

APN Property Group Limited
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21 August 2013

The Manager
Company Announcements Office
Australian Securities Exchange Limited
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Sydney NSW 2000

Update Regarding Australand Fund and Proposed New REIT

APN Property Group Limited (APN) notes there has been further speculation about APN's plans in relation to the Australand Wholesale Property Fund No.6 (AWPF6).

As announced to the Australian Securities Exchange (ASX) earlier today, APN is in exclusive discussions and negotiations with Australand Funds Management Limited (AFML), the Responsible Entity of AWPF6. These negotiations are at an early stage, incomplete and subject to conditions including due diligence and a number of board and unitholder approvals.

APN is considering an Initial Public Offering (IPO or Offer) of a new listed REIT in connection with the acquisition of AWPF6.

While planning for the IPO is at an early stage, it is expected that the REIT will have:

- a market capitalisation of approximately \$260 million
- total assets of approximately \$400 million
- an initial yield of approximately 8.2%; and
- gearing of approximately 35%.

If the transaction proceeds, it is contemplated that the issuer of the securities will be the responsible entity of the REIT. The responsible entity will issue a PDS in respect of the Offer when the Offer is made. The PDS will be made available on the APN website at www.apngroup.com.au and the ASX website at www.asx.com.au and will also be provided to relevant securityholders along with the other materials provided to them in connection with the approval of the transaction. This is anticipated to occur in October 2013. Persons should consider the PDS in making any decisions in connection with the Offer, including in deciding whether to acquire or continue to hold any of the securities offered.

Contacts

For further information, please contact:

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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 institutions, superannuation funds, high net worth and individual 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