



FY17 Annual Results

Strategy continues to deliver strong earnings growth



Agenda

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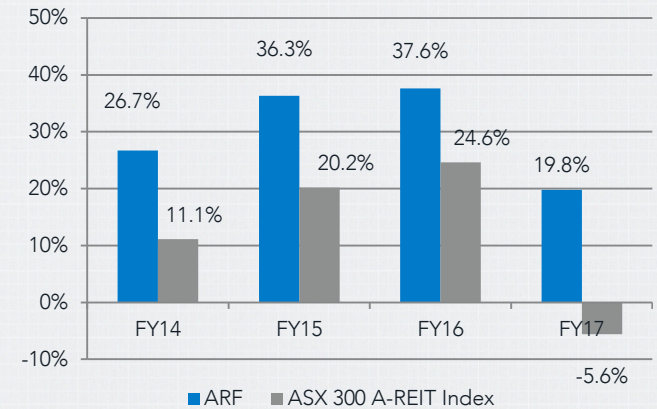


Financial highlights

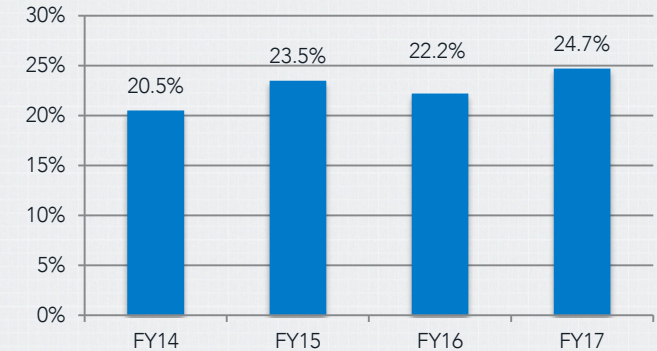
Strong FY17 result building on successful track record for investors

<p>Net Operating Profit</p> <p>\$28.7m</p> <p>+12%</p>	<p>Earnings per security (EPS)¹</p> <p>12.3 cents</p> <p>+11%</p>	<p>Distributions per security (DPS)</p> <p>12.0 cents</p> <p>+10%</p>
<p>Total Assets</p> <p>\$621.3m</p> <p>+21%</p>	<p>Net Asset Value per security</p> <p>\$1.84</p> <p>+19%</p>	<p>Gearing</p> <p>27.5%</p> <p>+70bps</p>

ASX annual total securityholder return (%)



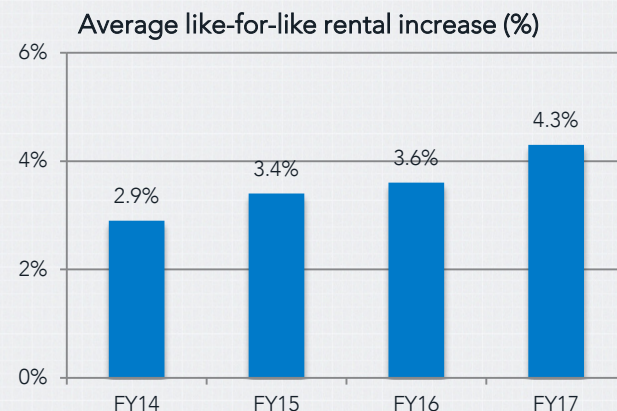
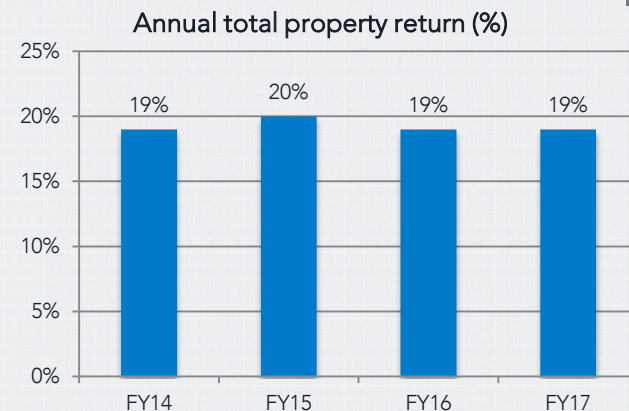
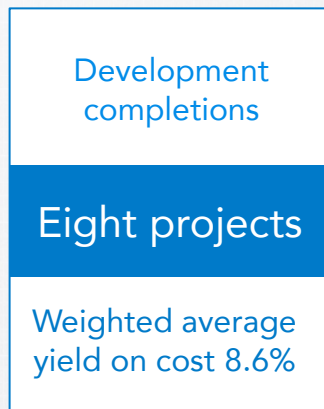
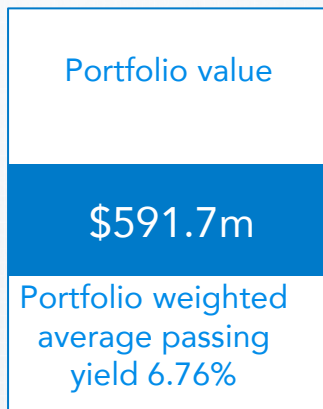
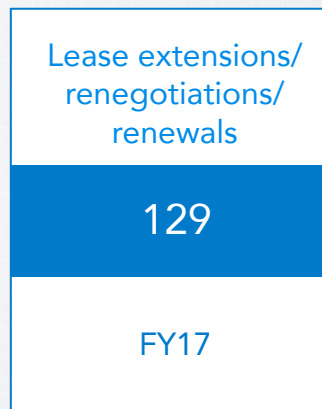
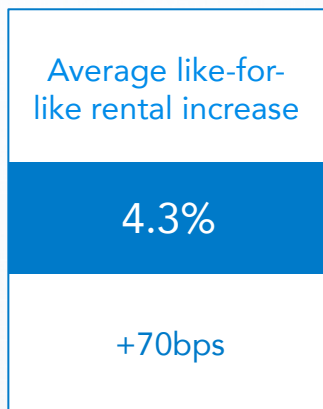
Return on Equity (ROE) (%)



¹ Earnings per security (EPS) calculated as Net Operating Profit over weighted average number of securities on issue.

Portfolio highlights

All key metrics improved through active portfolio management



¹ Includes acquisition of the portfolio of nine properties for a total cost of \$65 million announced on 28 July 2017.

July 2017 – \$65 million portfolio acquisition

Nine purpose built early learning centres pre-committed to high performing tenant

- Portfolio consistent with Arena's preferred investment characteristics
- Enhances portfolio key metrics – WALE extended, tenant diversification and rent review profile enhanced
- Properties well located in markets with favourable demographics and leased on completion to an existing, high performing tenant
- Fixed development cost and fund through structure¹ reduces Arena's risk profile through development process
- Portfolio acquired at 5.2% discount to independent valuation (on completion)
- Acquisition partially funded via \$55 million equity raising
- Neutral to FY18 EPS²; Accretive to FY19 EPS²



Murrumba Downs, QLD – Artist's impression



Bellerive, TAS – Artist's impression

¹ A fund through acquisition involves the acquisition of land and progressive payment of development costs on which a return is derived.

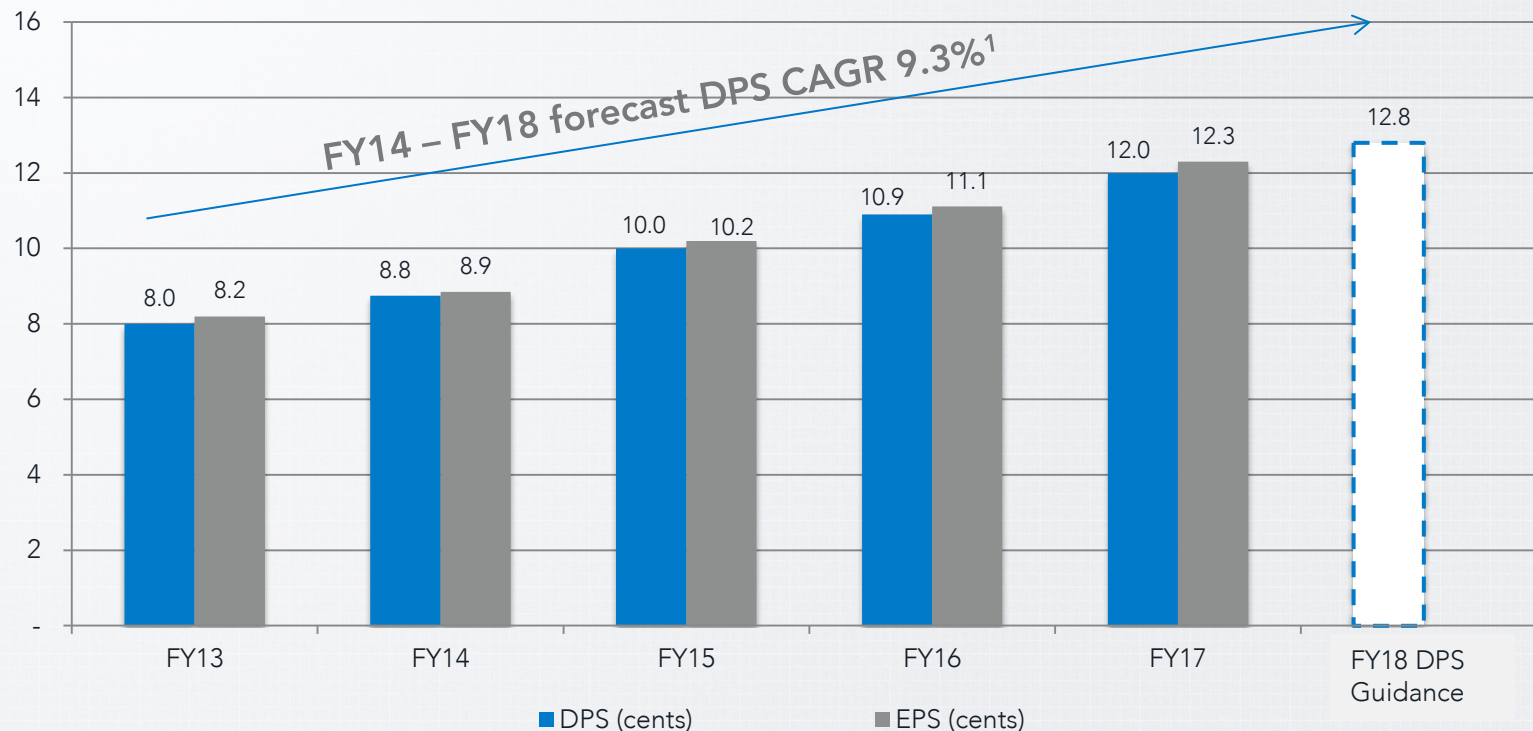
² EPS forecast impact includes the acquisition and institutional placement and assumes no new acquisitions or disposals, all development projects are completed in line with forecast assumptions and tenants comply with their lease obligations. Any securities issued under the non-underwritten SPP have not been included in the calculation.



FY18 DPS guidance – 12.8 cents (+6.7%)¹

Consistent growth in earnings and distributions

Earnings and Distributions per security (cents)



¹ FY18 Distribution guidance is estimated on a status quo basis assuming no new acquisitions or disposals, all developments in progress are completed in line with forecast assumptions, and tenants comply with their lease obligations. Forecast FY18 distribution per security growth and five year forecast DPS Compound Average Growth Rate (CAGR) are based on FY18 distribution guidance.





Financial Results

Gareth Winter, Chief Financial Officer



Financial performance

Net operating profit up 12%; Statutory net profit up 33%

	FY17	FY16	Change	
	(\$'000)	(\$'000)	(\$'000)	(%)
Property income	37,437	33,316	4,121	12%
Other income	689	638	51	8%
Total operating income	38,126	33,954	4,172	12%
Property expenses	(1,152)	(1,003)	149	15%
Operating expenses	(3,535)	(3,249)	286	9%
Finance costs	(4,714)	(4,131)	583	14%
Net operating profit	28,725	25,571	3,154	12%
Statutory net profit	96,791	72,621	24,170	33%
Earnings per security (EPS) (cents)¹	12.3	11.1	1.2	11%
Distribution per security (DPS) (cents)	12.0	10.9	1.1	10%

Highlights

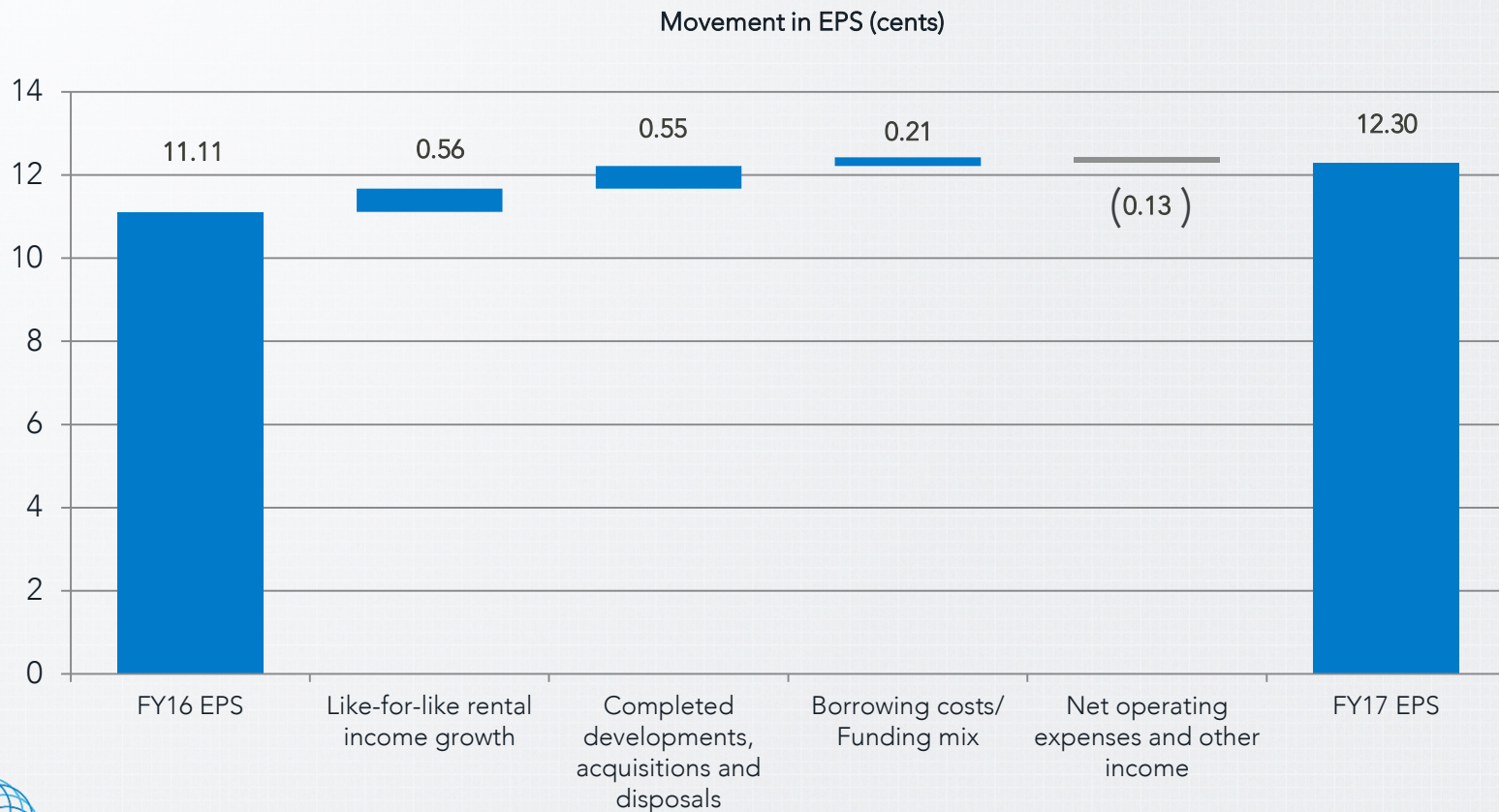
- Growth in operating income from:
 - structured annual rental growth and market rent reviews
 - acquisitions and developments completed in FY16 and FY17
- Finance costs increased due to higher borrowings; partially offset by lower borrowing costs
- Growth in statutory net profit driven by \$66 million uplift in valuations



¹ Earnings per security (EPS) calculated as Net Operating Profit over weighted average number of securities on issue.

Contributors to earnings growth

Active portfolio and capital management underpin EPS growth of 11%



Financial position

Increase in NAV per security of 19%; four year NAV per security CAGR 16%

	30 Jun 2017 (\$m)	30 Jun 2016 (\$m)	Change (%)
Total assets	621.3	514.0	+21%
Investment properties	591.7	491.4	+20%
Borrowings	171.0	138.0	+24%
Net assets	432.5	357.5	+21%
Securities on issue	234.8	232.0	+1%
Net Asset Value per security	\$1.84	\$1.54	+19%
Gearing	27.5%	26.8%	+70bps

30 Jun 2017
pro forma¹
(\$m)

685.3

656.7

180.6

486.5

261.9

\$1.86

26.4%

- \$65 million portfolio acquisition and \$55 million equity placement announced in July 2017
- Excludes Security Purchase Plan
- Refer appendices for pro forma balance sheet reconciliation

Highlights

- Asset growth from revaluations and progression of development pipeline
- Borrowings increased to fund acquisitions and development capex



¹ Post acquisition and institutional equity raising announced to ASX on 28 July 2017.

Capital management

Additional capacity secured to fund future growth

	30 Jun 2017	30 Jun 2016	Change
Borrowings	\$171m	\$138m	+24%
Borrowing facility limit	\$205m	\$175m	+17%
Gearing	27.5%	26.8%	+70bps
Average facility term	2.5yrs	3.5yrs	-1.0yr
Weighted average cost of debt	3.75%	3.85%	-10bps
Interest cover ratio	5.6x	6.2x	-0.6x
Interest rate hedging cover	79%	72%	+700bps
Weighted average hedge term	4.3yrs	4.0yrs	+0.3yrs
Weighted average swap rate	2.39%	2.48%	-9bps

Highlights

- Borrowing facility increased to \$205 million in January 2017
- DRP in operation – \$5 million raised in FY17; remains open
- \$55 million in equity raised via institutional placement in July 2017
- Security Purchase Plan open until 28 August 2017 – maximum \$10 million in equity to be raised
- Post equity raising June 2017 pro forma gearing 26.4% – provides additional capacity for growth





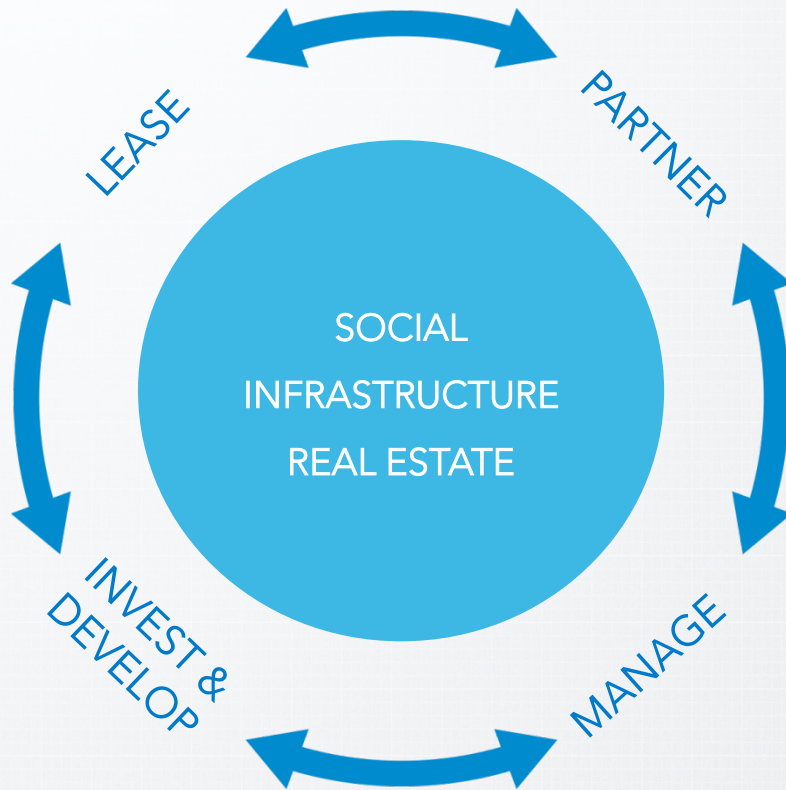
Portfolio Update

Rob de Vos, Head of Property



Portfolio strategy

Value-adding business model focussed on specialised real estate



Preferred property characteristics	Arena portfolio
Relatively long lease terms	WALE 12.8 years
Premises that have strategic importance to tenant operations	96% purpose built assets; tenant goodwill linked to location
High credit quality tenants	Tenant profile: - 20% listed on ASX - 43% not for profit - 37% private operator
Tenants responsible for all, or substantially all, of the statutory and operating outgoings and costs including land tax, insurance, electricity, repairs and maintenance, including of a capital or structural nature	Predominantly triple net leases, where tenant is responsible for all of the statutory and operating outgoings and costs including land tax, insurance, electricity, repairs and maintenance, including of a capital or structural nature
Reversionary capital value risk can be effectively managed	Predominantly five year notice periods for ELC lease extension options; ELC operating data provision in lease



Portfolio highlights

Portfolio defensive characteristics enhanced



Paisley Park ELC Chadstone VIC, completed July 2017

Achievements

- Average like-for-like rental growth of 4.3% (6.8% on market reviews)
- 102 leases extended for an average of 6.2 years
- Two properties sold at a premium to prior valuation
- Eight development projects completed and five projects added to the development pipeline
- July 2017 acquisition of \$65 million development portfolio (nine projects) – total pipeline now \$113 million

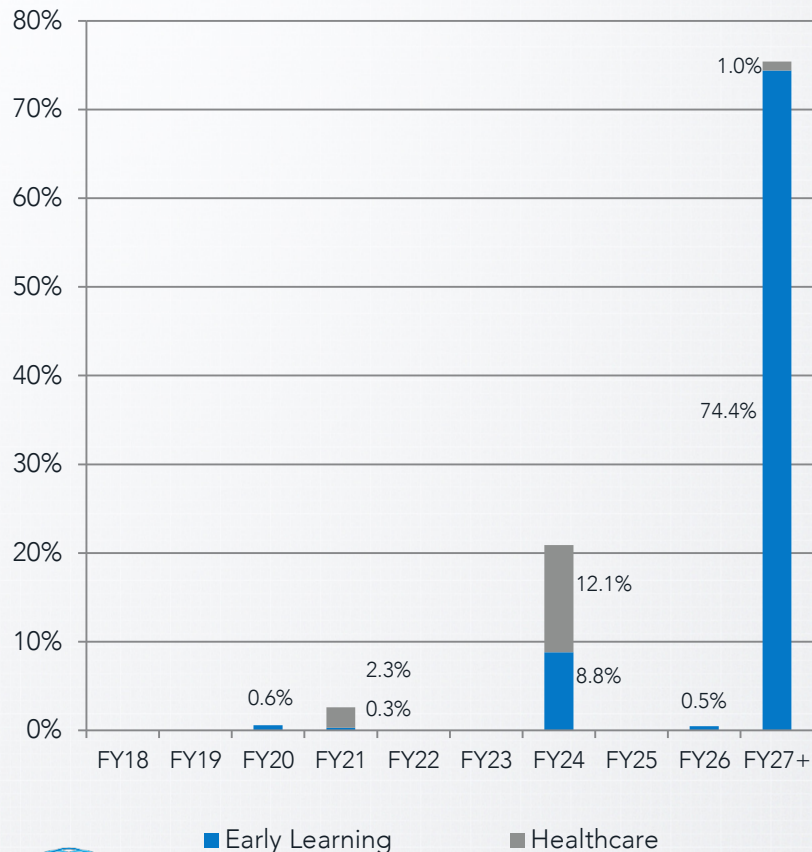
Key metrics

- 100% occupancy; 100% lease renewal rate
- Weighted average lease expiry (WALE) extended to 12.8 years
- Portfolio value \$591 million – valuation uplift \$66.1 million (12.6%)
- Portfolio weighted average passing yield 6.76%

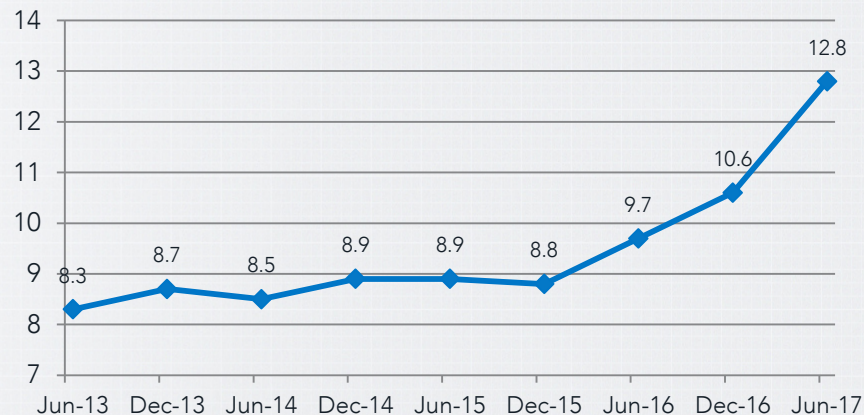
Lease expiry profile

Weighted average lease expiry (WALE) extended to 12.8 years through active portfolio strategy

Lease Expiry Profile (by income) (30 June 2017)



WALE (years)



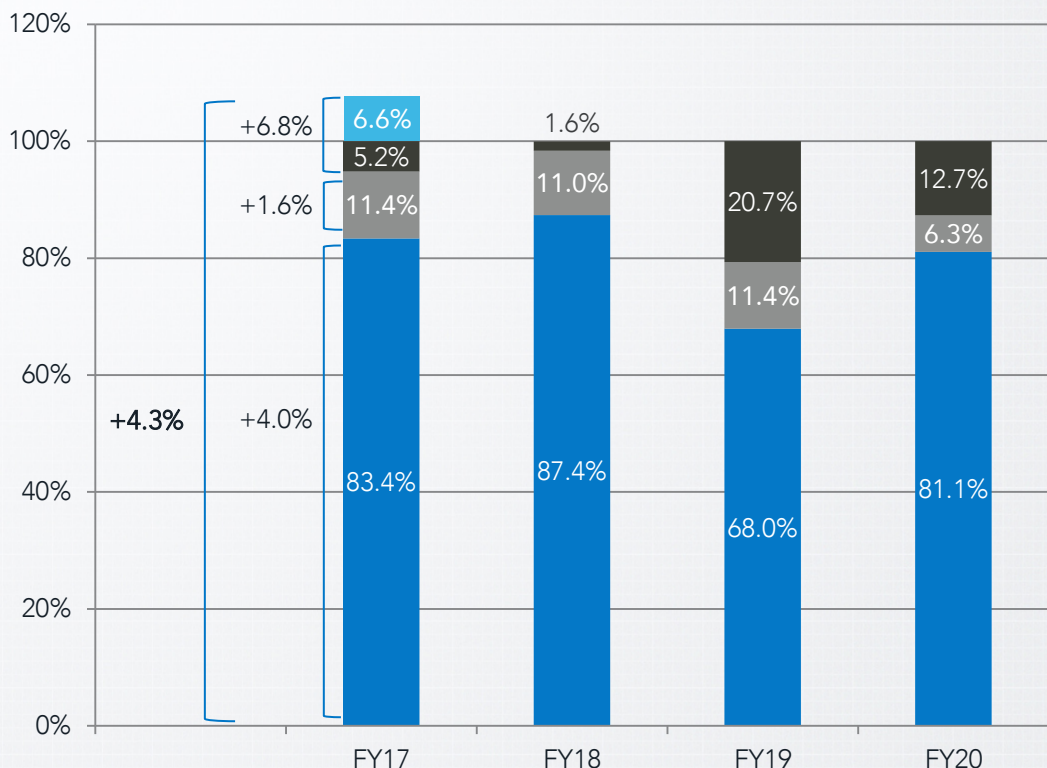
- 12 leases renegotiated for new 20 year terms
- 102 leases extended for an average 6.2 years
- 14 of 14 five-year lease option renewals completed
- Eight completed developments added to portfolio – average lease term of 23 years
- Only 3.2% of portfolio income subject to expiry in next six years



Annual rent review profile

FY17 average like-for-like rental growth of 4.3%; market rent reviews averaged 6.8% increase

Annual rent review profile (by income)



Highlights

- FY17 average like-for-like rental growth of 4.3% achieved
- Included positive impact of renegotiated leases, as well as FY16 market reviews (resolved in FY17) and FY17 market reviews
- FY18 rent review outlook:
 - Majority are greater of CPI or 2.5%
 - Market reviews (3% income) are resolved at average 6.3% increase
- ELC net rent to gross operating revenue ratio of 10.9%

■ 'Fixed' or 'Greater of 2.5% or CPI' review ■ CPI review ■ Market review ■ Market review (FY16)

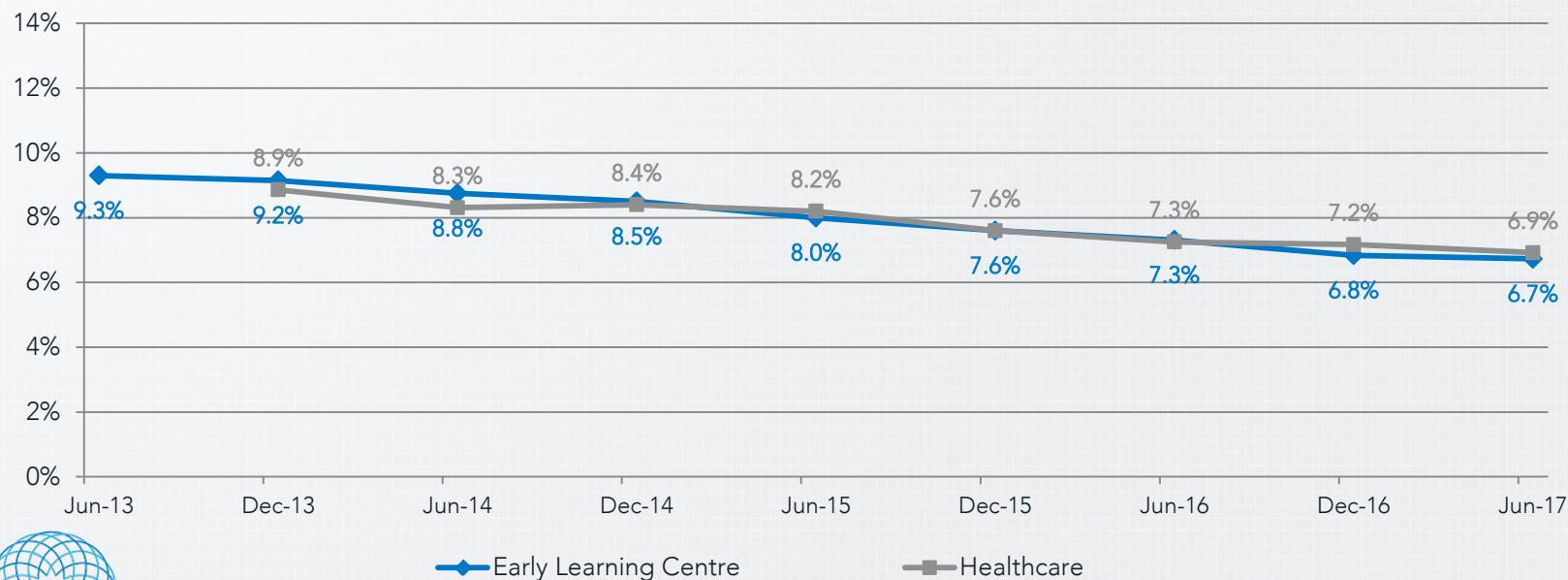


Valuation movement

Net revaluation uplift of \$66.1 million; increase of 12.6%

	Number of assets	Value (\$m)	Change (\$m)	Change (%)	Passing yield (%)	Change (bps)
ELC portfolio	198	507.6	60.3	13.5	6.73%	(58)
Healthcare portfolio	7	84.1	5.8	7.4	6.92%	(33)
Total portfolio	205	591.7	66.1	12.6	6.76%	(54)

Arena portfolio passing yields (%)



Eight ELC developments completed in FY17

Meeting Arena's development project criteria and delivering competitive advantage to operators

	Total cost (\$m)	Initial yield on cost (%)	Lease term (yrs)	Long day care places
Leasehold properties				
Heather Grove, VIC	2.5	8.7	26	104
Pakenham, VIC	2.5	8.7	26	104
Casey Central, VIC	2.5	8.7	26	104
Mernda South, VIC	2.6	8.7	26	104
Epping North, VIC	2.5	8.7	26	104
Freehold properties				
Horsham, VIC	3.1	8.8	20	100
Epsom, VIC	2.7	8.0	15	130
Stage 2 – Griffin, QLD	2.0	8.3	20	54
Total/Weighted average	20.4	8.6	23	804

- ✓ Favourable physical locations
- ✓ Supportive demographics
- ✓ Sustainable rents
- ✓ Arena preferred lease terms
- ✓ Purpose built and flexible design
- ✓ Specialist partners



YMCA Heather Grove VIC, completed December 2016



ELC development pipeline \$113 million

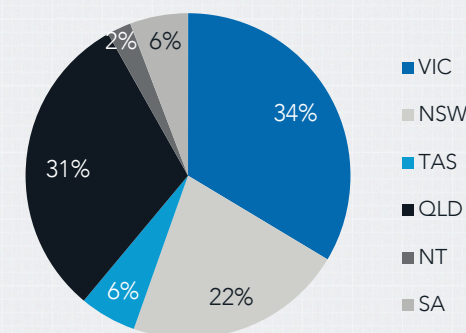
Seventeen projects due for completion in FY18; one project in FY19

Arena pipeline ¹	Arena originates site, secures tenant and constructs	Fund through structure ²	Total pipeline
Number of projects	6	12	18
Forecast total cost	\$31m	\$82m	\$113m
Portfolio initial yield on cost	7.7%	6.3%	6.6%
Capex amount outstanding	\$9m	\$40m	\$49m



Paisley Park ELC Chadstone VIC, completed July 2017

Development pipeline by state (by total cost)



¹ One further project in feasibility not included.

² A fund through acquisition involves the acquisition of land and progressive payment of development costs on which a return is derived.

Market outlook – Early Learning

Demand drivers

- 0-4 year old population growth; highest in Eastern states
- Childcare participation rate has increased in correlation with growth in maternal workforce participation
- Federal government 'Jobs for Families' package provides additional funding to sector from 1 July 2018

New supply

- Net new supply of centres continues to accelerate – 4% growth in number of centres in year to 30 September 2016 (2.3% in prior corresponding period)¹
- Increase in number of childcare projects with planning approval, however more competitive operating conditions may reduce number of projects reaching completion
- As competition increases, it is expected that well located, newer, more efficient centres are less likely to be vulnerable to occupancy pressures
- Analysis of demand and supply in individual micro-markets critical to assessing long-term investment opportunities

Operating conditions

- Some pressure on centre occupancy rates – particularly in second half of financial year
- Fee growth likely to be below long run average (6.8% pa over last 10 years¹)

Real estate transactions

- Strong demand from investors continues – average market transaction yields in FY17 of 5.3% (metro) and 6.5% (regional)



¹ Australian Government 'Early Childhood and Child Care in Summary' Reports 2016-2017.

Market outlook – Healthcare

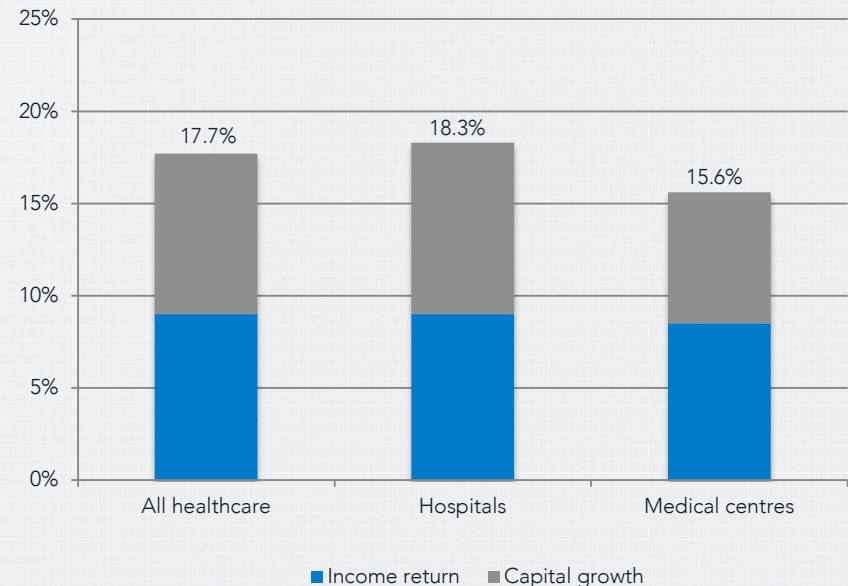
Operating conditions

- Growing and ageing population
- Incidence of chronic illness increasing
- Increase in demand for primary, specialist and diagnostic services
- Government policy continues to focus on access, affordability and prevention

Real estate transactions

- FY17 market transaction yields range 5.0% – 6.0%
- Increased funds flow by institutional investors into healthcare real estate
- Market for quality assets highly competitive

Five year healthcare property sub-sector returns (as at 30 June 2017)¹



¹ Source: MSCI



Summary and outlook



FY17 results summary and outlook

Continued strong performance

- Earnings per security growth of 11% underpinned by annual rent reviews and new rent from developments completed in FY16 and FY17
- Significant revaluation uplift driving 19% increase in NAV per security to \$1.84
- Working in partnership with tenants identified opportunities to extend Arena's WALE to 12.8 years – one of the longest in the A-REIT sector
- Successful completion of eight ELC development projects enhancing portfolio quality and earnings
- Development pipeline expanded to 18 projects with total forecast cost of \$113 million
- Equity raising has reduced gearing and provided capacity to explore future growth opportunities

FY18 DPS
guidance

12.8 cents¹

+6.7%

Five year forecast
DPS CAGR

9.3% pa¹

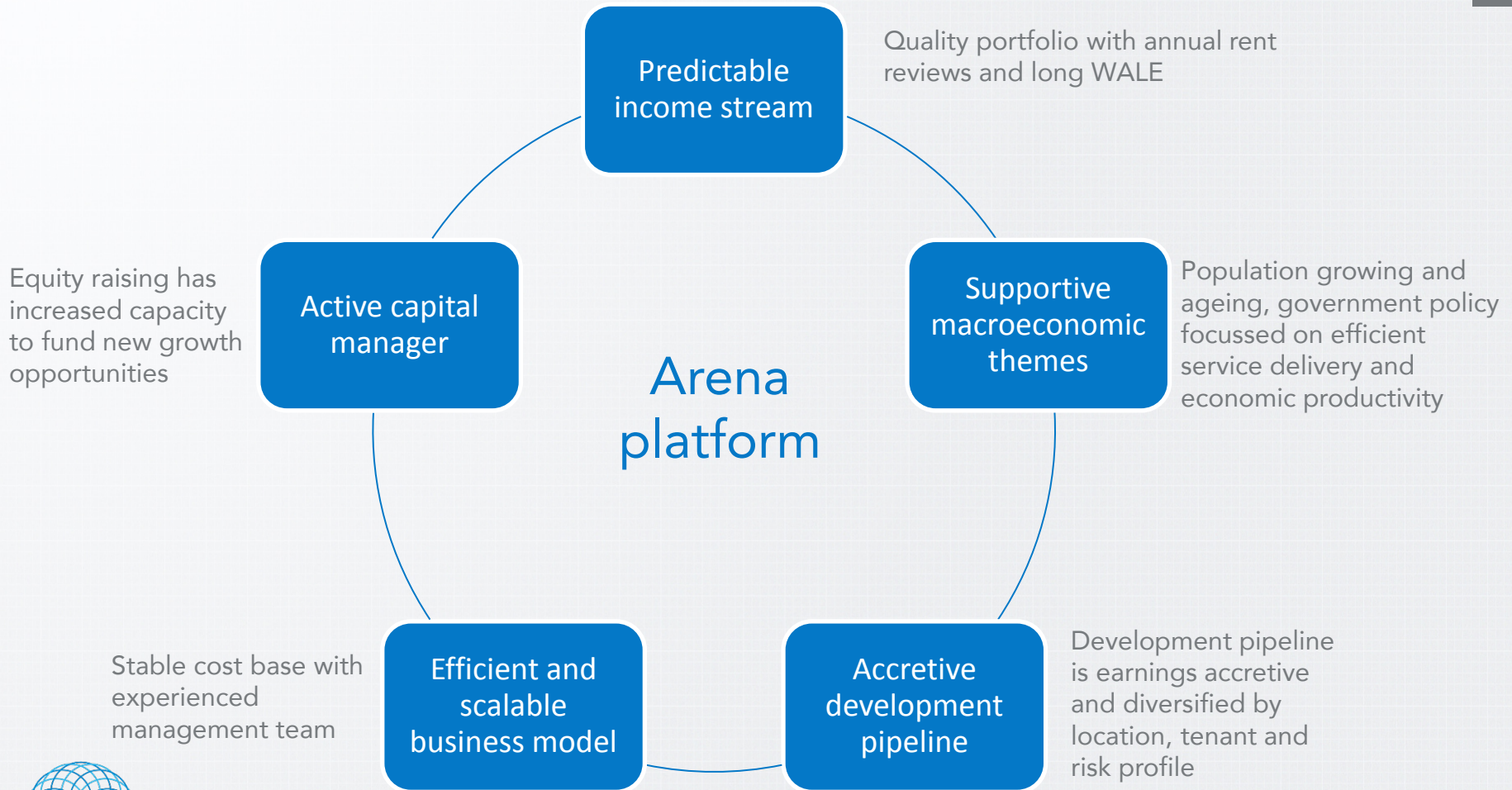
FY14 – FY18



¹ FY18 Distribution guidance is estimated on a status quo basis assuming no new acquisitions or disposals, all developments in progress are completed in line with forecast assumptions, and tenants comply with their lease obligations. Forecast FY18 distribution per security growth and five year forecast DPS Compound Average Growth Rate (CAGR) are based on FY18 distribution guidance.

Solid investment case

Positioned to deliver predictable and growing earnings with a scalable business model





Questions



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Appendices



Historical financial data

	Period ended/as at 30-Jun-17	Period ended/as at 30-Jun-16	Period ended/as at 30-Jun-15	Period ended/as at 30-Jun-14
ASX closing price (\$)	2.25	1.99	1.54	1.20
Securities on issue (m)	234.8	232.0	228.3	211.5
Market capitalisation (\$m)	528.3	461.7	351.6	253.8
Total annual securityholder return (%)	19.8	37.6	36.3	26.7
ASX 300 A-REIT Property Index annual return (%)	(5.6)	24.6	20.2	11.1
Return on Equity (%)	24.7	22.2	23.5	20.5
Earnings per security (EPS) (cents)	12.30	11.11	10.20	8.85
EPS growth (%)	11	9	15	8
Distributions per security (DPS) (cents)	12.00	10.90	10.00	8.75
DPS growth (%)	10	9	14	9
Payout ratio (%)	98	98	98	99
Total Assets (\$m)	621.3	514.0	450.6	375.3
Gearing (%)	27.5	26.8	29.1	33.3
NAV (\$)	1.84	1.54	1.33	1.13
NAV growth (%)	19	16	18	11
Weighted average cost of debt (% pa)	3.75	3.85	4.30	4.80
Proportion of borrowings hedged (%)	79	72	69	68



Historical portfolio data

	FY17	FY16	FY15	FY14
Number of properties	205	203	197	193
Sector diversification (by value)				
Early Learning (%)	86	84	84	81
Healthcare (%)	14	16	16	19
Occupancy (%)	100	100	99	99
Weighted Average Lease Expiry (WALE) (years)	12.8	9.7	8.9	8.5
Portfolio valuation (\$m)	591.7	491.4	420.0	355.8
Portfolio weighted average passing yield (%)	6.76	7.30	8.00	8.70
Total property return (%)	19	19	20	19
Annual like-for-like rental growth (%)	4.3	3.6	3.4	2.9
Average annual market rent review increase (ELC) (%)	6.2	6.5	6.4	6.1
Development completions				
Number of projects	8	4	7	-
Total cost (\$m)	20.4	19.1	17.0	-
Initial yield on total cost (%)	8.6	8.7	9.4	-



Financial performance – FY17

	FY17	FY16	Change	
	(\$'000)	(\$'000)	(\$'000)	%
Rental income	37,437	33,316	4,121	12%
Other income	689	638	51	8%
Total Operating Income	38,126	33,954	4,172	12%
Property expenses	(1,152)	(1,003)	(149)	15%
Operating expenses	(3,535)	(3,249)	(286)	9%
Finance costs	(4,714)	(4,131)	(583)	14%
Net operating profit (distributable income)	28,725	25,571	3,154	12%
<i>Non-distributable items:</i>				
Straight-line rental income	732	(327)	1,059	324%
Revaluation gain on investment properties	66,124	51,062	15,062	29%
Change in fair value of derivatives	1,805	(2,915)	4,720	162%
Profit/(loss) on sale of investment properties	12	(121)	133	110%
Transaction costs	(77)	(242)	165	(68%)
Amortisation of security-based payments (non-cash)	(576)	(365)	(211)	58%
Other	46	(42)	88	210%
Statutory net profit	96,791	72,621	24,170	33%



Balance sheet – 30 June 2017

	30 Jun 17	30 Jun 16	Change	
	(\$'000)	(\$'000)	(\$'000)	%
Cash	9,082	9,446	(364)	(4%)
Receivables and other assets	9,672	2,250	7,422	330%
Investment properties	591,712	491,439	100,273	20%
Intangibles	10,816	10,816	0	0%
Total assets	621,282	513,951	107,331	21%
Payables and other liabilities	17,151	15,841	1,310	8%
Borrowings	170,624	137,587	33,037	24%
Derivatives	1,031	3,030	(1,999)	(66%)
Total liabilities	188,806	156,458	32,348	21%
Net assets	432,476	357,493	74,983	21%
Number of securities on issue (m)	234.8	232.0	2.8	1%
Net asset value per security (\$)	1.84	1.54	0.30	19%
Gearing (%)	27.5	26.8	0.7	n/a



Pro forma balance sheet – post 30 June 2017 acquisition and equity raising

	30-Jun-17 (\$m)	Initial acquisition (\$m)	Future development (\$m)	Pro forma at completion (\$m)
Cash and other	29.6		(1.0)	28.6
Investment properties	591.7	29.3	35.7	656.7
Total Assets	621.3	29.3	34.7	685.3
Borrowings	170.6	(24.7)	34.7	180.6
Other liabilities	18.2			18.2
Total Liabilities	188.8	(24.7)	34.7	198.8
Net Assets	432.5	54.0		486.5
Gearing	27.5%	23.5%		26.4%
Securities on Issue	234.8m	27.1m		261.9m
Net Asset Value (NAV) per security	\$1.84			\$1.86



* Any securities issued under the non-underwritten SPP have not been included in the above calculations.

Borrowing and hedging summary

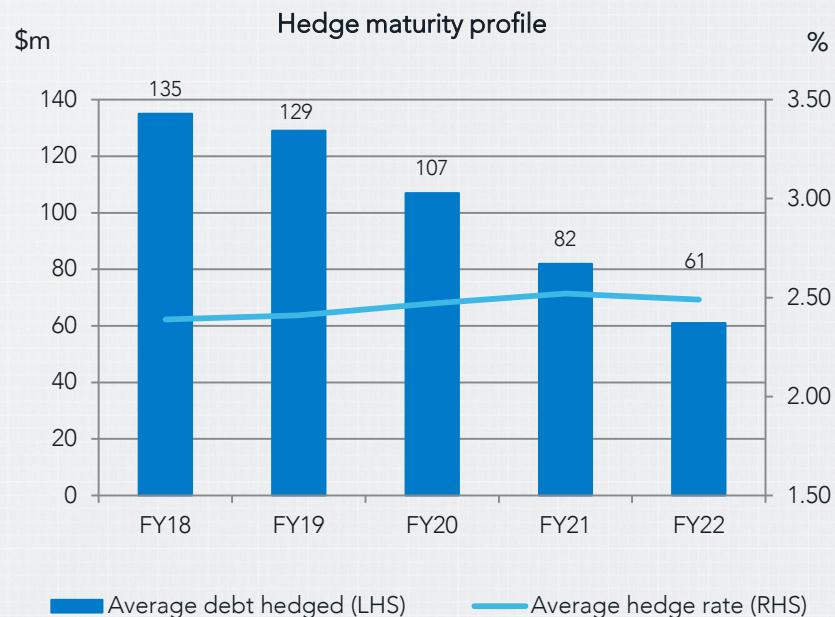
– 30 June 2017

	Tranche 1	Tranche 2	Total
Total facility	\$102.5m	\$102.5m	\$205m
Amount drawn	\$87.5m	\$83.5m	\$171m
Available debt	\$15m	\$19m	\$34m
Expiry date	31 Dec 18	31-Dec-20	-
Remaining term	1.5yrs	3.5yrs	2.5yrs

	30 Jun 2017	30 Jun 2016
Hedge cover	79%	72%
Weighted average hedge interest rate	2.39%	2.48%
Weighted average hedge term	4.3yrs	4.0yrs

Covenant	Facility requirement	As at 30 Jun 2017
Loan to value ratio (LVR) ¹	Maximum 50%	32%
Interest cover ratio (ICR)	Minimum 2x	5.6x

¹ Loan to value ratio is calculated as total borrowings over total of latest independent valuation of investment properties.



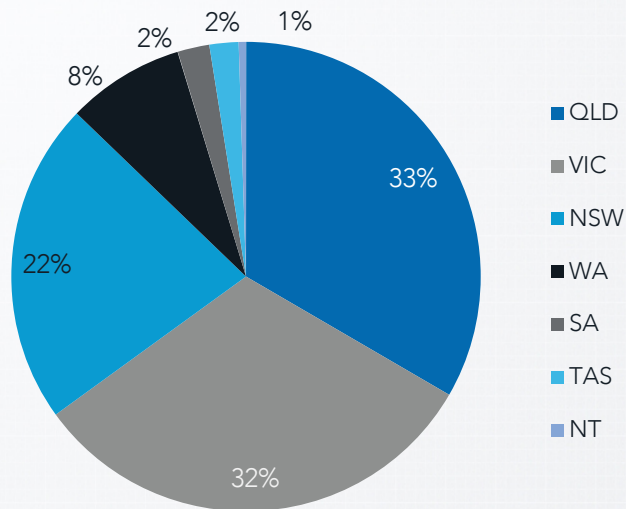
Portfolio valuations – 30 June 2017

	Number of assets	Value (\$m)	Passing yield (%)
ELC – Independent Valuations			
Freehold			
Queensland	28	72.8	7.12%
New South Wales	14	25.1	6.67%
Western Australia	5	10.9	6.93%
Victoria	10	31.6	5.41%
Total	57	140.4	6.64%
Leasehold	5	12.9	8.51%
Total ELC independent valuations	62	153.3	6.79%
ELC – Director Valuations (Freehold)			
Queensland	42	105.7	7.05%
New South Wales	12	27.8	6.60%
Western Australia	18	38.7	7.15%
Victoria	43	118.8	6.19%
Tasmania	6	11.7	7.06%
South Australia	5	12.7	6.89%
Development sites	10	39.0	-
Total ELC director valuations	136	354.4	6.69%
Total ELC portfolio	198	507.6	6.73%
Healthcare – Independent valuations	3	34.4	6.67%
Healthcare – Director valuations	4	49.7	7.10%
Total Healthcare portfolio	7	84.1	6.92%
Total portfolio	205	591.7	6.76%

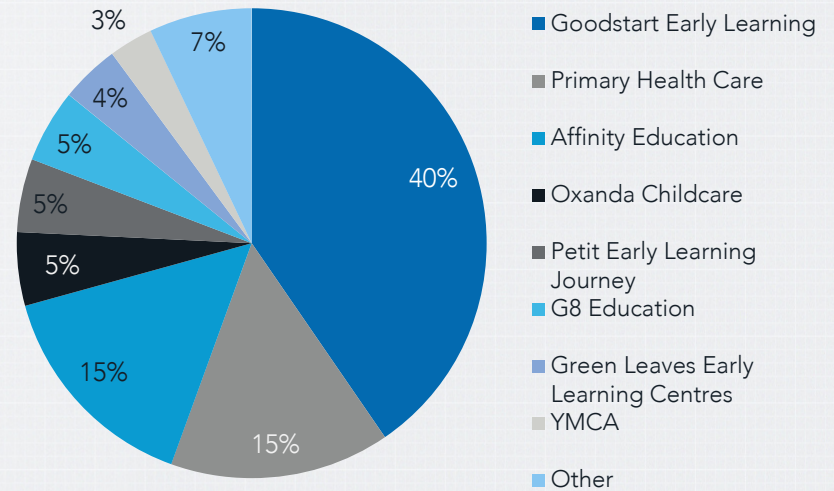


Portfolio diversification – 30 June 2017

Geographic diversification (by value)



Tenant diversification (by income)



Portfolio composition and movement

Portfolio movements (30 June 2016 to 30 June 2017)



* Eight development projects completed, of which one was Stage 2 of Griffin, QLD (an existing property).



ELC portfolio metrics – 30 June 2017

	30 Jun 2017	30 Jun 2016	Variance
Leased ELCs	188	182	3.3%
Development sites	10	14	(28.6%)
Total ELCs	198	196	1.0%
WALE (by income) (years)	14.2	10.4	3.8yrs
Tenanted occupancy (%)	100	100	-
Average passing yield (%)	6.73	7.31	(58bps)
Portfolio value (\$m)	507.6	413.2	22.8%
Average rental increase (%)	4.7	3.8	90bps
Rent to gross revenue ratio (%)	10.9	10.4	50bps
Portfolio composition (by value)			
Metropolitan (%)	58	54	400bps
Regional (%)	42	46	(400bps)
Purpose Built (%)	96	96	-



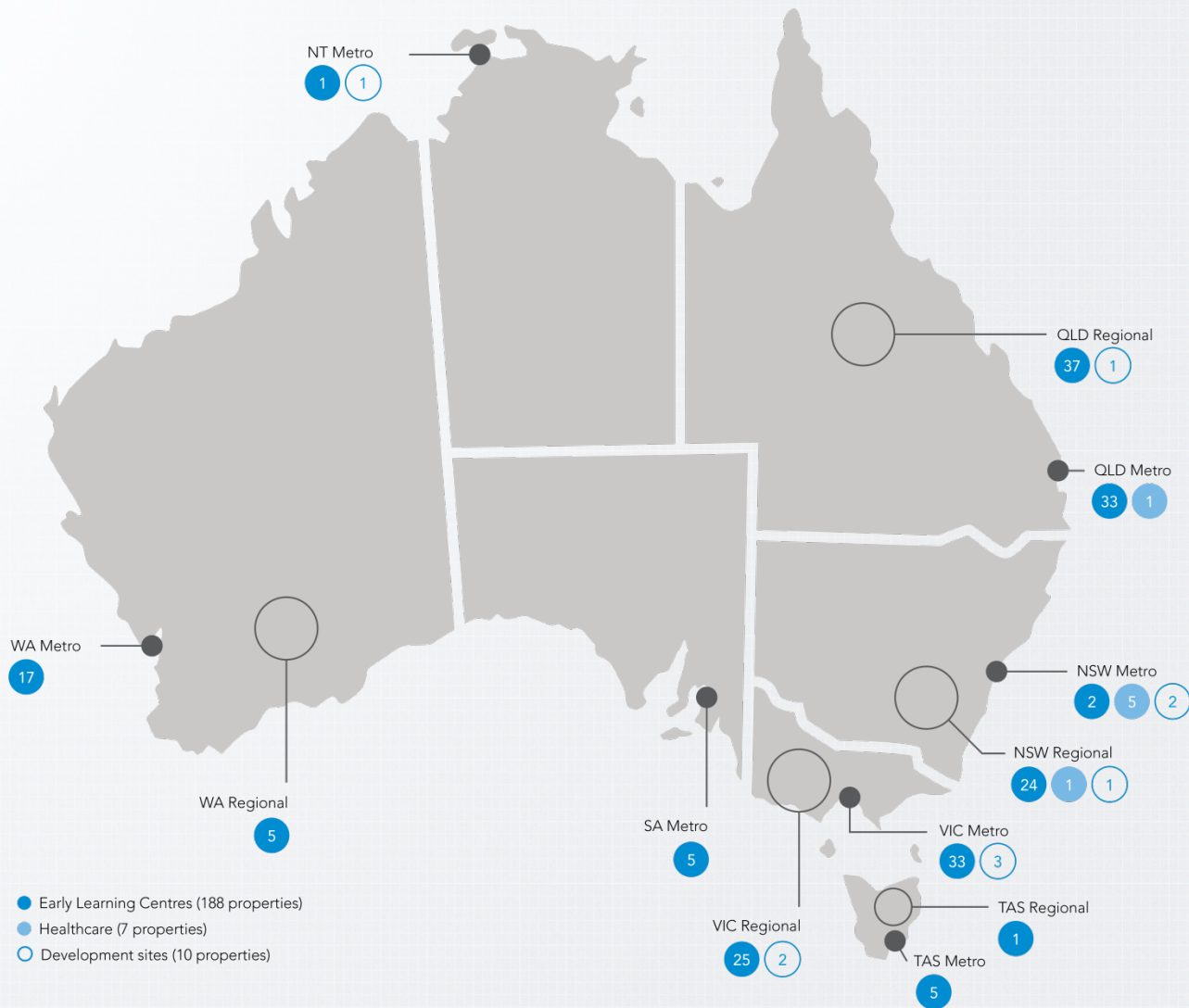
Healthcare portfolio metrics – 30 June 2017

	30 Jun 2017	30 Jun 2016	Variance
Medical centres	7	7	-
Development sites	-	-	-
Total healthcare properties	7	7	-
WALE (by income) (years)	5.5	6.5	(1yr)
Tenanted occupancy (%)	100	100	-
Average passing yield (%)	6.92	7.25	(33bps)
Property portfolio (\$m)	84.1	78.2	7.4%
Average rental increase (%)	2.5	2.6	-
Portfolio composition¹			
Metropolitan (by value) (%)	86	73	1300bps
Regional (by value) (%)	14	27	(1300bps)
Purpose Built (by value) (%)	100	100	-

¹ Note: Property located in Campbelltown, NSW was reclassified from Regional to Metropolitan during the period.



Portfolio location map



July 2017 ELC portfolio acquisition



Portfolio	Nine ELC properties under development
Total cost¹	\$65 million
Transaction structure	Fund through ²
Income yield	6.25%
Tenant	Green Leaves Early Learning Centres
Lease term	20 years
Lease structure	Triple net lease
Rent reviews	Fixed 3% pa, market review every 10 years
Independent valuation (on completion)	\$66.8 million
Weighted average passing yield (on completion)	6.00%



¹ Total cost includes property purchase price and project costs of \$63.3 million plus stamp duty and associated transaction costs.

² A fund through acquisition involves the acquisition of land and progressive payment of development costs on which a return is derived.

'Jobs for Families' package – from 1 July 2018

- New activity test (previously minimum 24 hours of subsidy)

Hours of activity (per fortnight)	Maximum number of hours of subsidy (per fortnight)	
8 – 16 hours	36 hours	Families earning less than \$65,710 that do not meet the activity test will have access to 24 hours of subsidised care
16 – 48 hours	72 hours	
48 hours +	100 hours	

- New benchmark hourly fee to which subsidy applies – \$11.55 (indexed annually) (previously uncapped)
- New subsidy arrangements (previously mix of scaled income tested Child Care Rebate (CCR) and Child Care Benefit (CCB) of 50% (up to annual cap of \$7,500 per child))

Combined Family Income	Subsidy % of fee charged (up to relevant hourly fee cap)	Cap changes
Up to \$65,710	85%	<ul style="list-style-type: none"> • Removal of subsidy cap for incomes up to \$185,000 • Increase in cap to \$10,000 for families earning over \$185,000 • Removal of subsidy for family incomes \$350,000
From \$65,710 to \$170,710	Tapering to 50%	
\$170,710 to \$250,000	50%	
From \$250,000 to \$340,000	Tapering to 20%	
\$340,000 to \$350,000	20%	
\$350,000+	0%	

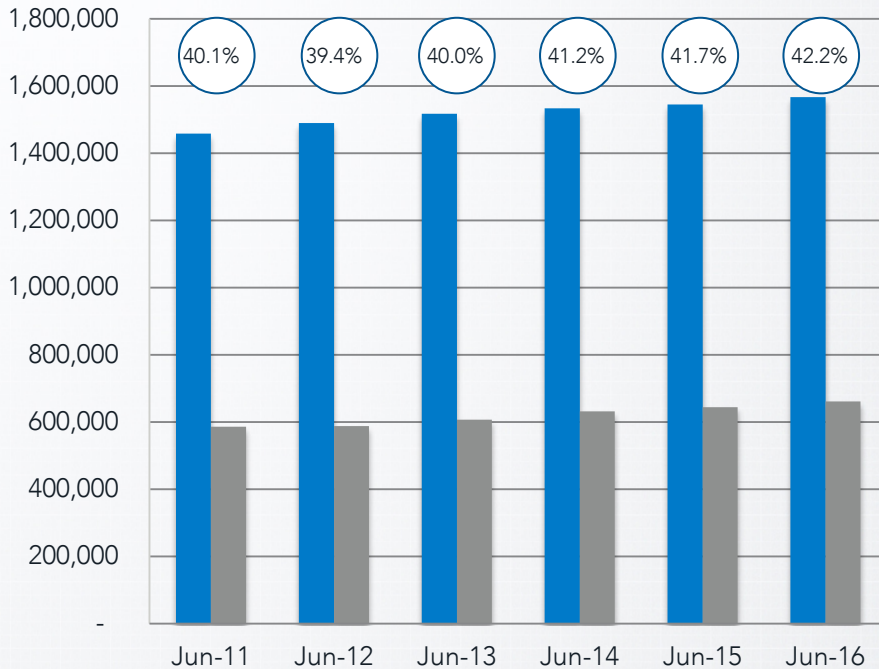
- Additional support for disadvantaged and vulnerable families



Source: Department of Education and Training https://docs.education.gov.au/system/files/doc/other/a3_overview_090517.pdf

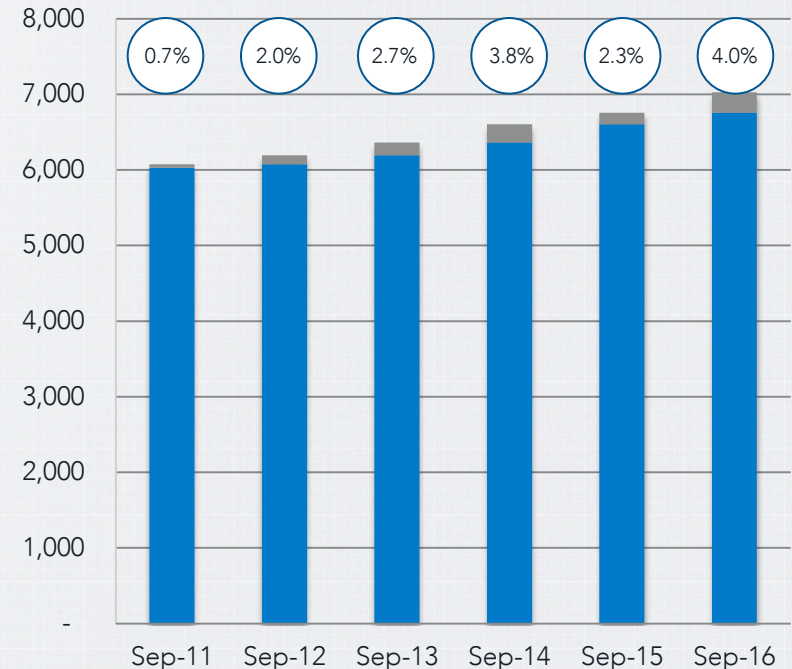
ELC market data

Number of children aged 0-4 years, number of children in long day care, long day care participation rate (%)



- Number of children age 0-4 years
- Number of children attending long day care
- Long day care participation rate

Number of long day care centres, increase over prior year (%)



- Net increase in long day care centres
- Number of long day care centres in prior year
- Net percentage increase in long day care centres



Sources: ABS Statistical Reports No. 3105, No. 3101, No. 3222. Australian Government 'Early Childhood and Child Care in Summary' Reports 2012-2017.

ELC supply – projects in construction

State	Number of ELCs September 2016 ¹	ELC projects in construction ²	Forecast % increase
ACT	152	4	2.6%
NSW	2,943	133	4.5%
NT	75	5	6.7%
QLD	1,489	42	2.8%
SA	358	22	6.1%
TAS	119	2	1.7%
VIC	1,321	122	9.2%
WA	570	26	4.6%
Total	7,027	356	5.1%



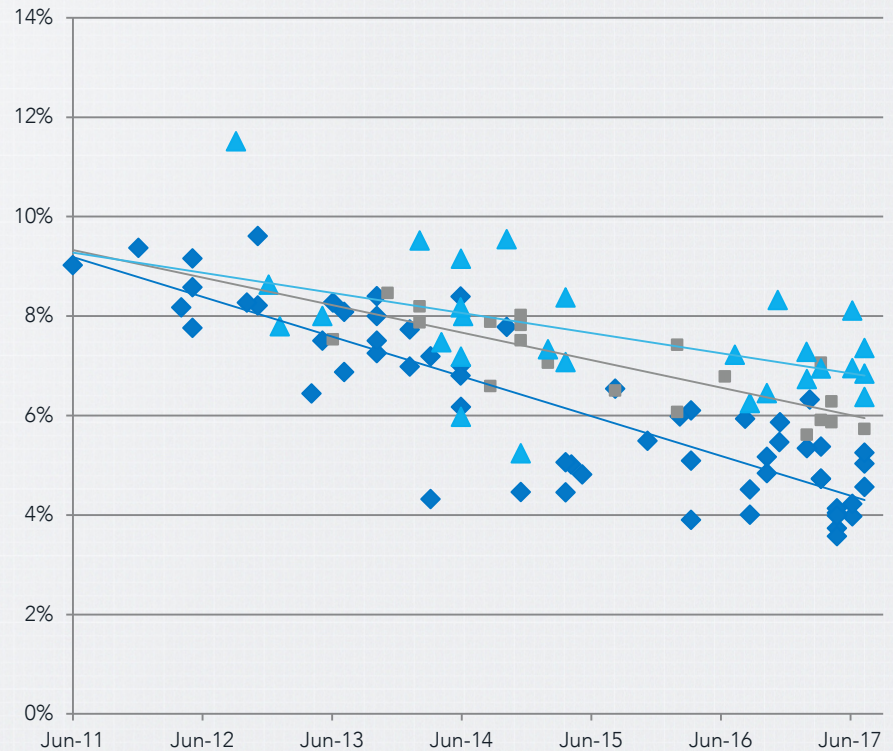
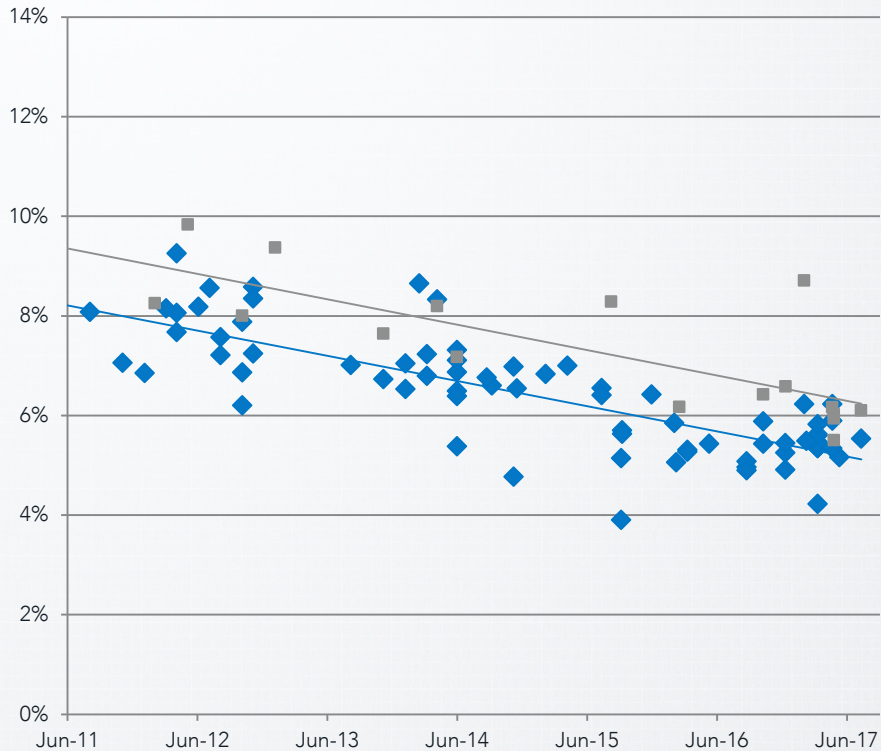
¹ Australian Government 'Early Childhood and Child Care in Summary' Reports 2012-2017.

² Business Geographics, August 2017. Excludes projects with approved Development Applications that have not yet commenced construction, and Development Applications that have not yet been approved.

ELC property market sales evidence

VIC passing yields

NSW passing yields



◆ Metro ■ Regional
— Linear (Metro) — Linear (Regional)

◆ Metro ■ Major Regional ▲ Regional
— Linear (Metro) — Linear (Major Regional) — Linear (Regional)

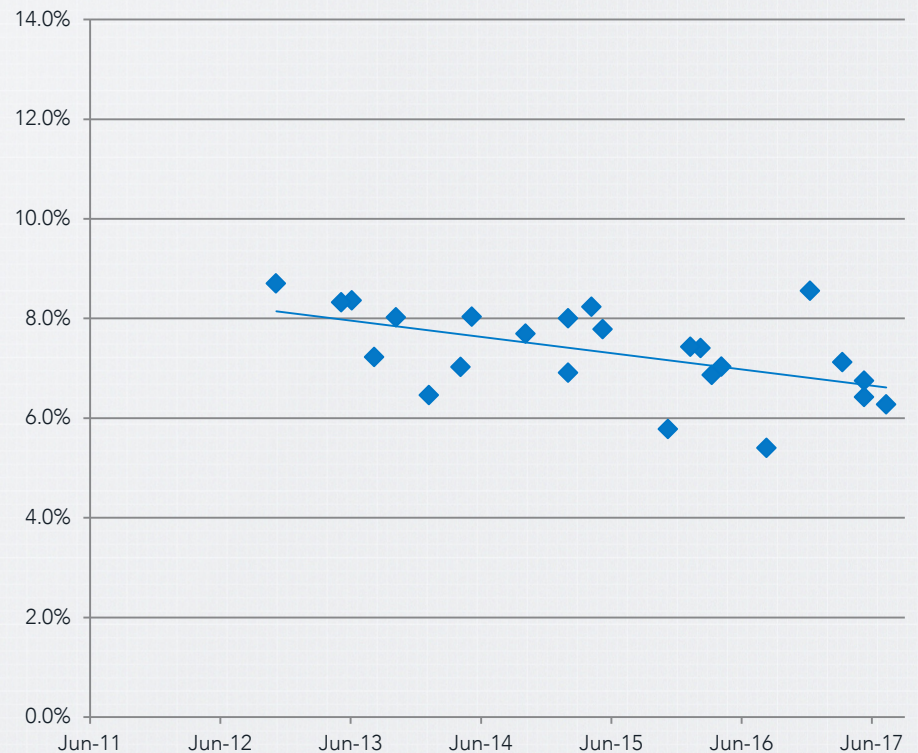
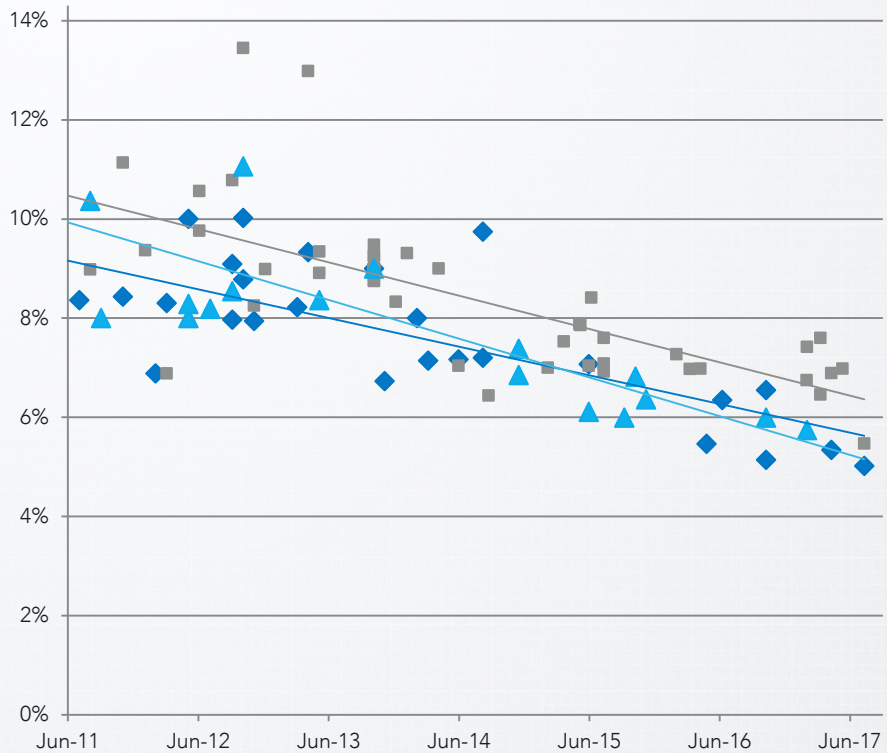


Source: Arena analysis.

ELC property market sales evidence

QLD passing yields

Other states passing yield



- ◆ Metro
- ▲ Gold & Sunshine Coasts
- Regional
- Linear (Metro)
- Linear (Gold & Sunshine Coasts)
- Linear (Regional)

- ◆ Other states
- Linear (Other states)



Source: Arena analysis.

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