



20 November 2015

Dear Shareholder

New Zealand Social Infrastructure Fund Dividend

Dividend

The Board is pleased to announce a dividend of 1.0 cps will be paid to shareholders on 27 November 2015. The record date is 20 November 2015.

There are no imputation credits attached to the distribution so tax will be deducted at prescribed Inland Revenue Department rates.

Payment will be made to your nominated bank account. The Registry will issue a dividend statement.

Dividend payments relating to 2016 cash flows now total 1.75 cps.

Investment Progress

The PIP Fund has confirmed two new investment commitments this year, New Zealand Schools 2 and Auckland Prison.

New Zealand Schools 2

Schools 2 achieved financial close in May 2015. Education Minister, Hekia Parata announced that a PIP Fund consortium, Future Schools Partners will finance, design, build and maintain the Aranui School, Ormiston Junior College in Auckland, Wakatipu High School in Queenstown and Canterbury's Rolleston College.

This is a c\$22 million equity investment for the PIP Fund.

Auckland Prison

The Department of Corrections announced financial close was reached in September 2015 with PIP Fund consortium Next Step Partners, to design, build, finance and maintain a new Auckland Prison facility, and maintain the existing facility. The Auckland Prison PPP does not include the provision of custodial services which are provided by the Department of Corrections.

This is a c\$30 million equity investment for the PIP Fund.

The development timeline for each runs to the end of 2017. Both Schools 2 and Auckland Prison projects will be debt funded through the development and construction stages with a small amount of equity introduced towards the end of 2016, then larger amounts of equity being invested from March 2017 to the end of that year.

Next Investment and Investment Period

The PIP Fund has indicated a follow on investment planned for the first quarter of 2016. This is a c\$16 million equity investment for the PIP Fund. While this investment falls outside the original investment period which ended on 29 October 2015, as a follow on investment it meets the PIP Fund's criteria and is likely to proceed if final agreements are reached early in 2016.

Next Call

If the next investment timeline tracks to plan we anticipate this final PIP Fund investment settling in the first quarter of 2016. NZSIF's equity share will be c\$3.7 million. We will likely make a 10 cents per share call in February 2016, for payment in March 2016.

Once the next investment and timing is confirmed we will release final call details as soon as we are able.

If you have any questions about this communication please contact Peter Lalor on (07) 927 7927 or email enquiries@nzsif.co.nz.

Yours sincerely

NEW ZEALAND SOCIAL INFRASTRUCTURE FUND LIMITED

A handwritten signature in black ink, appearing to read 'Kim Ellis', written over a vertical line.

Kim Ellis
Chairman