



APN | Property Group

Annual General Meeting – 13 November 2008

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Looking Forward

Snapshot FY08

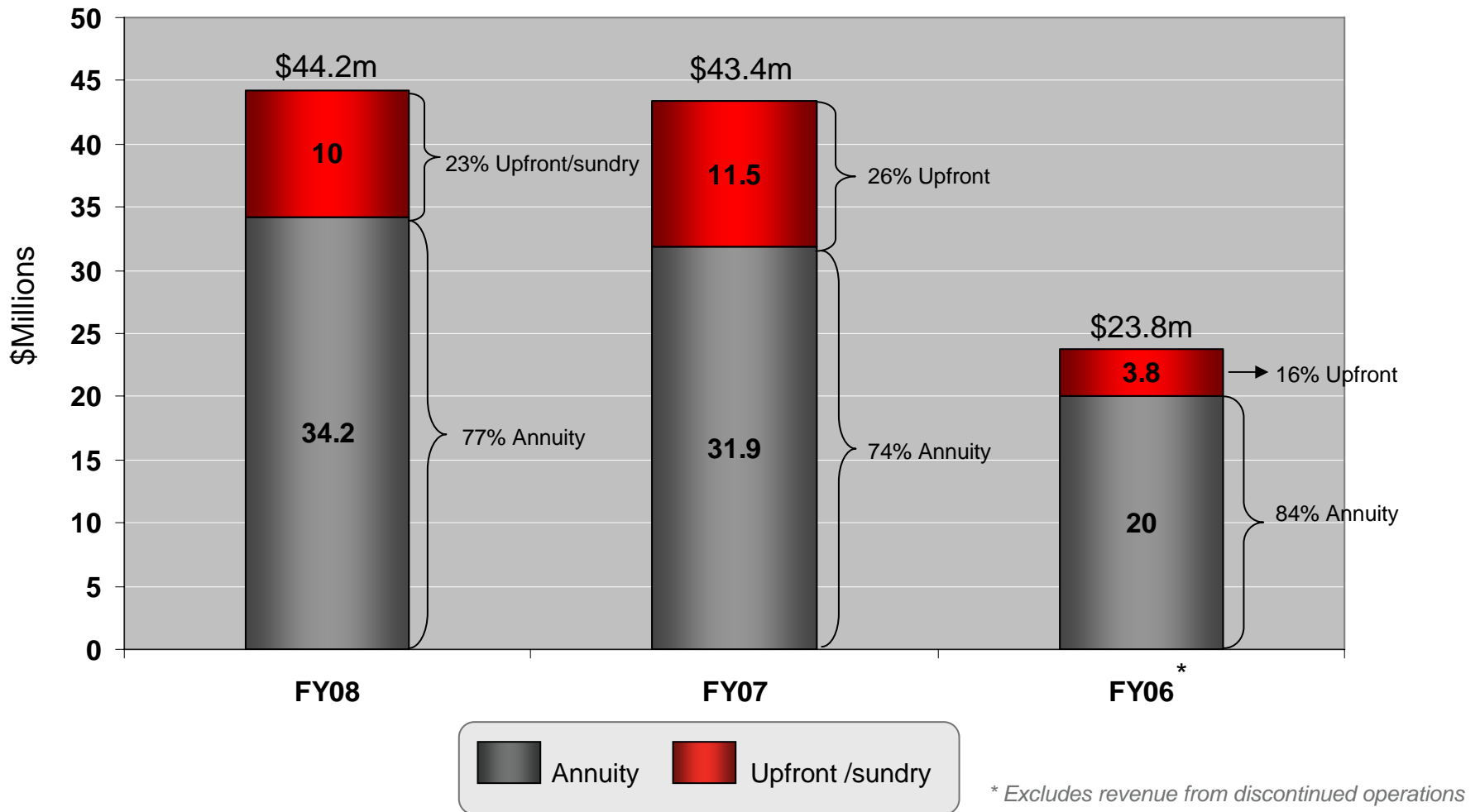
- FY08 NPAT of \$10.1m
- EPS 7.74 cps
- Dividend paid 7.50 cents per share
- Negligible debt (\$0.4m)
- Strong balance sheet – available cash at balance date of \$12.6m
- FUM \$3.9b (\$3.4b at 31/10/08) – REIT market movement impacted FUM
- Launch of new Wholesale fund
- Positioned for growth

Key financial results FY08

| | 1 st Half Year FY08 | 2 nd Half Year FY 08 | Full Year FY08 | Full Year FY07 |
|---|-----------------------------------|------------------------------------|-------------------|-------------------|
| Net profit before tax (NPBT) \$'000 | 14,941 | 577 | 15,518 | 24,750 |
| Net profit after tax (NPAT) \$'000 | 10,042 | 59 | 10,101 | 17,405 |
| Net profit after tax excluding 'one time' items | 4,787 | 3,346 | 8,132 | 9,204 |
| Basic earnings per share (EPS) cents | - | - | 7.74 EPS | 14.20 EPS |
| Diluted EPS (cents) | - | - | 7.74 EPS | 13.80 EPS |
| Dividend per share (DPS) cents | 4.50 DPS | 3.00 DPS | 7.50 DPS | 10.00 DPS |

Revenue analysis – full year results FY08

- 77% of income generated from annuity style earnings for FY08



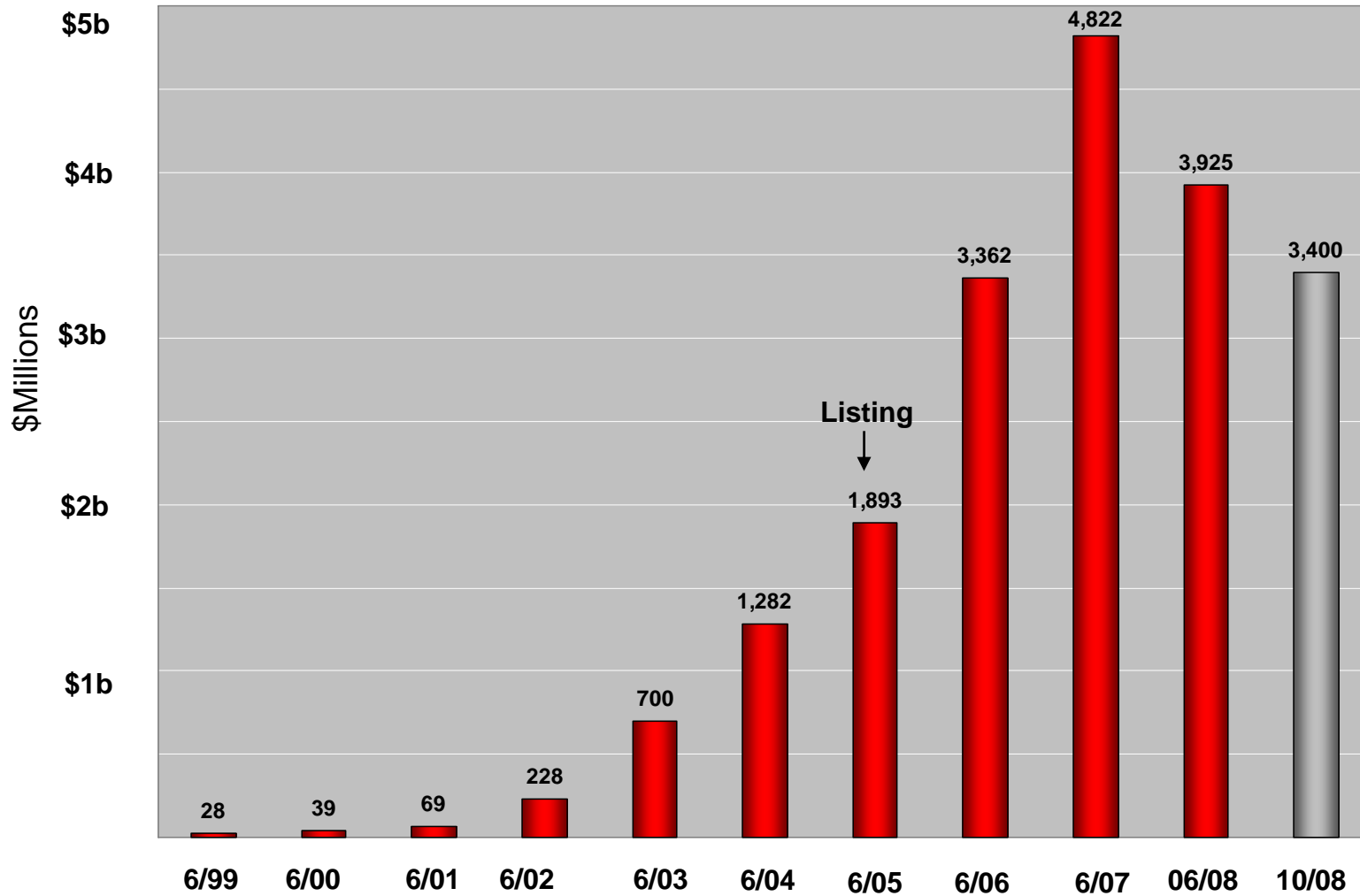
Balance sheet

- Balance sheet remains strong with nominal debt (\$0.4m)* and \$12.6m cash
- Ability to promote further fund development/expansion

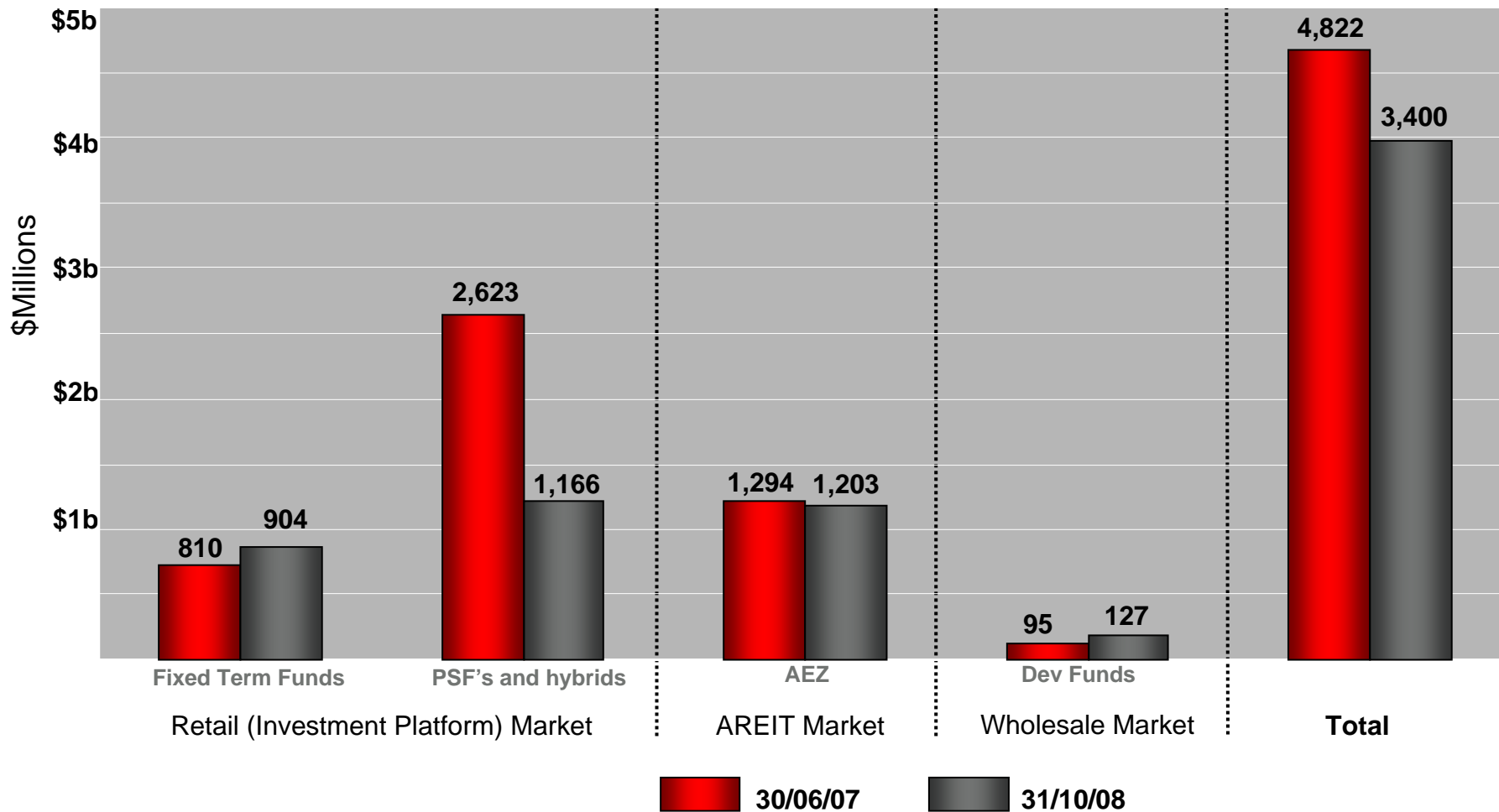
| Balance Sheet | June 08 | June 07 |
|---------------|---------|---------|
| Total Assets | \$77m | \$76m |
| Liabilities | \$11m | \$9m |
| Net Assets | \$66m | \$67m |

** Bank guarantees also exist for \$5.2 million*

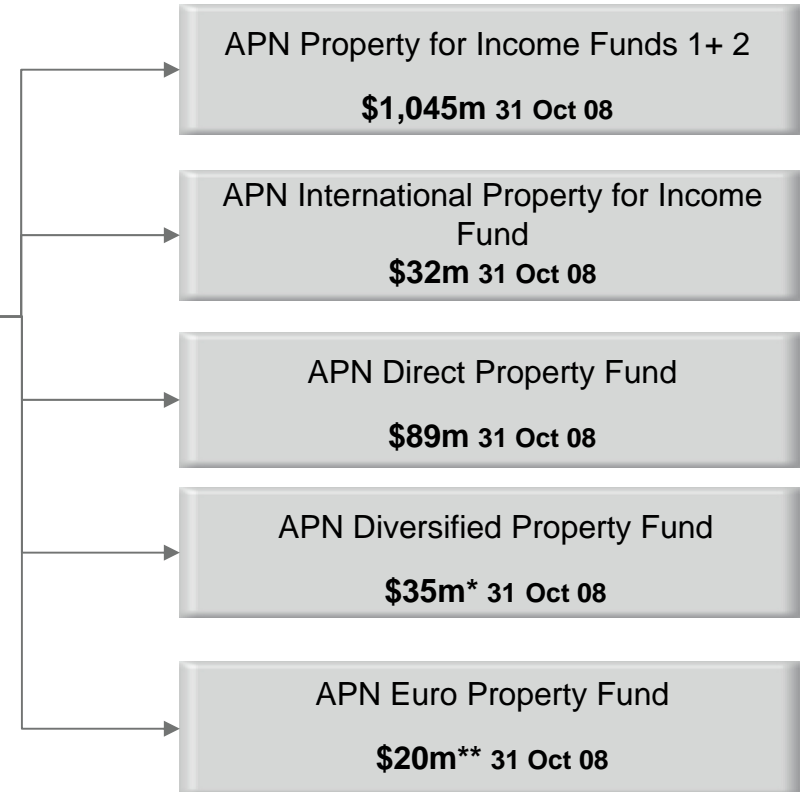
Growth in Funds Under Management



FUM breakdown by markets



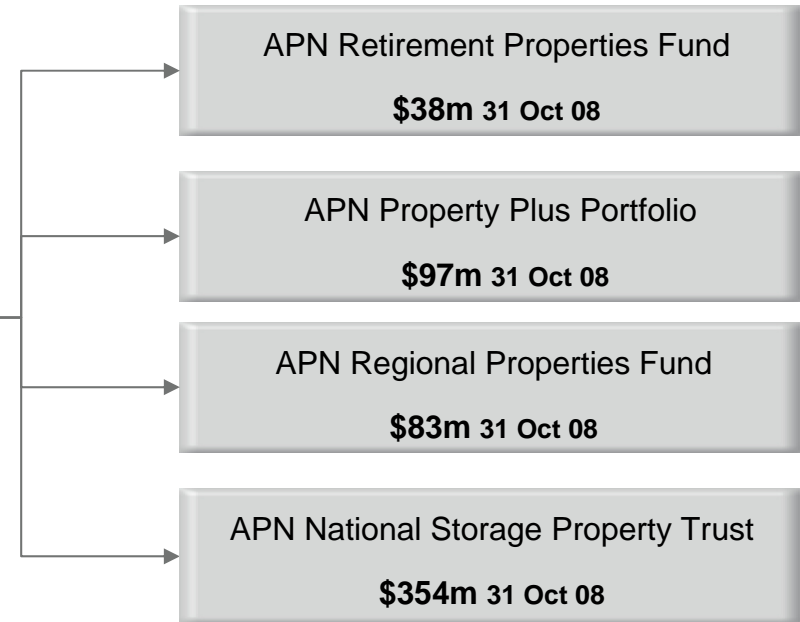
Retail platform – open ended



- Net reduction in FUM Jun 07 – Oct 08 = \$1,457m
- Funds closed for Applications and Redemptions
- Relative Fund performance meeting benchmarks for income and volatility
- APN Euro Property Fund has been expanded to platforms
- Opportunity to reinforce income focus and potentially increase market share

* FUM included in underlying funds
** FUM included in Poland & Vienna Funds

Retail – fixed term (Australian funds)



- Australian direct property market maintaining low vacancy rates but some downside risk.
- May see impact over time on valuations based on re-rating of property IRR's

Retail – fixed term (European Funds)



Existing funds

- APN/UKA Vienna Retail Fund - \$183m
- APN/UKA Poland Retail Fund - \$118m

New fund

- APN Champion Retail Fund - \$31m plus \$25m yet to be sold down by AEZ
- Unlisted and low risk fund Target Markets:
 - Hybrid PSF's, Super Funds and high net worth clients
 - APN Euro Property Fund: capital sourced from financial adviser market

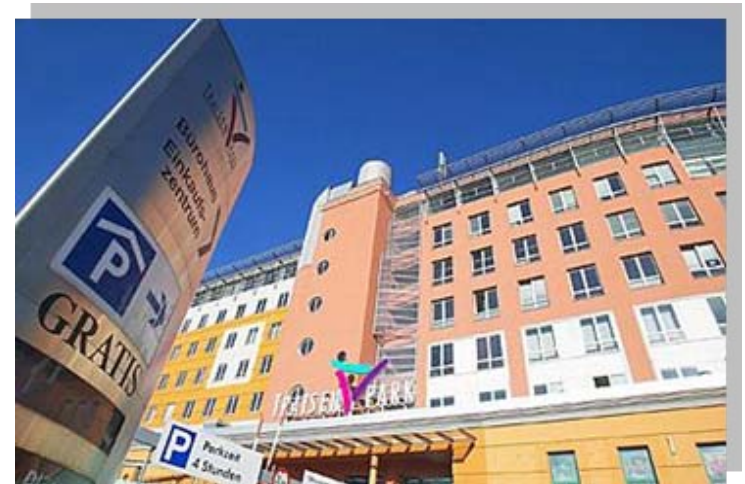
ASX listed property trust – AEZ



APN European Retail
Property Group
\$1,203m 31 Oct 08



Pictures of Traisenpark, Austria



- Acquisition of Traisenpark Shopping Centre in December in Austria, \$104m
- Launched APN Champion Retail Fund in January 2008



Development funds

\$127m 31 Oct 08

APN Development Fund No.1
Called Funds \$94m Total Fund \$110m

APN Development Fund No.2
Called Funds \$33 Total Fund \$105m

APN Development Fund No. 1

- Fund performing ahead of IRR targets (18% IRR)
- Total end value of developments estimated at \$1.3b



567 Collins Street

APN Development Fund No. 2

- Successful close December 2007 raising \$105m in equity commitments, gearing capacity 70%
- Fund secured two development opportunities
 - 150 Collins Street, Melbourne (18,500sqm office tower)
 - Industry Village, Port Melbourne (Industrial Subdivision)
- Well positioned to take advantage of new opportunities and supported by underlying strength of commercial property markets
- Continue to explore new wholesale opportunities



150 Collins Street



Industry Village

Summary

- Opportunities remain to continue to grow the business, particularly in the wholesale space in the short term and ability to increase market share in the retail space
- Risks include:
 - Continued volatility in REIT market
 - Recessionary trends in Australian market
- Mitigating factors:
 - Strong brand and dealer group loyalty
 - Strong performance of retail funds versus peers
 - Presence on dealer group model portfolios
 - Strong balance sheet

Looking forward

- Economic backdrop
- Asset repricing
- House in order, people in place
- Continual focus on investment performance + client service
- 3 year Strategic Plan in preparation
- Facing market realities, focus on core activities

Summary of Proxy Instructions received

| Resolution | For | Open | Against | Abstain |
|-------------------------------------|------------------|------------|-----------|---------|
| 1. Receive accounts | No vote required | | | |
| 2. Consider Remuneration report | 6,337,423 | 63,815,350 | 977,298 | 21,776 |
| 3.1 Elect Chris Aylward | 6,638,246 | 63,802,725 | 693,491 | 17,385 |
| 3.2 Elect Clive Appleton | 6,644,146 | 63,802,725 | 689,391 | 15,585 |
| 4.1 David Blight Share Plan | 6,042,069 | 63,742,125 | 1,322,762 | 44,891 |
| 4.2 Employee Performance Share Plan | 6,088,560 | 63,742,125 | 1,290,462 | 30,700 |

Resolution 1 – Financial Statements and Reports

Resolution

“To receive and consider the Financial Report, the Directors’ Report and the Auditor’s Report, each for the financial year ended 30 June 2008.”

Summary of Proxy Instructions

No Vote Required

Resolution 2 – Consider Remuneration Report

Resolution

“That the Remuneration Report for the financial year ended 30 June 2008 be adopted.”

Summary of Proxy Instructions

| For | Open | Against | Abstain |
|-----------|------------|---------|---------|
| 6,337,423 | 63,815,350 | 977,298 | 21,776 |

Resolution 3.1 – Election of Chris Aylward

Resolution

“That Mr Chris Aylward, who retires in accordance with the Constitution, and being eligible, be elected as a Director.”

Summary of Proxy Instructions

| For | Open | Against | Abstain |
|-----------|------------|---------|---------|
| 6,638,246 | 63,802,725 | 693,491 | 17,385 |

Resolution 3.2 – Election of Clive Appleton

Resolution

“That Mr Clive Appleton, who retires in accordance with the Constitution, and being eligible, be elected as a Director.”

Summary of Proxy Instructions

| For | Open | Against | Abstain |
|-----------|------------|---------|---------|
| 6,644,146 | 63,802,725 | 689,391 | 15,585 |

Resolution 4.1 – David Blight share plan

Resolution

“That:

- (a) the terms of the APN Property Group David Blight Share Plan described in the Explanatory Notes to this notice of meeting be approved for the purposes of sections 257B, 259B and 260C of the Corporations Act and all other purposes; and
- (b) all issues of securities under the APN Property Group David Blight Share Plan be approved as an exception to Listing Rule 7.1.”

Summary of Proxy Instructions

| For | Open | Against | Abstain |
|-----------|------------|-----------|---------|
| 6,042,069 | 63,742,125 | 1,322,762 | 44,891 |

Resolution 4.2 – Employee performance share plan

Resolution

“That:

- (a) the terms of the APN Property Group Employee Performance Share Purchase Plan described in the Explanatory Notes to this notice of meeting be approved for the purposes of sections 257B, 259B and 260C of the Corporations Act and all other purposes; and
- (b) all issues of securities under the APN Property Group Employee Performance Share Plan be approved as an exception to Listing Rule 7.1.”

Summary of Proxy Instructions

| For | Open | Against | Abstain |
|-----------|------------|-----------|---------|
| 6,088,560 | 63,742,125 | 1,290,462 | 30,700 |