



March 2008



## Video Transcript

**VIDEO** - paste this link into your web browser to view streaming video:

<http://www.investortv.com/video/57538,1319-19711,45600.html>

### **Transcript of Video Update from APGF Managing Director Geoff McMahon December 2007 Half Year Report**

*In the six months to 31 December 2007, Australian Property Growth Fund recorded a profit after tax of \$12.7 million. This resulted in the net asset value per stapled security increasing to \$1.21, and the net assets increasing by 30 per cent to \$260 million.*

*Parallel with this result, we internalised the management company in December 2007 at an Extraordinary General Meeting of shareholders. This was an important milestone in APGF's history as it aligns the interests of the managers with the investors.*

*APGF also recorded valuation gains on its two Brisbane commercial office buildings, Blue Tower and 99 Melbourne Street, South Brisbane. APGF also settled its first two commercial office buildings in Sydney and Melbourne.*

*In Sydney, APGF purchased the Westpac Concord Campus which is leased to Westpac for five years, until October 2012. This building gives APGF a secure rental stream.*

*In the same month of October, APGF settled the Royal Bank Chambers building at the corner of Collins and Elizabeth streets in the Melbourne CBD. This iconic building is leased to ANZ – once again a blue chip, secure tenant.*

*During the six months to December, APGF commenced construction of its development project at Palm Beach, Pavilions on 5th. Over half of the stage one residential apartments are now sold and the retail component of stage one is substantially pre-leased. Stage one is scheduled to be completed in early 2009.*

*Our property funds management business, which we purchased in June 2007, is operating extremely well and ahead of expectations.*

*APGF has a conservative balance sheet with low gearing. Importantly, we have no bank debt maturities until late 2009. APGF also has a hedging and interest cap program in place which protects the Fund from rising interest rates.*

*We remain focused on our individual asset management. This is a skill and expertise that the management of APGF have focused on for the last 20 years.*

*All of these elements position APGF well to take advantage of any opportunities that arise from the current market volatility. The outlook for APGF in 2008 is positive.*

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