

NSX Announcement

APN Property Group Limited
ABN 30 109 846 068

Responsible Entity:
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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**

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 full year financial results for the 12 months to 30 June 2014.

Key Highlights

- The Fund divested of its Grafton Shopping Mall asset in November 2013 at a premium to book value of 13.44%;
- Full distributions resumed in December 2013 taking the full year's distribution for FY14 to 7.28cpu, which is a 100% increase over the previous 12 months at 3.63cpu;
- The Fund's loan to valuation ratio has decreased to 41.9% from 57.1% at the start of the period;
- The Fund successfully refinanced its current debt facility at a lower interest rate margin;
- The Fund's portfolio was independently valued as at 30 June 2014, outlined below are the valuations for each of the Fund's assets:

Property	Value as at 30 June 2013	Value as at 30 June 2014	Change	Cap rate as at 30 June 2013	Cap rate as at 30 June 2014
Sparke Helmore Bldg, Newcastle, NSW	\$20,000,000	\$21,500,000	7.50%	10.00%	9.25%
PricewaterhouseCoopers Centre, Newcastle, NSW	\$15,00,000	\$16,250,000	8.33%	10.50%	10.00%
Parkes Shopping Centre, Parkes, NSW	\$10,110,000	\$10,210,000	0.99%	10.49%	9.98%
Total / Weighted average	\$45,110,000	\$47,960,000	6.32%	10.26%	9.66%

Yours sincerely

A handwritten signature in black ink, appearing to be 'J. Freemantle', written in a cursive style.

John Freemantle
Company Secretary

About APN Property Group

APN Property Group Limited (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 institutional and retail investors.

APN'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