



AUSTRALIAN PROPERTY GROWTH FUND  
 INVESTORS' PRESENTATION - DECEMBER 2007 HALF YEAR RESULTS  
 MARCH 2008



# Presentation Overview



- December 2007 Half Year Results
- Update on Current Projects
- Outlook



# December 2007 Half Year Results



- Profit after tax of \$12.7 million
- Net asset value \$1.21 per stapled security
- Net assets up 30% to \$260 million



# December 2007 Half Year Highlights



- Internalisation of management company
- Valuation gains on Blue Tower, Melbourne Street
- Settlement of Westpac Concord, ANZ Collins Street
- Construction begins at Pavilions on 5th, Palm Beach



# APGF Structure



## AUSTRALIAN PROPERTY GROWTH FUND



STAPLED  
SECURITY





# Comalco Place (Blue Tower)

Brisbane CBD



# Comalco Place (Blue Tower)

## Brisbane CBD



- Iconic Brisbane CBD commercial office building
- Net lettable area 32,000 square metres
- Fully occupied with strong lease profile
- Current valuation \$290 million
- Brisbane commercial office market remains strong
- \$8 million capital expenditure program commenced





# Melbourne Street

## South Brisbane





# Melbourne Street South Brisbane



- Commercial office building at South Brisbane
- Net lettable area 6,145 square metres
- Current valuation \$35 million
- Brisbane commercial office market remains strong



# Westpac Concord Campus

Concord, Sydney



# Westpac Concord Campus

## Concord, Sydney



- 16,900 square metre office campus
- \$60.75 million acquisition (October 2007)
- Triple net lease to Westpac until October 2012





# Royal Bank Chambers

Collins St, Melbourne



# Royal Bank Chambers

Collins St, Melbourne



- \$30.5 million acquisition (October 2007)
- Prime Collins Street location
- Fully leased to ANZ
- Banking chamber 10 year ANZ lease
- Nine upper office floors - ANZ lease expiring 31 December 2009
- Refurbishment and releasing opportunity





# FUNDS MANAGEMENT & DEVELOPMENT COMPANY PROJECTS





# Property Funds Management Business



- Purchased in June 2007 for \$32 million
- Performing profitably and in excess of expectations
- 21 property trusts/syndicates
- 33 properties valued at approximately \$400 million
- Stable recurring funds management income
- 5,000 investors
- Project pipeline
- Geographic and property sector diversification
- Excellent platform for expansion
- 2 quality residential land subdivisions on NSW South Coast



# Pavilions on 5th

## Palm Beach, Gold Coast

(Artist's impression of completed development)





# Pavilions on 5th

## Palm Beach, Gold Coast

(Artist's impression of completed development)





# Pavilions on 5th

## Palm Beach, Gold Coast

(Construction works late February 2008)



# Pavilions on 5th

## Palm Beach, Gold Coast



- 9,800 square metre prime site
- Mixed retail (5,200 square metres) and residential (194 apartments)
- End value approximately \$120 million
- Stage 1 construction
  - Construction commenced December 2007
  - 45 apartments with unconditional sales contracts (total 104)
  - 90% of retail pre-leased



# Economic Outlook



- Turbulence in global financial markets
- Decline in world equity prices
- Illiquid global capital markets





# Causes of The Volatility



- US sub-prime housing market collapse
- Fear of US recession
- Crisis of confidence



# APGF Position



- Australian assets; no exposure to USA or Europe
- No exposure to international debt markets
- No bank loan maturities before late 2009
- Conservative gearing
- Cash at 31 December 2007 - \$28 million
- Half of borrowings hedged





# Outlook for APGF



- Well positioned in current climate
- Portfolio of quality, cash flow producing properties
- Acquisition opportunities
- Seeking quality properties that offer long term capital growth and stable rental income streams

