



ARSN 088 581 097

31 March 2010

Extended Lease Tenure – Investor Presentation

A
S
X

R
E
L
E
A
S
E

The Directors of Bunnings Property Management Limited, the responsible entity for the Bunnings Warehouse Property Trust (“the Trust”), today attach the Extended Lease Tenure presentation material, which should be read in conjunction with the ASX Announcement and Notice of Meeting and Explanatory Notes material released separately today.

An investor briefing and question and answer teleconference addressing the presentation is scheduled for Thursday 1 April 2010 at 9:30am AWST (12:30pm AEDT).
Dial 1800 500 686 from within Australia or +618 9463 1645 from outside Australia.
Quote Conference ID Number 224479 to the operator.

For further information please contact:

Grant Gernhoefer
General Manager, Bunnings Property Management Limited

Telephone: (08) 9327 4318
E-mail: ggernhoefer@bwptrust.com.au
Website: <http://www.bwptrust.com.au/>



BUNNINGS WAREHOUSE PROPERTY TRUST

Extended Lease Tenure

April 2010

Presentation Outline

Grant Gernhoefer

General Manager

Bunnings Property Management Limited

Andrew Ross

Portfolio Manager

Bunnings Property Management Limited

- Overview
- Outline of Extended Lease Tenure (“ELT”)
- Examples of ELT by property
- Advantages of ELT to the Trust
- Disadvantages
- Portfolio impact
- Summary

Overview

- Proposed transaction to extend leases over 35 Bunnings Warehouses leased to Trust's main tenant Bunnings Group Limited ("BGL")
- Extends the current committed term on 34 of the properties and BGL's tenure on all 35 properties
 - Committed term increases by weighted average of 6.0 years
 - BGL tenure increases by 6.3 years
- Increases Trust's Weighted Average Lease Expiry ("WALE") for the entire portfolio by 3.7 years
- No short-term increase in Trust earnings, but secures an average of 6 years' additional committed income beyond current term for 34 properties
- Slight increase in portfolio capital values
- No consideration between the Trust and BGL, other than the benefits each receives from extending leases
- No other changes to lease terms and conditions, rents or rent review mechanism

Outline of ELT

- Extends committed term (term for which BGL is committed to lease the properties) and BGL tenure (term for which BGL is entitled to lease the properties, including optional terms)
- Individual leases extended by either 5 years or 10 years
(Details by property included at Appendix A)

Number of properties	Increase in committed term	Increase in BGL tenure (years)
7	10	10
26	5	5
1	5	10
1	0	5

General principle of extending term certain and additional tenure at each property by same duration

Properties recently upgraded and the Trust had already secured additional committed term

Outline of ELT

- 18 Bunnings Warehouses excluded
 - 16 properties: either or both parties considered existing tenure was sufficient; or
 - 2 properties: subject to other dealings or negotiations between the parties (e.g. upgrades)
- Exclusion of properties reflects robustness of negotiations not necessarily quality of property or BGL's ongoing tenure
 - BGL's starting point: 15 properties
 - Trust's starting point: 53 properties
 - Outcome: 35 properties

Examples of ELT by property *

10 for 10 (7 properties)


Nunawading (Vic)




5 for 5 (26 properties)

Mindarie (WA)



 Committed term (by BGL)

 Optional term (for BGL)

* As at 31 December 2009

Examples of ELT by property *

5 for 10 (1 property)


Cannon Hill (Qld)




0 for 5 (1 property)

Noarlunga (SA)



 Committed term (by BGL)

 Optional term (for BGL)

* As at 31 December 2009

Advantages of ELT for the Trust

- Secures future rental income (approximately \$280m* over the average 6 years' increased committed term)
- “Locks in” high quality tenant
- Secures existing lease terms and conditions beyond current expiry
- Reduces re-leasing or vacancy risk from:
 - Reduced income as a result of lower rents, re-leasing period and incentives
 - Potential for BGL to find alternative sites to achieve security of tenure
- Increases value of some subject properties
- Introduces 10 year optional terms on 7 properties
- Improves Weighted Average Lease Expiry (“WALE”)
- Smooths and extends lease expiry profile

* ignores rental growth through CPI and market rent reviews

Disadvantages of ELT for the Trust

- Commits properties for a further 5 or 10 years:
 - defers opportunity to renegotiate better terms with BGL or find higher and better use, BUT:
 - already 14 to 26 years before properties would revert to the Trust
 - prospect of higher and better use considered speculative and remote
- Increased capital values incurs additional annual management fee (e.g. \$0.08m on \$13.9m property value uplift)

Property Portfolio Impact

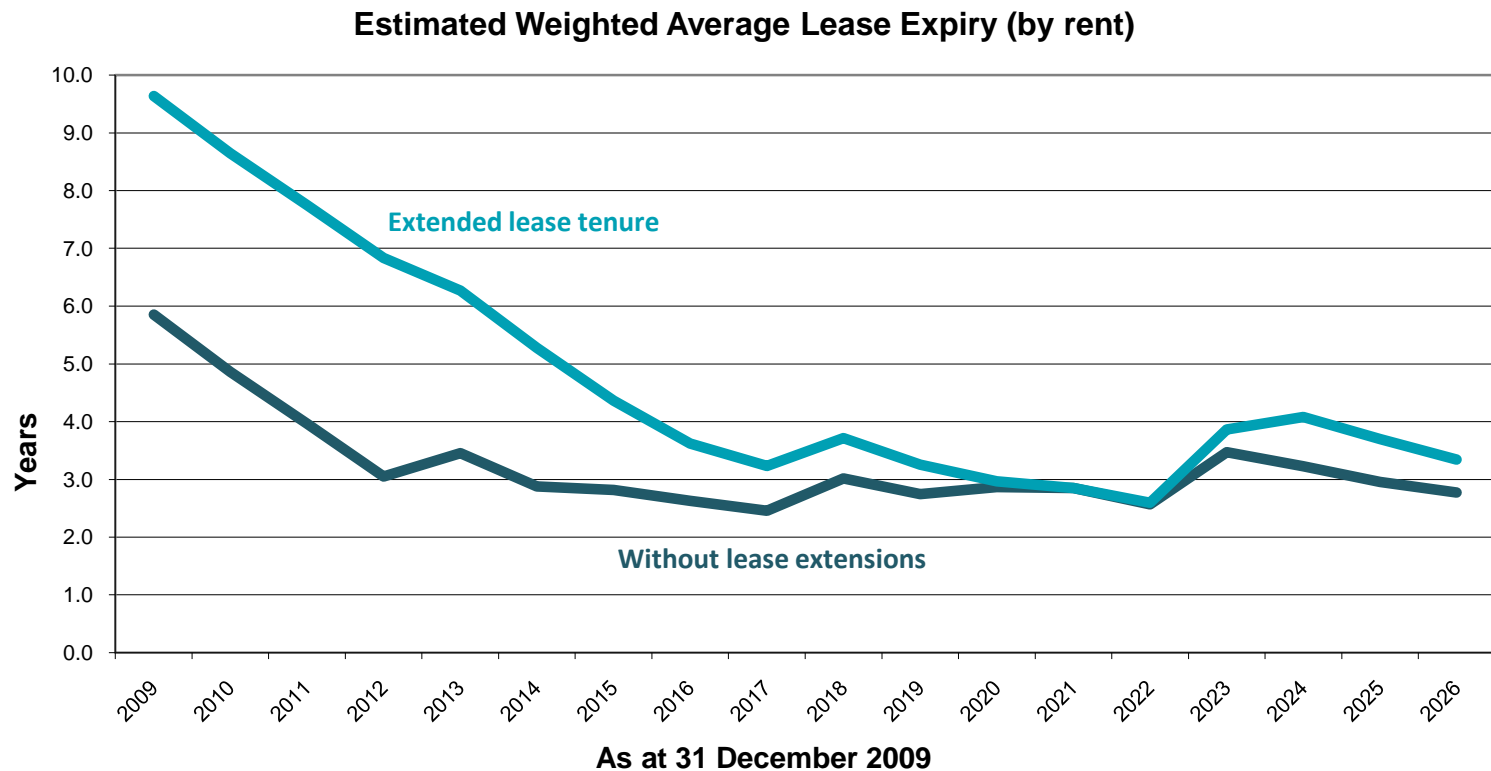
- Increase in portfolio WALE by 3.7 years

Type of property	Quantity	Annualised rent (\$)	Committed term (years)		Tenant tenure (years)	
			Existing	Extended	Existing	Extended
Subject properties	35	47,353,270	5.5	11.5	16.6	22.9
Other Bunnings Warehouses	18	21,741,654	7.3	7.3	21.5	21.5
All other properties	7	5,905,276	3.3	3.3	13.1	13.1
Total portfolio	60	75,000,200	5.9	9.6	17.7	21.7

(Table values as at 31 December 2009)

Property Portfolio Impact

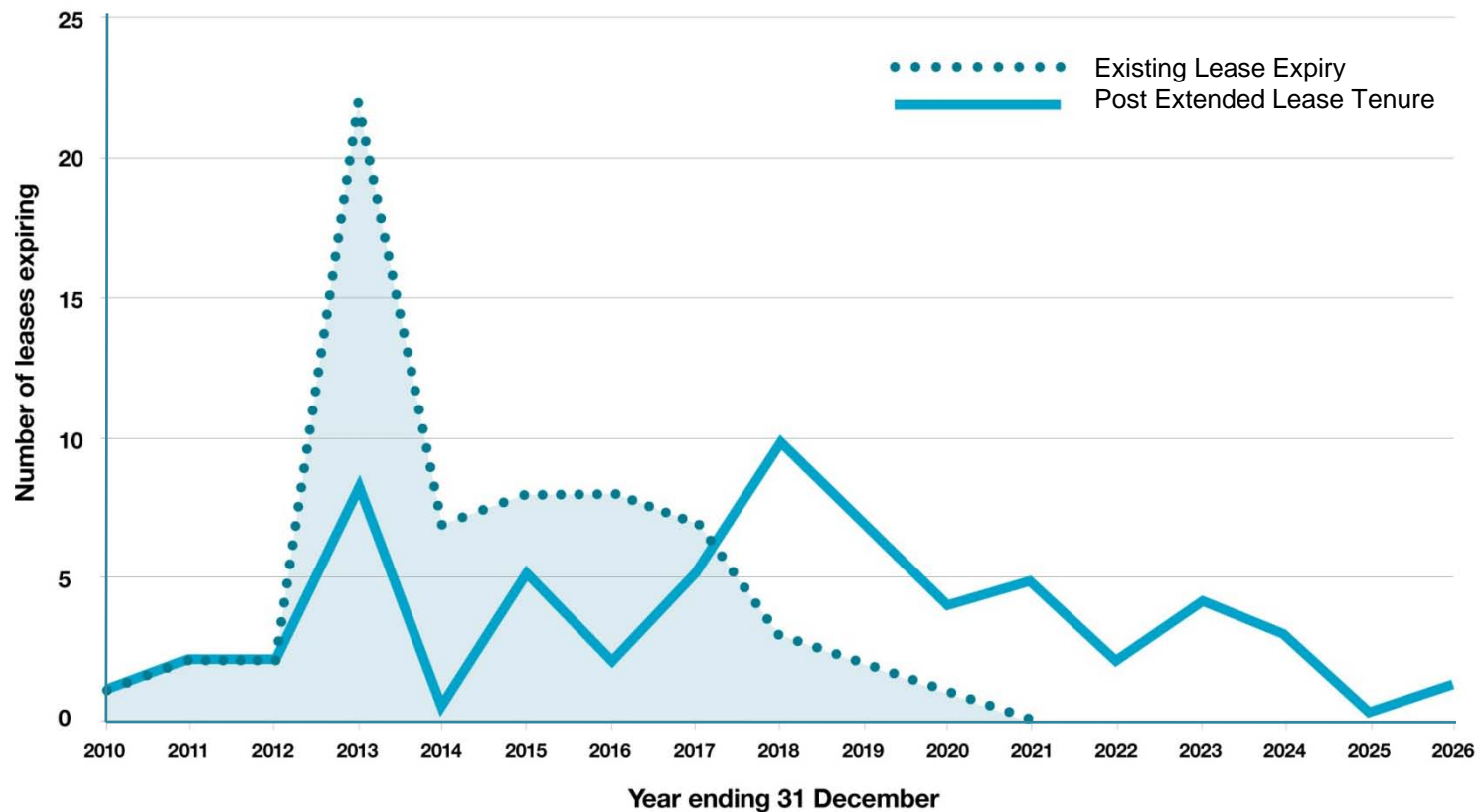
- Improved WALE



(Assumes no acquisitions or disposals and exercise of all tenant options)

Property Portfolio Impact

- Extends and smooths lease expiry profile



Property Portfolio Impact

- Extends leases on existing terms and conditions (more favourable to the Trust than generally available for Bunnings Warehouses in the current market)
 - Majority with no caps on market rent reviews
 - Limited committed capital expenditure requirements
 - No right of repurchase by the tenant *
 - Majority allowing recovery of land tax on multiple-holding basis from the tenant

* With the exception of Bayswater, Thornleigh and Vermont South, for which the tenant has the right to repurchase in specified circumstances where the landlord and tenant are not related parties

Increase in Portfolio Capital Value*

- Estimated net increase on pro-forma basis of \$13.9m
- Equivalent to +\$0.03 Net Tangible Assets per unit
- Increase based on improved (lower) capitalisation rates on some subject properties due to longer committed term
- Decrease of 2 properties not included in ELT based on <4 years remaining committed term

Lease Extended			No of Stores	Estimated change in Cap Rate
10 yrs	5 yrs	No		
2	-	-	2	-0.50%
5	17	-	22	-0.25%
-	10	17	27	-
-	-	2	2	+0.25%
7	27	19	53	

* Based on rents and capitalisation rates at 31 December 2010

Summary

- Portfolio management initiative
- Secures an average 6 years' future rental income for 34 properties
- Low cost enhancement of portfolio:
 - Extends leases on existing terms and conditions
 - Improved capital value
 - Longer WALE
 - Smoothed and extended lease expiry profile
- “Locking in an existing high quality tenant for an extended period of time” (*PWC, Independent Expert*)

Further information

Visit: www.bwptrust.com.au

Responsible entity: Bunnings Property Management Limited
Tel: (08) 9327 4356
Email: ggerhoefer@bwptrust.com.au

The information provided in this presentation should be considered together with the financial statements for the period and previous periods, ASX announcements and other information available on the Trust's website.

All reasonable care has been taken in preparing the information contained in this presentation and it is intended to provide general information only and does not take into account individual objectives, financial situations or needs.

Appendix A: Schedule of Subject Properties for ELT *

Property Name	Committed term (years)		BGL tenure (years)		Estimated change in Cap Rate	
	Existing committed term	Revised committed term	Existing BGL tenure	Revised BGL Tenure		
10 years committed term for 10 year call option	Balcatta	3.7	13.7	13.7	23.7	-0.25%
	Croydon	6.8	16.8	16.8	26.8	-0.50%
	Mile End	5.2	15.2	15.2	25.2	-0.25%
	Morayfield	5.2	15.2	15.2	25.2	-0.25%
	Nunawading	5.1	15.1	15.1	25.1	-0.25%
	Southport	3.9	13.9	13.9	23.9	-0.50%
	Tuggeranong	3.9	13.9	13.9	23.9	-0.25%
5 years committed term for 10 year call option	Cannon Hill	9.3	14.3	14.3	24.3	0.00%

* As at 31 December 2009

Appendix A: Schedule of Subject Properties for ELT *

Property Name	Committed term (years)		BGL tenure (years)		Estimated change in Cap Rate
	Existing committed term	Revised committed term	Existing BGL tenure	Revised BGL Tenure	
Albany	4.8	9.8	14.8	19.8	-0.25%
Altona	3.7	8.7	13.7	18.7	-0.25%
Artarmon	8.1	13.1	23.1	28.1	-0.25%
Bayswater	4.3	9.3	24.3	29.3	-0.25%
Belrose	8.1	13.1	23.1	28.1	-0.25%
Bibra Lake	4.8	9.8	14.8	19.8	0.00%
Burleigh Heads	3.8	8.8	13.8	18.8	-0.25%
Epping	4.2	9.2	14.2	19.2	-0.25%
Fountain Gate	5.1	10.1	15.1	20.1	0.00%
Frankston	7.0	12.0	17.0	22.0	0.00%
Geraldton	6.9	11.9	16.9	21.9	-0.25%
Hoppers Crossing	5.2	10.2	15.2	20.2	-0.25%
Joondalup	3.7	8.7	13.7	18.7	-0.25%
Lismore	4.3	9.3	19.3	24.3	-0.25%

5 years term certain for 5 year call option

* As at 31 December 2009

Appendix A: Schedule of Subject Properties for ELT *

Property Name	Committed term (years)		BGL tenure (years)		Estimated change in Cap Rate	
	Existing committed term	Revised committed term	Existing BGL tenure	Revised BGL Tenure		
5 years term certain for 5 year call option <i>continued</i>	Mandurah	3.9	8.9	13.9	18.9	0.00%
	Mentone	3.7	8.7	13.7	18.7	0.00%
	Midland	6.7	11.7	16.7	21.7	0.00%
	Minchinbury	4.0	9.0	14.0	19.0	-0.25%
	Mindarie	6.7	11.7	16.7	21.7	0.00%
	Mornington	7.0	12.0	17.0	22.0	0.00%
	Northland	5.6	10.6	15.6	20.6	0.00%
	Rockingham	5.6	10.6	15.6	20.6	-0.25%
	Scoresby	3.7	8.7	13.7	18.7	-0.25%
	Thornleigh	4.7	9.7	24.7	29.7	-0.25%
	Underwood	3.8	8.8	13.8	18.8	-0.25%
	Vermont South	5.6	10.6	25.6	30.6	-0.25%
0 years committed term for 5 years call option	Noarlunga	9.8	9.8	14.8	19.8	0.00%

* As at 31 December 2009