

18 July 2017

Dear Shareholder

### **New Zealand Social Infrastructure Fund Annual Report to Shareholders**

We are pleased to advise the New Zealand Social Infrastructure Fund Limited's (NZSIF) annual report for the financial year ended 31 March 2017 is now available on the Company's website at [www.nzsif.co.nz/Investor-Information/Shareholder-Reports/](http://www.nzsif.co.nz/Investor-Information/Shareholder-Reports/).

Highlights for the year included:

- *A follow-on investment in the Melbourne Convention & Exhibition Centre*  
The PIP Fund confirmed in June 2016 that it had reached financial close on a follow-on investment in the Melbourne Convention & Exhibition Centre, specifically an expansion of the Exhibition Centre. NZSIF's share of the investment is \$3.8 million, which was paid between June and October 2016. The building phase commenced in December 2016.
- *Progress with Auckland Prison PPP*  
Financial close for Auckland Prison was reached in September 2015. Planned works completion was December 2017 but construction is currently behind schedule and completion is now more likely to occur in the first quarter of 2018.
- *Progress with New Zealand Schools 2*  
Financial close for New Zealand Schools 2 was reached in April 2015. Ormiston Junior College, Haeata Community Campus (formerly Aranui) and Rolleston Secondary School are all now operational. Wakatipu High School is delayed but should still be delivered in time for the beginning of the 2018 school year.
- *Progress with Wollongong stage 2*  
Stage 1 is now in operation and construction of Stage 2 planned to finish in December 2017, although is on track for early completion in October.
- *Skypath Project*  
The PIP Fund made a preliminary investment in the Auckland Skypath PPP project by way of a development loan. This project's financial close came too late for the PIP Fund to commit to the investment, and so the PIP Fund sold the Skypath Development Loan to PIP Fund II. NZSIF received its pro-rata share of the sale proceeds in December 2016.
- *Distributions*  
A total of 3 cps was paid during the financial period to 31 March 2017, with 2 cps relating to the 2016 financial year cash flows.

*Call Programme*

There were two calls during the financial period, 12 cps in June 2016 and a further 15 cps in March 2017. The final call of 16 cps is now likely to be in September 2017.

**Annual Report**

The annual report is available electronically. If you wish to receive a print copy of the annual report free of charge, please email your request, including your shareholder details, to [enquiries@nzsif.co.nz](mailto:enquiries@nzsif.co.nz). If you wish to mail your request please tick the box below and return this form to NZSIF's postal address. Email or postal requests should be sent within 15 working days of receiving this letter.

**If you have previously requested a print copy one will be automatically posted to you.**

**I would like to receive a print copy of NZSIF shareholder report(s).**

**Annual Shareholder Meeting**

**Date: Wednesday, 16 August 2017**

**Time: 11.30 am**

**Place: Craigs Investment Partners Limited  
Level 36, Vero Centre  
48 Shortland Street  
Auckland**

**RSVP: Contact Peter Lalor on 07 927 7927 or email [enquiries@nzsif.co.nz](mailto:enquiries@nzsif.co.nz) by 7 August 2017.**

We extend an invitation to attend this meeting and look forward to seeing you there.

If you have any queries regarding your investment in NZSIF, please discuss with your Investment Adviser or you may call Peter Lalor at NZSIF Management on 07 927 7927.

Yours sincerely

**NEW ZEALAND SOCIAL INFRASTRUCTURE FUND LIMITED**



**Kim Ellis**  
Chairman