2H15 distribution. Total cash retained for FY15 distributions of \$30m

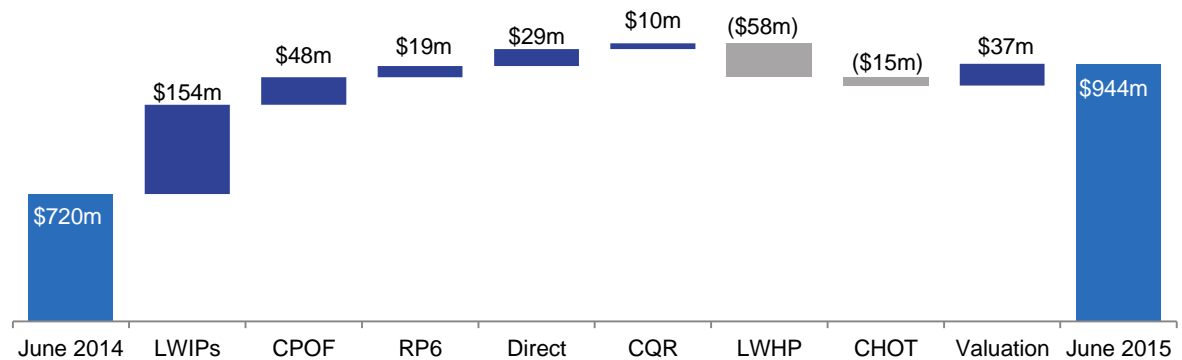
Operating Earnings to Operating Cashflow



The net movement in Property Investments in FY15 was \$224m including:

- \$154m investment in LWIP and LWIP2
- \$48m participation in CPOF equity raising
- \$29m net investment in Direct Funds (investments in DIF3 and DOF partially offset by divestment from CDC)
- \$58m net divestment in LWHP

Property Investment Movement



1. Preliminary participation rate

2. Includes depreciation expense and amortisation of borrowing costs.

Outlook and Guidance



FY16 Outlook and Earnings Guidance

Outlook and Guidance

- The Australian property yield spread to bond yields and the cost of debt remains attractive for domestic and offshore investors
- Charter Hall continues to focus on investing in assets with strong tenant covenants and long leases, delivering sustainable income and capital growth for investors

Our guidance is as follows:

- Absent unexpected events, our FY16 guidance is 5-7% growth on FY15 operating earnings per security of 27.5cps
- The distribution payout ratio is expected to be between 85% and 95% of operating earnings per security



Additional Information

Additional Information

1 Group & Managed Funds Overview	36
2 Property Investment Portfolio	38
3 Fund Updates	39
4 Financial Performance	45
5 Capital Management and Funding	50
6 Fund Key	53

Charter Hall Group

Group Overview

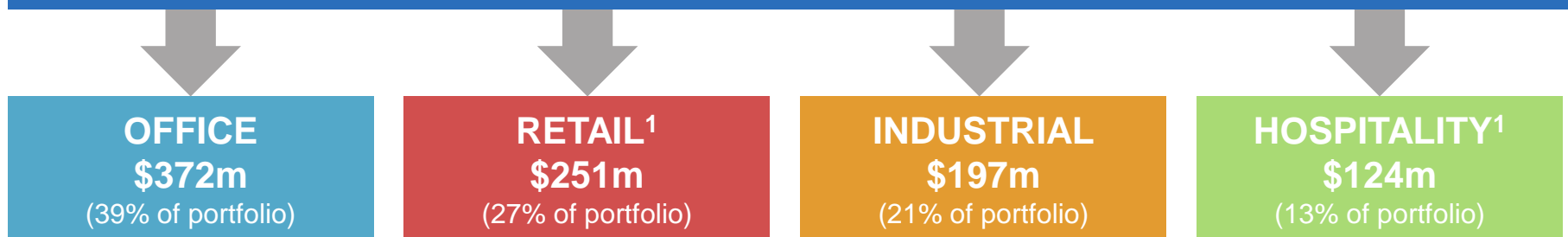
Property Funds Management Platform \$13.6b FUM

- Investment management
- Transaction services
- Capital management

FUM	\$13.6b
No. of properties	276
Gross income	\$1.1b

- Asset management
- Property management
- Development management
- Technical services

Property Funds Management Platform \$944m co-investments



1. LWIP is allocated between the Hospitality sector (82% Hotels) and Retail sector (18% Dan Murphy's and BWS outlets).

Charter Hall Managed Funds

FUM as at 30 June 2015

Listed AREIT
\$2.1b
 (\$147m co-invested)

CQR¹
\$2.1b
 (\$147m / 11%)

Wholesale Pooled funds, Partnerships and Mandates \$9.5b
 (\$731m co-invested)

Partnerships
\$4.7b

CHOT
 \$2.2b
 (\$164m / 14%)

CLP
 \$0.9b
 (\$96m / 15%)

RP2
 \$0.2b
 (\$20m / 20%)

RP6
 \$137m
 (\$19m / 20%)

LWHP
 \$0.6b
 (\$38m / 12%)

LWIP
 \$0.6b
 (\$147m / 50%)

LWIP2
 \$31m
 (\$3m / 10%)

Pooled
\$3.4b

CPOF
 \$2.3b
 (\$169m / 13%)

CPIF
 \$1.1b
 (\$75m / 7%)

Mandates
\$1.4b

BSWF²
 \$0.6b

Other mandates³
 \$0.7b

Retail investor funds
\$1.9b
 (\$64m co-invested)

DOF
 \$0.7b
 (\$39m / 9%)

PFA
 \$0.2b
 (\$0.2m / 0%)

DIFs/CDC
 \$0.7b
 (\$25m / 24%)

CHIF 8
 \$57m

Workzone
 \$125m

VA
 \$70m

BW Trust
 \$76m

Funds being realised
\$0.1b
 (\$2m co-invested excluding developments)

CHUF
 \$2m
 (\$0.6m / 24%)

DPF
 \$7m
 (\$1m / 20%)

685 LaTrobe
 \$11m

CHOF 5
 \$83m
 (\$5m / 15%)

1. FUM definition includes completion value for development assets.

2. Brisbane Square Wholesale Fund (BSWF) includes 67% of Bankwest Place and Brisbane Square.

3. Includes interest in 275 George St (50%) and Adelaide ATO (50%), (which are both co-owned with CPOF); Riverside Centre, 100 Skyring Terrace, RP1 and other assets.

CHC Property Investment Portfolio

As at 30 June 2015

	Ownership Stake	Charter Hall Investment	Charter Hall Investment Income	WALE	Market Cap Rate	Discount Rate	Average rental reviews	Charter Hall Investment Yield ³
	(%)	(\$m)	(\$m)	(years)	(%)	(%)	(%)	(%)
Listed Fund		147	11.8					
Charter Hall Retail REIT (CQR) ¹	10.7%	147	11.8	7.0	7.2%	8.7%	4.2%	8.7%
Wholesale		731	44.5					
Charter Hall Office Trust (CHOT)	14.3%	164	10.8	5.5	7.0%	8.4%	3.9%	6.7%
Core Plus Office Fund (CPOF)	12.8%	169	7.7	6.4	7.0%	8.4%	3.9%	6.6%
Core Logistics Partnership (CLP)	14.8%	96	6.2	12.2	7.2%	8.7%	3.1%	7.1%
Core Plus Industrial Fund (CPIF)	7.2%	75	5.7	7.2	7.6%	9.0%	3.2%	7.9%
Long WALE Hardware Partnership (LWHP)	11.8%	38	3.6	9.3	6.7%	8.7%	2.7%	7.3%
Retail Partnership No. 2 (RP2)	20.0%	20	1.6	3.1	7.0%	8.8%	4.6%	8.4%
Retail Partnership No. 6 (RP6)	20.0%	19	0.2	4.7	6.5%	9.3%	4.1%	6.5%
Long WALE Investment Partnership (LWIP)	50.0%	147	8.7	19.3	6.4%	8.1%	2.5%	8.0%
Long WALE Investment Partnership No. 2 (LWIP2)	10.0%	3	0.0	19.8	6.8%	9.0%	2.5%	3.6%
Retail Investor Funds		64	1.9					
Direct Office Fund (DOF)	9.3%	39	1.4	7.8	7.2%	8.5%	3.6%	7.8%
PFA Diversified Property Trust (PFA)	0.1%	0	0.0	5.2	8.9%	9.1%	2.8%	9.9%
Direct Industrial Fund No. 3 (DIF3)	24.3%	25	0.5	13.2	7.5%	9.2%	2.9%	7.4%
Other		2	1.0					
Diversified Property Fund (DPF)	19.6%	1	0.1	4.1	9.5%	10.2%	2.6%	7.6%
Charter Hall Umbrella Fund (CHUF)	24.2%	1	-	4.1	9.5%	10.2%	2.6%	7.6%
Investments disposed/Other ⁴	-	-	0.9	-	-	-	-	-
Total²		944	59.2	9.1	7.0%	8.5%	3.6%	7.5%

1. CQR WALE reported based on total WALE. CQR minimum rent reviews is contracted weighted average rent increases of specialty tenants.

2. Weighted average property statistics based on the funds where CHC has an investment as at 30 June 2015.

3. Yield = Operating earnings divided by starting investment value (MTM) at start of the year adjusted for investments / divestments. Excludes MTM movements in NTA during the year.

4. Comprises Charter Hall Direct Industrial Fund (DIF), Charter Hall Direct Industrial Fund No. 2 (DIF2), Charter Hall Direct CDC Trust (CDC) and Retail Partnership No. 4 Trust (RP4).

Core Plus Office Fund (CPOF)

Property Investment Portfolio

Key events during FY15

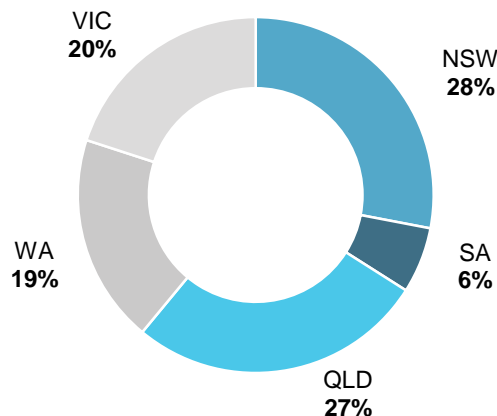
- CPOF acquired a 50% interest of 169 Macquarie Street, Parramatta, fully leased to the Western Sydney University (WSU) for 15 years
- The Bank of Queensland relocated into 100 Skyring Terrace in August 2014 approximately 3 months ahead of programme
- Assets currently under construction include 333 George Street, Sydney. 570 Bourke Street, Melbourne recently reached practical completion
- The Fund settled on the sale of a non-core asset at 51 Pirie Street, Adelaide

Portfolio characteristics

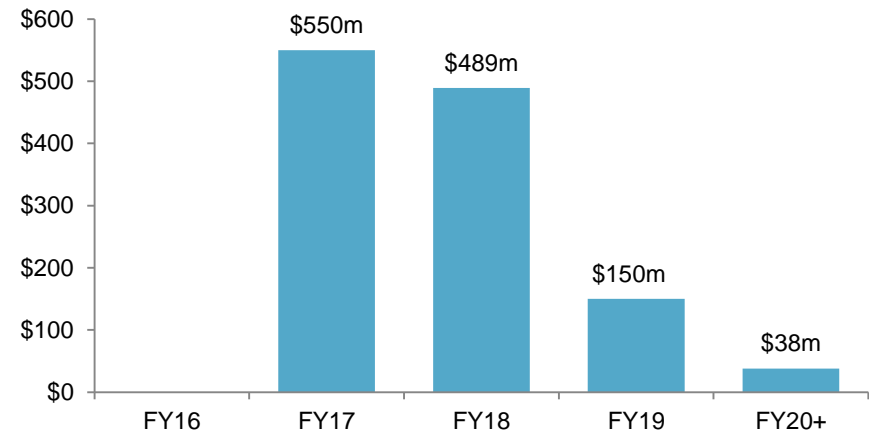
Key metrics

Gross property assets ¹	\$2.3b
Total debt (look through)	\$0.8b
Gearing (look-through)	36.1%
Number of assets	17
Occupancy ²	95.6%
Weighted average lease expiry ²	6.4 years
CBD assets	94%
A grade assets	95%
Weighted average cap rate	7.0%
Weighted average rent review (next 12 months)	3.9%
Charter Hall co-investment	\$169m / 12.8%

Geographic allocation (by GAV)



Debt expiry profile (by facility limit)



1. Represents 30 June 2015 book values including the completion value of WSU Parramatta (formally UWS).

2. Occupancy and WALE based on the core portfolio and excludes the impact of the current development 333 George Street, Sydney and 570 Bourke Street, Melbourne.

Charter Hall Office Trust (CHOT)

Property Investment Portfolio

Key events during FY15

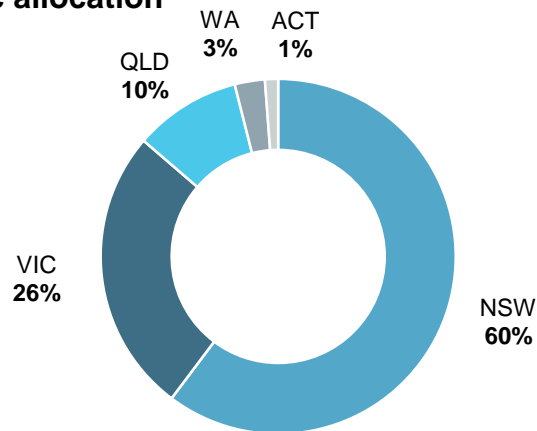
- Total of 89,089sqm leases executed and terms agreed on a further 29,369sqm – representing 32% of the portfolio
- Active portfolio capital management to take advantage of market cycle, divestment of 59 Goulburn Street, Sydney; Charter Grove, St Leonards and Moonee Ponds, Victoria all achieving a premium to book value
- Debt facility re-pricing producing a 55bps reduction in average margin and increased weighted debt maturity from 2.4 to 3.9 years

Portfolio characteristics

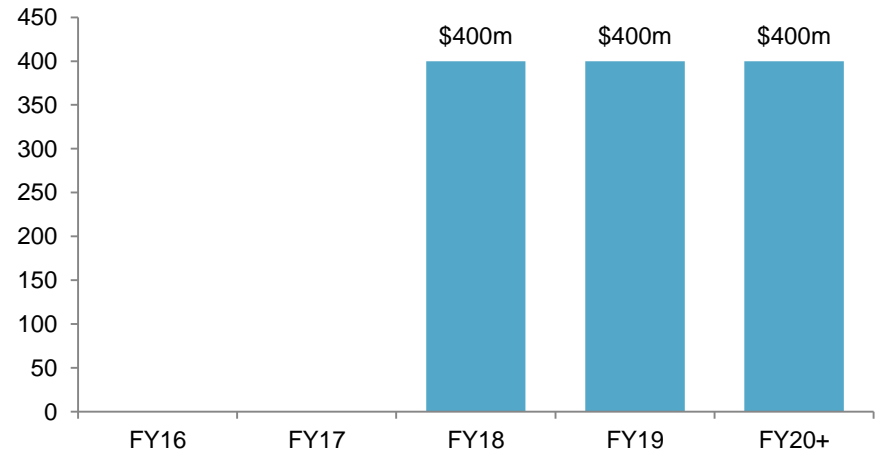
Key metrics

Gross property assets	\$2.2b
Total debt	\$1.0b
Gearing (balance sheet)	47.5%
Number of assets	15
Occupancy	96.6%
Weighted average lease expiry	5.5 years
CBD assets	85%
Prime grade assets	93%
Weighted average cap rate	7.0%
Weighted average rent review (next 12 months)	3.9%
Charter Hall co-investment	\$164m / 14.3%

Geographic allocation (by GAV)



Debt expiry profile (by facility limit)



Long WALE Investment Portfolio 1 (LWIP1)

Property Investment Portfolio

Key events during FY15

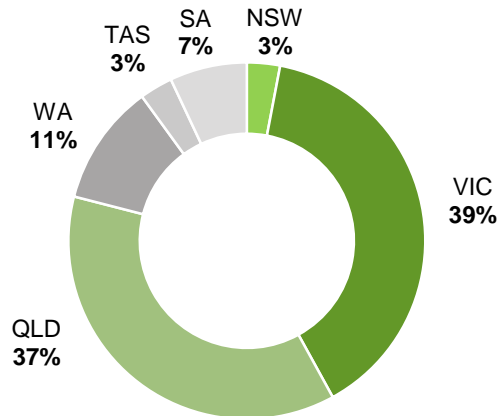
- \$640m portfolio of 54 ALH leased hotels including 18 Dan Murphy's
- Portfolio WALE of 19.3 years at June 2015 with CPI annual rental increases
- 30 June 2015 weighted average cap rate of 6.4%
- Interest rate hedges in place for up to 5 years at an average base rate of 3.12%

Portfolio characteristics

Key metrics

Gross property assets ¹	\$0.6b
Total debt	\$0.3b
Gearing (balance sheet) ²	52.1%
Number of assets	54
Occupancy	100%
Weighted average lease expiry	19.3 years
Weighted average cap rate	6.4%
Weighted average rent review (next 12 months)	CPI
Charter Hall co-investment	\$147m / 50%

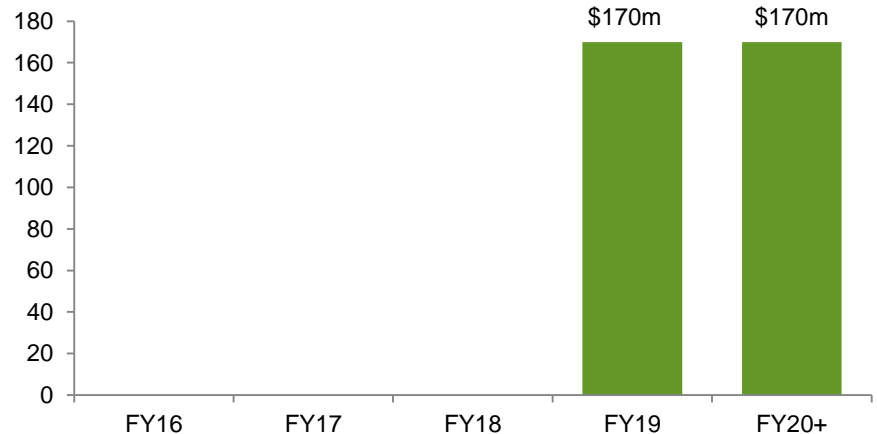
Geographic allocation (by GAV)



1. June 2015 Independent valuation

2. Calculated as follows: Debt (net of cash) : Total assets (net of cash)

Debt expiry profile (by facility limit)



Charter Hall Retail REIT (CQR)

Property Investment Portfolio

Key events during FY15

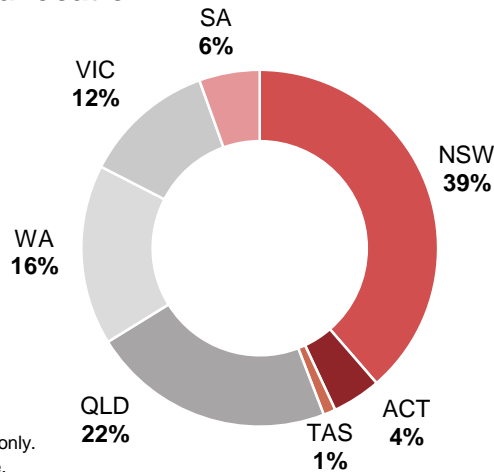
- Acquired or contracted four properties for \$192m at average initial yield of 7.2%
- Offshore disposals complete following the sale of German and New Zealand assets
- Debt restructure completed with key highlights being:
 - Achieved Moody’s rating of Baa1
 - USPP issued for 12 year duration increasing weighted average debt maturity to 5.8 years

Portfolio characteristics

Key metrics

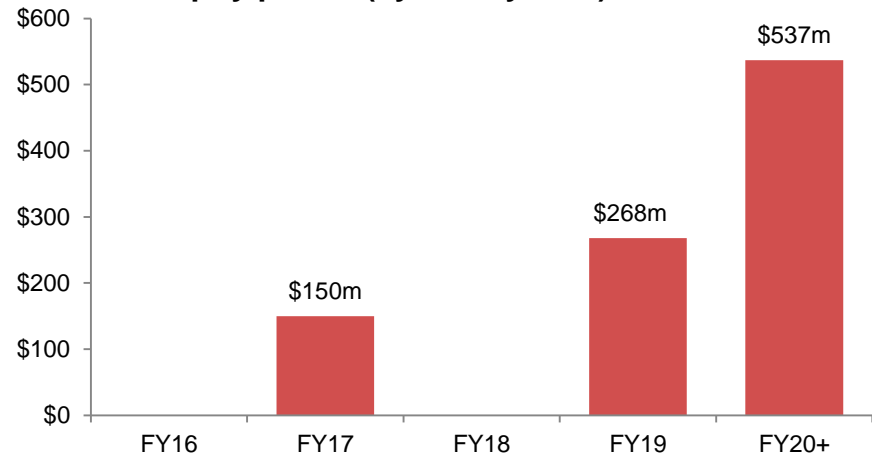
Gross property assets	\$2.2b
Total look-through debt (net of cash)	\$0.7b
Gearing (look-through)	33.6%
Total number of assets	73
Occupancy (weighted on GLA)	98.4%
Anchor WALE	10.7 years
Weighted average cap rate	7.2%
Same property NOI growth	2.4%
Weighted averaged rent review ¹ (next 12 months)	4.2%
Charter Hall co-investment	\$147m / 10.7%

Geographic allocation (by GAV)



1. For specialty stores only.
2. Post USPP issuance.

Debt expiry profile (by facility limit)²



Core Logistics Partnership (CLP)

Property Investment Portfolio

Key events during FY15

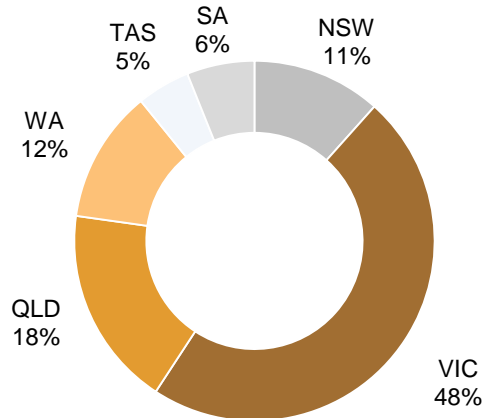
- Acquired five assets during FY15
- Portfolio gross assets of \$0.9b including current pre-leased forward funded developments underway

Portfolio characteristics

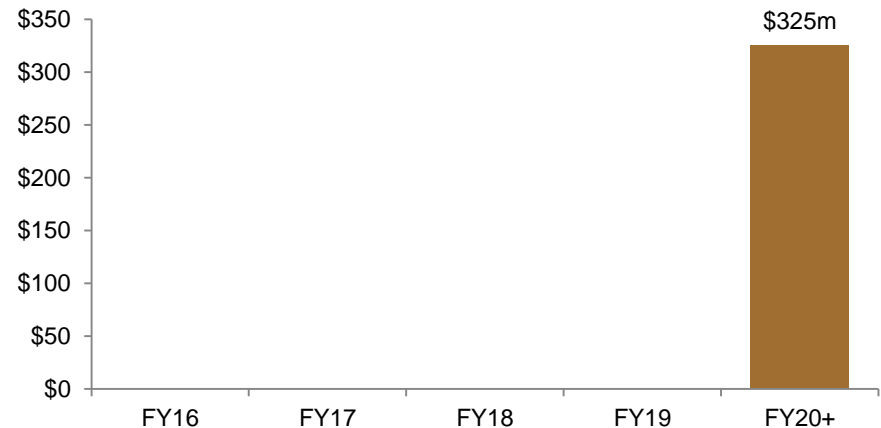
Key metrics

Gross property assets	\$0.9b
Total debt	\$0.2b
Gearing (balance sheet)	26.1%
Number of assets	17
Occupancy	98.3%
Weighted average lease expiry	12.2 years
Weighted average cap rate	7.2%
Weighted average rent review (next 12 months)	3.1%
Charter Hall co-investment	\$96m / 14.8%

Geographic allocation (by GAV)



Debt expiry profile (by facility limit)



Core Plus Industrial Fund (CPIF)

Property Investment Portfolio

Key events during FY15

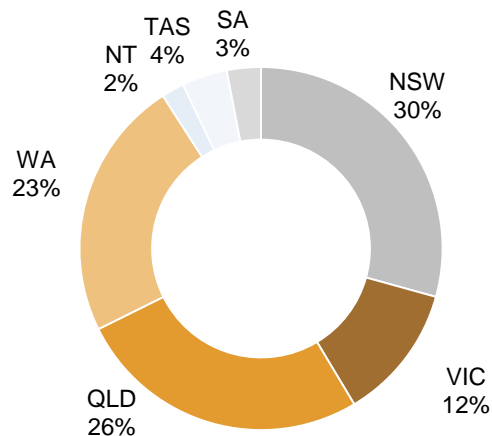
- CPIF highest ranked unlisted wholesale property fund¹ (all sectors) over the 3 years to 30 June 2015 according to Mercer / IPD Wholesale Pooled Property Funds Index benchmark data
- Over FY15 the Fund reached \$1b in gross asset value and is now diversified across 42 assets with 98.3% occupancy and a 7.2 year WALE
- CPIF controls a 51ha land bank spread across multiple sites with capacity to deliver up to 250,000sqm or \$350m of investment product

Portfolio characteristics

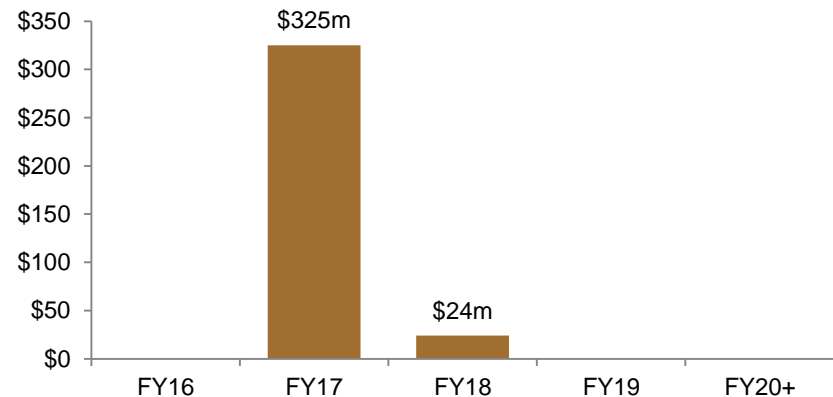
Key metrics

Gross property assets	\$1.1b
Total debt	\$0.1b
Gearing (look through)	5.0%
Number of assets	42
Occupancy	98.3%
Weighted average lease expiry	7.2 years
Weighted average cap rate	7.6%
Weighted average rent review (next 12 months)	3.2%
Charter Hall co-investment	\$75m / 7.2%

Geographic allocation (by GAV)



Debt expiry profile (by facility limit)



1. Source: Mercer / IPD Wholesale Pooled Property Funds Index benchmark data – multi asset funds

Update on Deployment of Equity Raising

Financial Performance

- A \$225m private placement was undertaken in May 2015 to:
 - Enable Charter Hall to fund identified equity investments alongside its capital partners; and
 - Provide capacity for future co-investment as growth opportunities are identified alongside new and existing partners
- At 26 August 2015, \$155m has been deployed into the following funds and partnerships:

Sector	Fund/s	Investing alongside our capital partners	Invested by 26 August 2015	Indicative timing post 26 August 2015
Industrial	Core Logistics Partnership (CLP)	Top-up of original investment commitment	\$6m	Aug - Oct 15
Office	Core Plus Office Fund (CPOF)	Participate in capital raising (pro-rata)	\$48m	n/a
Retail	Retail Partnership No. 6 (RP6) Retail Partnership No. 2 (RP2)	Co-investment in wholesale partnerships	\$48m	Through FY16
Industrial / Office	Direct funds (DIF3 / DOF)	Support equity raising and facilitate property acquisitions	\$50m	n/a
Hospitality	Long WALE Investment Partnership No. 2 (LWIP2)	Co-investment in wholesale partnership	\$3m	Through FY16

Key Financial Metrics

Financial Performance

Group	FY15	FY14	Change
Statutory profit after tax	\$117.9m	\$82.1m	43.6%
Operating earnings	\$98.8m	\$81.2m	21.7%
Operating earnings per security (OEPS)	27.5cps	25.3cps	8.7%
Distribution per security (DPS)	24.2cps	22.3cps	8.5%
Return on Equity ¹ (earnings)	11.4%	11.4%	-
Return on Equity ² (total return)	14.5%	13.5%	1.0%

Balance Sheet	At 30 Jun 2015	At 30 Jun 2014	Change
Funds under management – Australia	\$13.6b	\$11.5b	18.3%
Total Group assets	\$1,278m	\$986m	29.6%
NAV per security	\$2.95	\$2.64	11.7%
NTA per security	\$2.76	\$2.38	16.0%
Balance sheet gearing ³	0.0%	0.0%	-
Look through gearing	31.4%	31.0%	0.4%

1. Return on equity (earnings) is calculated as operating earnings divided by opening NTA plus contributed equity during the year.

2. Return on equity (total return) is calculated as the growth in NTA per security minus private placement impact plus the distribution paid/payable per security divided by the opening NTA per security

3. Debt net of cash / Gross assets less cash.

Detailed Operating Earnings

Financial Performance

\$m	FY15	FY14	Change	Change %
Property Investment				
Property funds investment income	59.2	48.7	10.5	21.6%
Net interest income / (expense)	0.1	1.2	(1.1)	(89.3%)
Operating costs	(1.0)	(0.2)	(0.8)	398.1%
Property Investment	58.3	49.7	8.6	17.3%
Property Funds Management				
Funds management income	112.9	99.1	13.8	13.9%
Net operating expenses	(67.6)	(63.2)	(4.4)	7.0%
Depreciation	(2.0)	(1.4)	(0.6)	46.8%
Property Funds Management	43.3	34.6	8.7	25.2%
Security-based benefits expense	(2.8)	(3.1)	0.3	(9.7%)
Total operating earnings	98.8	81.2	17.6	21.7%

Property Funds Management Operating Earnings

Financial Performance

\$m	FY15	FY14	Change	Change %
Revenue				
Fund management fees	49.9	44.7	5.1	11.5%
Transaction and performance fees	20.6	16.1	4.4	27.4%
Investment management	70.4	60.9	9.6	15.7%
Property management fees	15.0	14.3	0.6	4.3%
Development management fees (Inc. CIP)	10.6	10.7	(0.1)	(1.2%)
Leasing fees	12.9	10.5	2.4	22.7%
Facilities and project management fees	4.0	2.7	1.3	49.0%
Property services	42.5	38.3	4.2	10.9%
Total funds management revenue	112.9	99.1	13.8	13.9%
Net employee costs	(54.9)	(49.9)	(5.1)	10.2%
Non-employee costs	(12.7)	(13.4)	0.7	(5.0%)
Net operating expenses	(67.6)	(63.2)	(4.4)	7.0%
Depreciation	(2.0)	(1.4)	(0.6)	46.8%
Operating earnings: Property Funds Management¹	43.3	34.6	8.7	25.2%

1. Excludes security-based benefits expense.

Reconciliation of Operating Earnings to Statutory Profit

Financial Performance

\$m	FY15	FY14
Operating earnings	98.8	81.2
Net fair value loss on financial derivatives ¹	(5.6)	(0.9)
Net fair value movements of investments and property ¹	37.4	13.2
Amortisation and impairment of intangibles	(9.3)	(8.5)
Transfer from reserves of cumulative FX losses on disposal of foreign investments ¹	(0.7)	(0.5)
Other ¹	(2.7)	(2.4)
Statutory profit after tax attributable to stapled securityholders	117.9	82.1

1. Includes the Group's proportionate share of non-operating items of equity accounted investments on a look through basis.

PFM Platform Debt Management

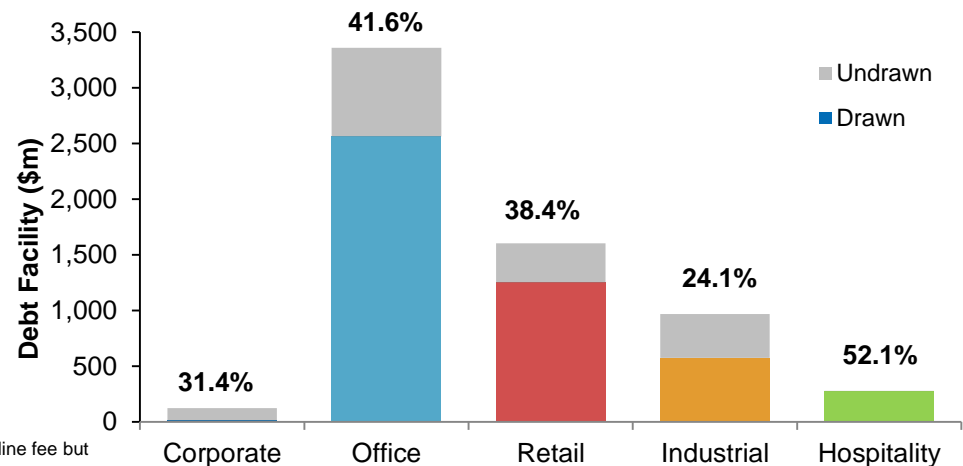
Capital Management and Funding

- Substantial funding capacity available across the funds platform
 - \$6.3b of debt facilities across 26 funds and the Group
 - \$1.7b available undrawn debt plus \$0.3b of cash
- \$1.5b of new debt facilities and \$4.2b of refinanced debt in FY15
- Look through weighted average debt maturity¹ of 3.2 years, down from 3.6 years
- WACD² is to 4.88% down from 5.10%
- Increased interest rate hedging to 79%, up from 66% across the funds platform

Key debt metrics

Managed funds platform	Jun 15	Jun 14
Group facility limit (\$m)	6,336	5,485
Group undrawn debt (\$m)	1,667	1,325
Total group cash (\$m)	262	195
Look-through gearing (%)	31.4%	31.0%
Look-through weighted average debt maturity (years) ¹	3.2	3.6
Look-through weighted average cost of debt ²	4.88%	5.10%
Look-through interest rate hedging (%)	79%	66%

Look-through Debt Facility by Sector^{1,3}



1. Debt duration is based on facility limits.

2. Passing cost of debt is on a look through basis and includes floating rate, hedge rate, margins, line fee but excludes undrawn line fees and amortised borrowing costs.

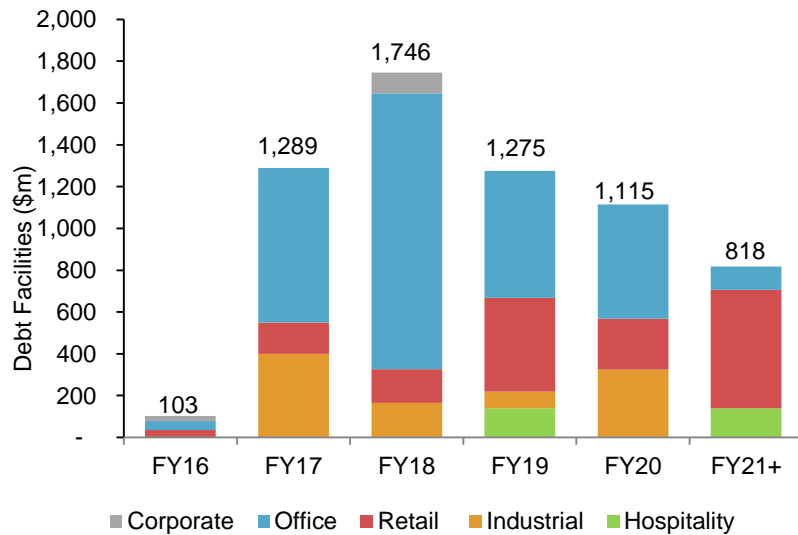
3. % in columns refers to look-through gearing measured as look-through liabilities to look-through assets.

Debt Maturity Profile

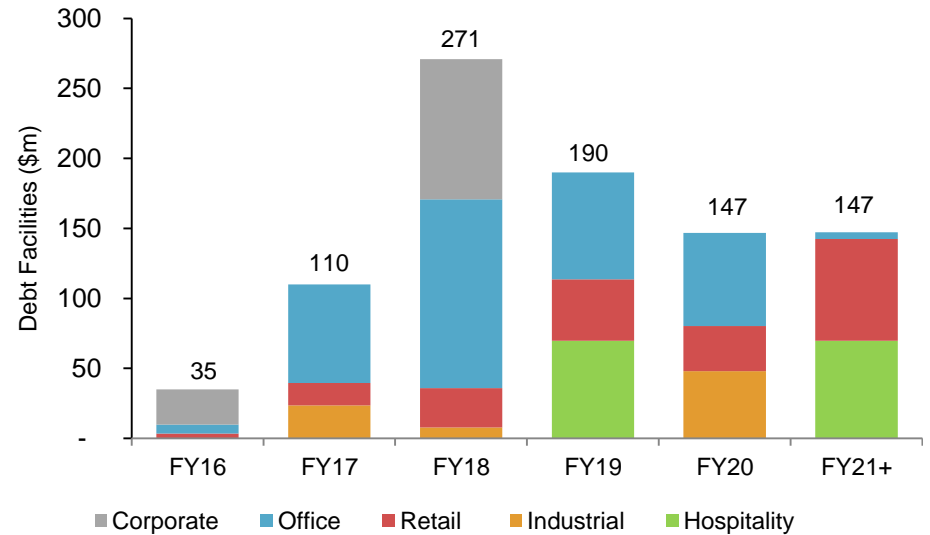
Capital Management and Funding

- Weighted average maturity at 30 June 2015 is 3.5 years
- Look through weighted average debt maturity at 30 June 2015 is 3.2 years

Total group



CHC look-through

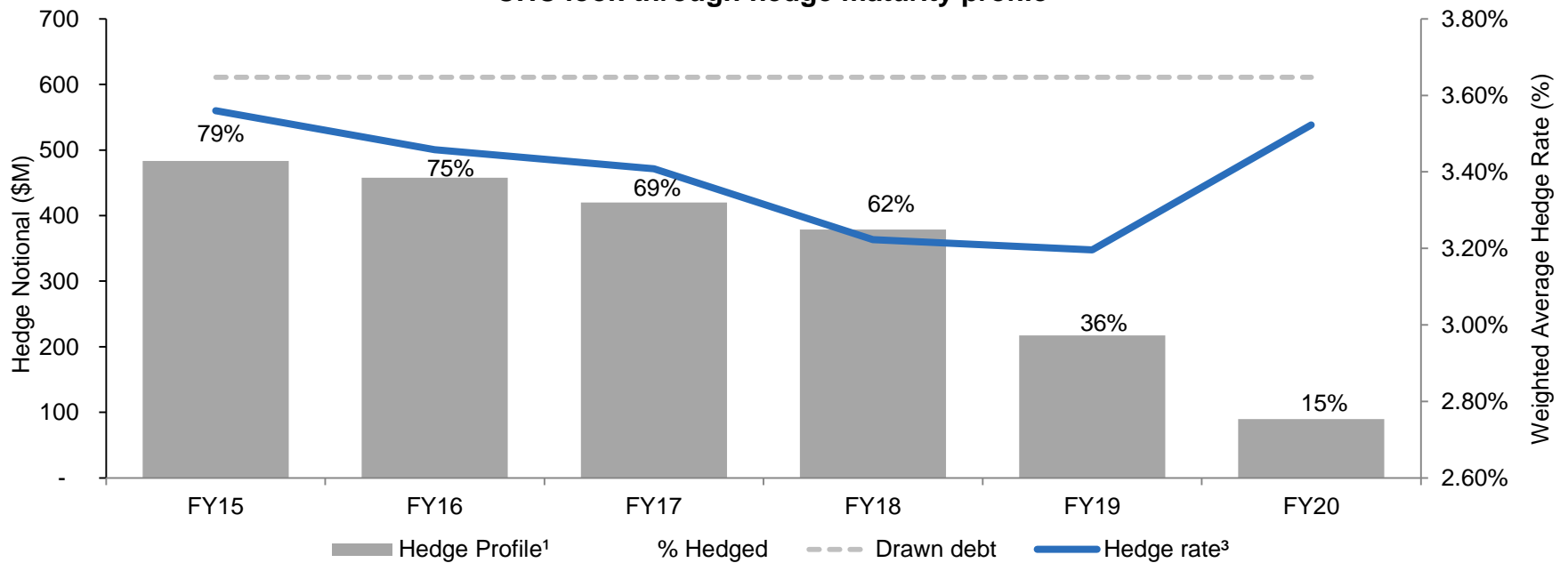


CHC Look Through Hedge Maturity Profile

Capital Management and Funding

- The hedge portfolio has a duration of 3.3 years
- The passing weighted average hedge rate is 3.2%
- The passing weighted average cost of debt is 4.88%

CHC look-through hedge maturity profile



1. Interest rate hedging as at 30 June 2015 on a look through basis.
 2. Current Drawn Debt as at 30 June 2015 and is projected on a straight line basis for illustrative purposes only.
 3. Hedge Rate is the look through weighted average rate as at 30 June 2015.

Fund Key

Listed entities	
CHC	Charter Hall Group
CQR	Charter Hall Retail REIT

Wholesale (Pooled and Partnerships)	
BSWF	Brisbane Square Wholesale Fund
CHOT (Partnership)	Charter Hall Office Trust
CLP (Partnership)	Core Logistics Partnership
CPIF (Pooled)	Core Plus Industrial Fund
CPOF (Pooled)	Core Plus Office Fund
LWHP	Long WALE Hardware Partnership
LWIP	Long WALE Investment Partnership
LWIP2	Long WALE Investment Partnership No. 2
RP1	Retail Partnership No.1
RP2	Retail Partnership No.2
RP6	Retail Partnership No.6

Funds being realised	
CHOF5	Charter Hall Opportunity Fund 5
CHUF	Charter Hall Umbrella Fund
DPF	Diversified Property Fund

Retail investor funds	
BW Trust	BW Trust (Direct syndicate)
CDC	Charter Hall Direct CDC Trust
CHIF8	144 Stirling Street Trust
DIF, DIF2, DIF3	Direct Industrial Fund series
DOF	Direct Office Fund (Formerly Charter Hall Direct Property Fund)
PFA	PFA Diversified Fund
VA	Charter Hall Direct VA Trust

Other	
CAGR	Compound Annual Growth Rate
Cap Rate	Capitalisation Rate
FUM	Funds Under Management
NTA	Net Tangible Assets
OEPS	Operating Earnings per Security
PFM	Property Funds Management
PI	Property Investments
WACR	Weighted Average Cap Rate
WALE	Weighted Average Lease Expiry

About Charter Hall Group

Charter Hall Group (ASX:CHC) is one of Australia's leading fully integrated property groups, with over 24 years' experience managing high quality property on behalf of institutional, wholesale and retail clients. As at 30 June 2015 Charter Hall had \$13.6 billion of funds under management across the office, retail and industrial sectors. The Group has offices in Sydney, Melbourne, Brisbane, Adelaide and Perth.

The Group's success is underpinned by a highly skilled and motivated team with diverse expertise across property sectors and risk-return profiles. Sustainability is a key element of its business approach and by ensuring its actions are commercially sound and make a difference to its people, customers and the environment, Charter Hall can make a positive impact for its investors, the community and the Group.

Contact Us



David Harrison
Joint Managing Director

Charter Hall Group
T: +61 2 8651 9142
david.harrison@charterhall.com.au



David Southon
Joint Managing Director

Charter Hall Group
T: +61 2 8651 9143
david.southon@charterhall.com.au



Paul Altschwager
Chief Financial Officer

Charter Hall Group
T: +61 2 8651 9242
paul.altschwager@charterhall.com.au



Nick Kelly
Head of Investor Relations

Charter Hall Group
T: +61 2 8651 9235
nick.kelly@charterhall.com.au

DISCLAIMER

This presentation has been prepared by Charter Hall Group (being Charter Hall Limited (ABN 57 113 531 150) and Charter Hall Funds Management Limited (ABN 31 082 991 786) (AFSL 262861) as the responsible entity for Charter Hall Property Trust (ARSN 113 339 147)) (the "Group"). It is a presentation of general background information about the Group's activities as at 30 June 2015 unless otherwise stated. It is a summary and does not purport to be complete. It is to be read in conjunction with the Charter Hall Financial Report filed with the Australian Securities Exchange on 26 August 2015. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. A reader should, before making any decisions in relation to their investment or potential investment in the Charter Hall Group, seek their own professional advice. This presentation is not an offer or invitation for

subscription or purchase of securities or other financial products. Indications of, and guidance on, future earnings and financial position and performance are "forward-looking statements". Due care and attention has been used in the preparation of forward looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. All information here in is current as at 30 June 2015 unless otherwise stated, and all references to dollars (\$) or A\$ are Australian Dollars unless otherwise stated.

**Sydney
Head Office**

Level 20, No.1 Martin Place,
Sydney, NSW, 2000

T: +61 2 8651 9000