



Annexure 3A

BSX Listing Rules

Half Yearly Disclosure

References

Version 1, Operative 23/8/2000

Chapter 3, BSX Listing Rules

Australian Property Growth Fund

Name of entity

109 093 816 (ARSN)

Half yearly (tick)



1 July 2007 to 31 December 2007

ABN, ACN or ARBN

Annual (tick)



Financial year ended

30 June 2008

Summary

				\$A,000
Sales revenue or operating revenue	Up	88%	to	46,137
Profit (loss) before abnormal items and after tax	Up	3,437%	to	12,683
Abnormal items before tax		gain (loss) of		-
Profit (loss) after tax but before outside equity interests	Up	3,437%	to	12,683
Extraordinary items after tax attributable to members		gain (loss) of		-
Profit (loss) for the period attributable to members	Up	3,437%	to	12,681

Tax Deferred distributions

Franking rate applicable

Nil

Current period

Final
Interim

Refer to Annexure A (1)
Refer to Annexure A (1)

Previous corresponding period

Final
Interim

Refer to Annexure A (1)
Refer to Annexure A (1)

Record date for determining entitlements to the dividend, (in the case of a trust distribution)

31 December 2007

Short details of any bonus or cash issue or other items(s) of importance not previously released to BSX:

None noted

Annexure 3A Half Yearly Disclosure

Consolidated profit and loss account

	Current period \$A'000	Previous corresponding period \$A'000
Sales revenue or operating revenue	46,137	24,479
Expenses from ordinary activities	(25,976)	(21,591)
Borrowing expenses	(7,614)	(3,147)
Share of net profit (loss) of associates and joint venture entities	-	-
Profit (loss) from ordinary activities before tax	12,547	(259)
Income tax expense/(benefit)	(136)	(628)
Profit (loss) from ordinary activities after tax	12,683	369
Outside equity interests	(2)	-
Profit (loss) from ordinary activities after tax attributable to members	12,681	369
Profit (loss) from extraordinary activities after tax attributable to members	-	-
Profit (loss) for the period attributable to members	12,681	369
Retained profits (accumulated losses) at the beginning of the financial period	30,843	3,804
Net transfers to and from reserves	-	-
Net effect of changes in accounting policies	-	-
Tax deferred distributions paid or payable	(8,757)	(6,231)
Retained profits (accumulated losses) at end of financial period	34,767	(2,058)

Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous corresponding period \$A'000
Profit (loss) from ordinary activities after tax before outside equity interests and goodwill impairment	14,003	369
Less (plus) outside equity interests	(2)	-
Profit (loss) from ordinary activities after tax (before goodwill impairment) attributable to members	14,001	369

Annexure 3A
Half Yearly Disclosure

Revenue and expenses from operating activities

Details of revenue and expenses	Current period \$A'000	Previous corresponding period \$A'000
Revenue		
Rental income	11,405	5,857
Project delivery management fee income	6,764	17,205
Property and funds management fee income	5,671	-
Interest income	1,275	933
Other income	104	-
Revaluation increment on investment properties	20,918	484
Expenses		
Air conditioning expenses	(202)	(135)
Audit Fees	(115)	(131)
Borrowing expenses	(7,614)	(3,147)
Consultancy fees	(261)	(281)
Development costs expensed	(11,656)	(19,290)
Impairment loss – goodwill	(1,320)	-
Land tax	(179)	(77)
Leasing expenses	(127)	(63)
Lift expenses	(174)	(94)
Management fees	(9,100)	(410)
Personnel expenses	(800)	-
Rates	(397)	(207)
Recoverable outgoings	(597)	(365)
Repairs and maintenance	(179)	(92)
Other expenses	(869)	(446)

Intangible and extraordinary items

	Before tax \$A'000	Related tax \$A'000	After tax \$A'000
Impairment losses - goodwill	1,320	-	1,320
Amortisation of other intangibles	-	-	-
Total	1,320	-	1,320
Extraordinary items (details)	-	-	-
Total extraordinary items	-	-	-

Comparison of half year profits (Annual statement only)

	Current year \$A'000	Previous year \$A'000
Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year	Not applicable	Not applicable
Consolidated profit from ordinary activities after tax attributable to members for the 2nd half year	Not applicable	Not applicable

Annexure 3A
Half Yearly Disclosure

Consolidated balance sheet

	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly statement \$A'000
Current assets			
Cash	28,328	52,056	50,624
Receivables	6,409	1,569	3,820
Inventories	710	6,561	10,958
Other (interest rate swap)	797	-	-
Other (provide details if material)	1,131	255	389
Total current assets	37,375	60,441	65,791
Non-current assets			
Receivables	13,495	13,495	-
Property Investments held directly	416,250	296,300	218,000
Inventories	11,606	11,599	11,599
Plant and equipment (net)	542	17	-
Other (Management fee asset)	11,296	12,168	-
Other (Interest rate swap)	513	1,109	993
Other (Deferred Tax Asset)	3,879	1,942	1,627
Other (Goodwill)	15,553	15,553	-
Total non-current assets	473,134	352,183	232,219
Total assets	510,509	412,624	298,010
Current liabilities			
Accounts payable	21,582	7,871	6,143
Borrowings	7,952	12,539	12,514
Provisions (incl income tax payable)	3,069	111	-
Total current liabilities	32,603	20,521	18,657
Non-current liabilities			
Accounts payable	757	39,353	930
Borrowings	216,284	152,186	132,221
Provisions	260	112	-
Total non-current liabilities	217,301	191,651	133,151
Total liabilities	249,904	212,172	151,808
Net assets	260,605	200,452	146,202
Equity			
Capital	225,191	169,165	147,938
Reserves	635	434	318
Retained profits (accumulated losses)	34,767	30,843	(2,058)
Equity attributable to members of the parent entity	260,593	200,442	146,198
Outside equity interests	12	10	4
Total equity	260,605	200,452	146,202

Annexure 3A
Half Yearly Disclosure

Consolidated statement of cash flows

	Current period \$A'000	Previous corresponding period \$A'000
Cash flows related to operating activities		
Receipts from customers	14,555	8,830
Payments to suppliers and employees	(11,700)	(12,949)
Project delivery management fees received	7,526	17,397
Interest and other items of similar nature received	1,275	705
Interest and other costs of finance paid	(6,680)	(3,227)
Other (provide details if material)	-	-
Net operating cash flows	4,976	10,756
Cash flows related to investing activities		
Acquisition of subsidiaries (net of cash acquired)	2,698	(2,695)
Payments for property investment purchases	(98,166)	-
Payments for property investment additions	(775)	(77)
Payment of loans to other parties	(102)	-
Payment for purchases of plant and equipment	(526)	-
Other (provide details if material)	-	-
Net investing cash flows	(96,871)	(2,772)
Cash flows related to financing activities		
Proceeds from issues of securities (shares, options, etc.)	16,428	49,619
Payment of security issue costs	(39)	(1,257)
Proceeds from borrowings	63,350	-
Payment of costs of new borrowings	(254)	-
Repayment of borrowings	(4,762)	(6,494)
Proceeds from related party borrowings	565	319
Repayment of related party borrowings	-	(1,500)
Distributions paid	(7,121)	(3,779)
Other (provide details if material)	-	-
Net financing cash flows	68,167	36,908
Net increase (decrease) in cash held	(23,728)	44,892
Cash at beginning of period (see Reconciliation of cash)	52,056	5,732
Exchange rate adjustments	-	-
Cash at end of period (see Reconciliation of cash)	28,328	50,624

Annexure 3A Half Yearly Disclosure

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

On 31 December 2007 the Fund acquired a 100% interest in APGF Management Limited ('APGM'), an unlisted public company incorporated in Australia. The total cost of the acquisition was \$50,197,000 and comprised an issue of stapled securities (\$40,000,000), cash consideration to be paid by 30 June 2008 (\$10,000,000) and costs directly attributable to the acquisition. The Fund issued 33,333,333 stapled securities with a fair value of \$1.20 each on 31 December 2007. The cash consideration had not been paid at 31 December 2007.

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A'000	Previous corresponding period \$A'000
Cash on hand and at bank	11,837	8,673
Deposits at call	16,491	273
Bank overdraft	-	-
Other (term deposit)	-	35,178
Other (held in solicitors trust account)	-	6,500
Total cash at end of period	28,328	50,624

Ratios

	Current period	Previous corresponding period
Profit before tax/sales		
Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue	27.2%	(1.1)%
Profit after tax/equity interests		
Consolidated profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	4.9%	0.3%

Earnings per security (EPS)

	Current period	Previous corresponding period
Calculation of basic, and fully diluted, EPS in accordance with AASB 133: Earnings per Share		
(a) Basic EPS	7.5	0.4
(b) Diluted EPS (if materially different from (a))	7.5	0.4

NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$1.14	\$0.99

Annexure 3A Half Yearly Disclosure

Details of specific receipts/outlays, revenues/expenses

	Current period A\$'000	Previous corresponding period A\$'000
Interest revenue included	1,275	933
Interest revenue included but not received at balance date (if material)	-	228
Interest costs excluded from borrowing costs capitalised in asset values	7,325	3,022
Outlays (except those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
Depreciation (excluding amortisation of intangibles)	4	-
Other specific relevant items	-	-

Control gained over entities having material effect

Name of entity	APGF Management Limited
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity since the date in the current period on which control was acquired	\$A Nil
Date from which such profit has been calculated	31 December 2007
Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period	\$A 3,327,118

Loss of control of entities having material effect

Name of entity	Not applicable
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity for the current period to the date of loss of control	Not applicable
Date from which the profit (loss) has been calculated	Not applicable
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period	Not applicable
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	Not applicable

Annexure 3A
Half Yearly Disclosure

Reports for business and geographical segments

Primary Reporting – Business Segment

	Property Development	Property Investment	Property Funds Management	Total
	\$'000	\$ '000	\$ '000	\$'000
Segment Assets				
Segment assets	31,858	437,400	41,251	510,509
Unallocated assets	-	-	-	-
Total assets	31,858	437,400	41,251	510,509
Operating Revenue				
Segment revenue	7,527	32,664	5,946	46,137
Inter-segment sales	-	-	-	-
Total revenue	7,527	32,664	5,946	46,137
Segment result	(3,086)	14,322	1,447	12,683
Unallocated expenses	-	-	-	-
Consolidated profit/(loss) from ordinary activities after tax	(3,086)	14,322	1,447	12,683

Secondary Reporting – Geographical Segment

The consolidated entity operates in Australia.

Annexure 3A Half Yearly Disclosure

Distributions

Date the distribution is payable

Refer to Annexure A (1)

Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm)

Refer to Annexure A (1)

Amount per security

Franking rate applicable

%

%

%

(annual report only)

Final distribution: Current year
Previous year

N/A	N/A	¢	N/A
N/A	¢	¢	¢

(Half yearly and annual statements)

Interim distribution: Current year
Previous year

Refer to Annexure A (1)	N/A	¢	N/A
Refer to Annexure A (1)	¢	¢	¢

Total annual distributions per security (Annual statement only)

Current year

Previous year

Ordinary securities

N/A

N/A

Preference securities

N/A

N/A

Total distributions

Current period
\$A'000

Previous corresponding
period \$A'000

Ordinary securities

Refer to Annexure A (1)

Refer to Annexure A (1)

Preference securities

N/A

N/A

Total

Refer to Annexure A (1)

Refer to Annexure A (1)

Annual report – distributions on all securities

Current period
\$A'000

Previous corresponding
period \$A'000

Ordinary securities

Refer to Annexure A (1)

Refer to Annexure A (1)

Preference securities

N/A

N/A

Total

Refer to Annexure A (1)

Refer to Annexure A (1)

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Half Yearly Disclosure

The dividend or distribution plans shown below are in operation.

A final distribution was declared for the year ended 30 June 2007 of 2.11 cents per stapled security in respect of the quarter ended 30 June 2007 and was paid on 31 July 2007.

Distributions to security holders during the half year were paid quarterly including a distribution of 2.13 cents per stapled security paid on 31 October 2007 in respect of the quarter ended 30 September 2007.

A distribution was declared for the quarter ended 31 December 2007 of 2.41 cents per stapled security was paid on 31 January 2008.

All distributions declared for the period ended 31 December 2007 were paid from APGT as tax deferred distributions.

No dividends were paid or proposed during the period.

The last date(s) for receipt of election notices to the dividend or distribution plans
--

31 December 2007

Any other disclosures in relation to dividends (distributions)

None noted

Annexure 3A Half Yearly Disclosure

Equity accounted associated entities and other material interests

Equity accounting information attributable to the economic entity's share of investments in associated entities must be disclosed in a separate notice. See AASB 1016: Disclosure of Information about Investments in Associated Companies.

Entities share of:	Current period A\$'000	Previous corresponding period A\$'000
Profit (loss) from ordinary activities before tax.	Not applicable	Not applicable
Income tax		
Profit (loss) from ordinary activities after tax	Not applicable	Not applicable
Extraordinary items net of tax		
Net profit (loss)	Not applicable	Not applicable
Outside equity interests		
Net profit (loss) attributable to members	Not applicable	Not applicable

Material interests in entities which are not controlled entities

The entity has an interest (that is material to it) in the following entities.

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to profit (loss) from ordinary activities and extraordinary items after tax	
Equity accounted associates and joint venture entities	Current period	Previous corresponding period	Current period A\$'000	Previous corresponding period A\$'000
	Not applicable	Not applicable	Not applicable	Not applicable
Total	Not applicable	Not applicable	Not applicable	Not applicable
Other material interests				
	Not applicable	Not applicable	Not applicable	Not applicable
Total	Not applicable	Not applicable	Not applicable	Not applicable

Annexure 3A
Half Yearly Disclosure

Issued and listed securities

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities

	Number issued	Number listed	Issue Price (cents)	Paid-up value (cents)
Preference securities <i>(description)</i>	-	-	-	-
Changes during current period	-	-	-	-
Ordinary securities	214,729,822	214,729,822		
Changes during current period:				
- Issued for APMG	33,333,333	33,333,333	\$1.20	\$1.20
- Issued for cash	13,689,365	13,689,365	\$1.20	\$1.20
Convertible debt securities <i>(description and conversion factor)</i>	-	-	-	-
Changes during current period	-	-	-	-
			Exercise price	Expiry date
Options <i>(description and conversion factor)</i>	-	-	-	-
Changes during current period	-	-	-	-
Exercised during current period	-	-	-	-
Expired during current period	-	-	-	-
Debentures	-	-		
Unsecured Notes	-	-		

Annexure 3A
Half Yearly Disclosure

Discontinuing Operations

Consolidated profit and loss account

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Sales revenue or operation revenue	N/a	N/a	N/a	N/a	N/a	N/a
Other revenue	N/a	N/a	N/a	N/a	N/a	N/a
Expenses from ordinary activities	N/a	N/a	N/a	N/a	N/a	N/a
Profit (loss) before tax	N/a	N/a	N/a	N/a	N/a	N/a
Less tax	N/a	N/a	N/a	N/a	N/a	N/a
Profit (loss) from ordinary activities after tax	N/a	N/a	N/a	N/a	N/a	N/a

Consolidated statement of cash flows

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Net operating cash flows	N/a	N/a	N/a	N/a	N/a	N/a
Net investing cash flows	N/a	N/a	N/a	N/a	N/a	N/a
Net financing cash flows	N/a	N/a	N/a	N/a	N/a	N/a

Annexure 3A Half Yearly Disclosure

Other disclosures

	Current period A\$'000	Previous corresponding period A\$'000
Carrying amount of items to be disposed of:	N/a	N/a
- total assets		
- total liabilities	N/a	N/a
Profit (loss) on disposal of assets or settlement of liabilities	N/a	N/a
Related tax		
Net profit (loss) on discontinuance	N/a	N/a

Description of disposals

Not applicable

Annexure 3A
Half Yearly Disclosure

Comments by directors

Basis of accounts preparation

If this statement is a half yearly statement it should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period.

Material factors affecting the revenues and expenses of the entity for the current period including seasonal or cyclical factors

Nil

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

On 22 February 2008 Blue Tower Trust borrowed an additional \$30,000,000 under the facility provided by Suncorp-Metway Limited in respect of the Comalco Place Property. The amount of this facility, which has been fully drawn, is \$149,600,000. The expiry date of this \$30,000,000 facility is 22 February 2013.

The Directors are not aware of any other matter or circumstance not otherwise dealt with in the reports or the accounts that has significantly affected or may significantly affect the operations of the Fund, the results of those operations or the state of affairs of the Fund in subsequent financial years.

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

Nil

Changes in accounting policies since the last annual report and estimates of amounts reported in prior years are disclosed as follows.

Following the acquisition of property funds management businesses in June 2007 and December 2007, the revenue recognition policy has been expanded to include revenue from property funds management fees. The revised policy is as follows:

Revenue from management fees is recognised as follows:

- Project delivery management fees in respect of development projects are recognised in accordance with the relevant Development Management Agreement for each project. This reflects the proportion of the project that has been settled.
- Property funds management fees (including performance fees) are recognised as services are performed in accordance with the relevant Property Management Agreement or Asset Management Agreement for each entity that is managed.

Where the fee is not yet due for settlement, but is calculated based on the fair value of underlying assets managed, the fair value of those underlying assets is determined based on management's assessment of the current valuation of the assets held by the respective syndicates and trusts, taking into account independent valuations of those assets or recent market transactions for assets with similar characteristics, and applying the relevant fee percentage as prescribed by each Asset Management Agreement. If more than one fee may apply under the Asset Management Agreement, the lower rate is used.

- Other management fee revenue is recognised upon attaining control of the right to receive payment of the fee.

Annexure 3A Half Yearly Disclosure

Changes in the amounts of contingent liabilities or assets since the last annual report are disclosed as follows.

No change in contingent liabilities or assets except for bank guarantees being provided by St George Bank Limited for \$187,000. These guarantees are secured by cash accounts held with that bank.

Additional disclosure for trusts

Number of units held by the management company or responsible entity to their related parties.

Responsible Entity and Management Company
APGF Management Limited – Nil

A statement of the fees and commissions payable to the management company or responsible entity for the year.

Identify:

- Initial service charges

- Management fees

- Other fees

Nil	
Property Management	\$179,918
Leasing Fees	\$167,244
Asset Management	\$888,641
Development Management	\$616,667
Acquisition fees	\$1,825,000

Annual meeting

(Annual statement only)

The annual meeting will be held as follows:

Place

Not applicable

Date

Not applicable

Time

Not applicable

Approximate date the annual report will be available

Not applicable

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This statement, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 In the case of a half-yearly report the same accounting standards and methods of computation are/~~are not~~* (*delete one*) followed as compared with the most recent annual accounts.
- 4 This statement does/~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.
- 5 This statement is based on financial statements to which one of the following applies:

(*Tick one*)

The financial statements have been audited.

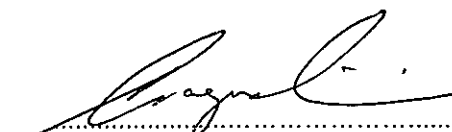
☒ The financial statements have been subject to review by a registered auditor (or overseas equivalent).

The financial statements are in the process of being audited or subject to review.

The financial statements have *not* yet been audited or reviewed.

- 6 If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/*will follow immediately they are available** (*delete one*).
- 7 The entity has/~~does not have~~* (*delete one*) a formally constituted audit committee.

Sign here:



(~~Director~~/Company secretary)

Date: 22 February 2008.....

Print name: ADRIANO CRAGNOLINI.....

Notes

True and fair view If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

Income tax If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

Additional information An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement.

AUSTRALIAN PROPERTY GROWTH FUND

BSX LISTING RULES – ANNEXURE 3A

ANNEXURE A (1)

For the Half Year Ended 31 December 2007

31 December 2007

<u>Tax Deferred Distribution Paid</u>	<u>Amount Paid</u>	<u>Rate Per Annum</u>
<i>Period</i>		
September 2007	\$ 3,574,819	8%
December 2007	<u>\$ 5,181,677</u>	8%
	\$ 8,756,496	

31 December 2006

<u>Tax Deferred Distribution Paid</u>	<u>Amount Paid</u>	<u>Rate Per Annum</u>
<i>Period</i>		
September 2006	\$ 3,081,373	8%
December 2006	<u>\$ 3,149,375</u>	8%
	\$ 6,230,748	