

NSX ANNOUNCEMENT

APN Property Group Limited
ABN 30 109 846 068

Responsible Entity:
APN Funds Management Limited
ABN 60 080 674 479 AFSL No 237500

Level 30, 101 Collins Street
Melbourne, Victoria 3000 Australia

T +61 (0) 3 8656 1000
F +61 (0) 3 8656 1010
Investor Services 1800 996 456
Adviser Services 1300 027 636
W www.apngroup.com.au
E apnpg@apngroup.com.au

Correspondence to:
PO Box 18011
Melbourne Collins Street East
Victoria 8003

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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

1H FY17 Financial Results

APN Funds Management Limited as responsible entity for the APN Regional Property Fund (the **Fund**) is pleased to announce the Fund's financial results for the six months to 31 December 2016.

Key Highlights

- Net Profit was \$2.01 million for the period;
- FY17 distribution guidance increased to 9.5 cents, up 5.6% from 9.0 cents per unit for FY16 (FY17 distributions include 4.75 cents per unit declared as at 31 December 2016);
- Net tangible assets per unit increased 1.8% from \$1.11 at 30 June 2016 to \$1.13 at 31 December 2016;
- The Fund's loan to valuation ratio decreased from 34.5% at 30 June 2016 to 34.0% at 31 December 2016;
- The Fund's weighted average lease expiry (WALE) as at 31 December 2016 was 2.9 years (by income);
- The Fund's occupancy as at 31 December 2016 was 99%; and
- The Fund's portfolio was independently valued as at 31 December 2016 as set out in the table below:

Property	Value as at 30 Jun 2016	Value as at 31 Dec 2016	Change	Cap rate as at 30 Jun 2016	Cap rate as at 31 Dec 2016
28 Honeysuckle Drive, Newcastle, NSW	\$25,000,000	\$25,300,000	1.20%	8.50%	8.50%
26 Honeysuckle Drive, Newcastle, NSW	\$18,500,000	\$18,800,000	1.62%	9.00%	8.75%
Total / Weighted average	\$43,500,000	\$44,100,000	1.38%	8.71%	8.61%

Yours sincerely

A handwritten signature in black ink that reads "Churchill". The signature is written in a cursive, flowing style.

Chantal Churchill
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.

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