

## NSX Announcement

APN Property Group Limited  
ABN 30 109 846 068

Responsible Entity:  
APN Funds Management Limited  
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20 February 2104

The Manager  
Company Announcements Office  
National Stock Exchange of Australia Limited  
Level 2, 117 Scott Street  
Newcastle, NSW 2300

Dear Sir/Madam

### **APN Regional Property Fund (NSX code: APR)** **ARSN: 110 488 821**

### **1H FY14 Financial Results**

APN Funds Management Limited as responsible entity for the APN Regional Property Fund (the Fund) is pleased to announce the Fund's half year financial results for the 6 months to 31 December 2013.

#### **Key Highlights**

- Net Profit for the period was \$4.40m for the period vs \$0.58m for the prior corresponding period;
- Grafton mall was sold for \$10.55m in November 2013;
- Distributions doubled to 7.2774 cents per unit (annualised) from 3.625 cents per unit for FY13;
- The Fund's loan to valuation ratio has decreased to 42.4% from 57.1% at the start of the period;
- The Fund's weighted average lease term to expiry (WALE) as at 31 December 2013 was 3.8 years (by income);
- The Fund's portfolio was independently valued as at 31 December 2013, outlined below are the valuations for each of the Fund's assets:

Property	Value as at 30 June 2013	Value as at 31 December 2013	Percentage movement	Cap rate as 30 June 2013	Cap rate as 31 Dec 2013
Sparke Helmore Bldg, Newcastle, NSW	\$20,000,000	\$21,000,000	5.00%	10.00%	9.75%
PricewaterhouseCoopers Centre, Newcastle, NSW	\$15,000,000	\$15,750,000	5.00%	10.50%	10.25%
Parkes Shopping Centre, Parkes, NSW	\$10,110,000	\$10,310,000	1.98%	10.49%	10.00%
<b>Total / Weighted average</b>	<b>\$45,110,000</b>	<b>\$47,050,000</b>	<b>4.32%</b>	<b>10.28%</b>	<b>9.97%</b>

## **Fund Update**

In November 2013, the Responsible Entity successfully disposed of Grafton Mall. The asset was sold for \$10.55m which represented a 13.4% premium to the 30 June 2013 book value. Proceeds from the sale were used to reduce debt to below 50% LVR which resulted in the fund returning back to full distributions in December 2013. Post debt reduction of the fund's debt facility, NTA increased to \$0.8322 from \$0.7297 at 30 June 2013.

Yours sincerely



**John Freemantle**  
Company Secretary

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## **About APN Property Group**

APN Property Group (ASX code: APD) is a specialist real estate investment manager.

Since 1996, APN has been actively investing in, developing and managing real estate and real estate securities on behalf of institutions, superannuation funds, high net worth and individual investors.

As a boutique asset manager, the Group's focus is on delivering superior investment performance and outstanding service. Performance is underpinned by a highly disciplined investment approach and a deep understanding of commercial real estate.

**[apngroup.com.au](http://apngroup.com.au)**