

# **APN** | Property Group

**AGM**  
**Friday 19<sup>th</sup> November 2010**  
**Commencing, 10.00 am**

**Westin Hotel**  
**205 Collins Street**  
**Melbourne Vic 3000**

## **Order of Proceedings**

**APN Property Group Limited**  
**Annual General Meeting – Friday 19 November 2010 at 10.00 am**

**Order of Proceedings**

- Introduction**                      Good morning Ladies and Gentlemen and welcome to the sixth Annual General Meeting of APN Property Group Limited. As it is now 10:00 am and we have a quorum present, I have pleasure in declaring the meeting open.
- My name is Chris Aylward and I am the Chairman of APN Property Group Limited, though I should note that I will retire in accordance with the constitution of the Company and offer myself for re-election at this meeting.
- Introduce Directors**                      I would like to commence by introducing my fellow Directors:
- Mr David Blight the Group Managing Director;
  - Mr Clive Appleton, Executive Director responsible for APN's Real Estate Private Equity division; and
  - Mr Howard Brenchley, Executive Director and Chief Investment Officer.
- Introduction of Consultants**                      Present in the audience today is:
- Mr Tony Macvean from our legal advisors, Hall & Wilcox who is available to assist in answering any technical legal questions concerning the business of the meeting.
  - Our auditor, Mr Peter Caldwell and Mr Paul Radici from Deloitte Touche Tohmatsu who are available to answer questions about the audit of the Accounts; and
  - Link Market Services, our share registry, who will supervise the conduct of the poll, if one is required during the meeting. They are represented today by Ms Julie Stokes.
- Notice of Meeting**                      The Notice of Annual General Meeting, which includes 7 items of business, has been sent to all shareholders, and with your agreement, I propose to take it as read.
- Minutes of Previous Meeting**                      The last meeting of members was held on Friday, 20<sup>th</sup> November 2009.
- The minutes of this meeting have been signed as a correct record and the Secretary will make them available to any member who wishes to inspect them.

**Introduce  
Managing Director**

The purpose of this meeting is to review the financial year ended June 2010 and to give you the opportunity to discuss the affairs of the Company. There are also a number of resolutions which are important for the effective running of the company.

I would like start by calling on the Group Managing Director, Mr David Blight to provide his address on the results and outlook for our company.

*[David to lectern]*

**Group Managing  
Director's Address**

Ladies and gentlemen, I'd like to present to you the results of a very challenging 2010 financial year.

*[Power Point Presentation – refer appendix]*

*[Chris to lectern]*

**Chairman  
Comments**

Thank you David.

Ladies and Gentlemen, I'm sure you appreciate the continuing challenges in the business today and Europe in particular. However, as David has indicated, the business remains sound with a strong balance sheet, no debt and cash reserves currently in excess of \$14 million.

We are enthusiastic about the opportunities to grow that are now emerging from the shakeout of the past two years and keen to take advantage where possible. The recently announced strategic partnership with Asian real estate fund manager, ARA, is the first in a series of new opportunities we hope to achieve.

However, in the short term, we remain cautious about forecasting earnings growth. Revenues derived from Funds under Management, remain flat with the potential for further decline.

Earlier this year we were able re-introduce the payment of a dividend, albeit modest. We are hopeful that this can be maintained or increased in FY11.

I'd like to conclude these comments by acknowledging my fellow directors, all our staff, and the many consultants and advisors who have contributed to APN during the past 12 months. Though the results do not reflect it, their efforts during this time have been considerable and should be appreciated.

I'd also like to acknowledge, you the shareholders. Your support of APN through these times is important and we hope we can reward your patience very soon.

**Conclude Address** Thank you for your attention ladies and gentlemen. I will now move to the formal matters of the meeting.

**Ordinary Business** The first item of business is

**Item 1  
Financial  
Statements and  
Reports** "To receive and consider the Financial Report, the Directors' Report and the Auditor's Report, each for the financial year ended 30 June 2010."

Ladies and gentlemen this item of business does not require a vote; however, the reports are open for discussion. If you have any questions or comments relating to this item, please raise your yellow admission card. Would you please begin by stating your name clearly.

*[Questions / Discussion]*

If there are no [further] questions, as this matter does not require a vote, we will move to the next item of business.

**Item 2  
Remuneration  
Report**

Item 2 is the adoption of the remuneration report contained in the 2010 Annual Report.

**(pp 30-41  
Annual Report)**

The Corporations Act requires the preparation of a remuneration report and that a resolution be put to members that the remuneration report be adopted.

Voting on the resolution is not binding on the company or the directors. However, the board takes seriously the views of members on this matter and will be given proper consideration when we review our remuneration practices and policies.

The resolution is documented in the Notice of Meeting and shown on the screen behind me *[refer appendix]*.

Does any shareholder wish to speak in relation to the resolution or ask any questions?

*[Questions / Discussion]*

**Proxies** For this resolution, proxy instructions have been received by the secretary. A summary of these instructions is set out on the screen behind me *[refer appendix]*.

I intend to vote all open proxies that I hold in favour of the resolution.

**Item 2  
Remuneration  
Report** I now put to the meeting the resolution that the Remuneration Report be adopted.

**Put to Vote**

**Item 3  
Re-election of  
Director** The next item is the re-election of myself as a Director. I will ask Mr Blight to chair this part of the meeting.

*[David to lectern]*

**Election of Chris  
Aylward** Ladies and gentlemen, I am pleased to propose the resolution for the re-election as Director of Mr Chris Aylward.

The resolution is documented in the Notice of Meeting and shown on the screen behind me *[refer appendix]*.

As noted in the Explanatory Notes accompanying the Notice of Meeting, Mr Aylward has been a director of the Company since its incorporation in 2004 and of APN Property Group companies since 1996.

Prior to jointly establishing APN in 1996, Mr Aylward was a Founding Director of Grocon Pty Limited and was responsible for the construction of commercial and retail properties in Sydney and Melbourne with a total value of over \$2 billion, including Governor Phillip and Governor Macquarie Towers in Sydney and 120 Collins Street and the World Congress Centre in Melbourne.

Does any shareholder wish to speak in relation to the resolution or ask any questions?

*[Questions / Discussion]*

**Proxies** For this resolution, proxy instructions have been received by the secretary. A summary of these instructions is set out on the screen behind me *[refer appendix]*.

I intend to vote all open proxies that I hold in favour of the resolution.

**Item 3** I now put to the meeting the resolution to re-elect Mr Aylward as a Director of the Company

**Re-election of  
Chris Aylward**

**Put to Vote**

**Item 4.1** *[Chris to lectern]*

**Approval of  
Employee  
Performance  
Rights Plan**

Thank you David.

We now move to the first of two resolutions required to approve a new employee incentive scheme

During the year, the Board reviewed its remuneration structure in light of changing market practices and the imperative of attracting, rewarding and retaining good staff.

One outcome is the decision to terminate the former scheme and replace it with an incentive scheme that the board considers better aligns the interests of staff with that of shareholders and which encourages staff retention.

Details of the new scheme are set out in the explanatory notes accompanying the Notice of Meeting. The key features include:

- Bonuses will be satisfied out of a bonus pool which it is currently proposed will consist of up to 30% of pre-tax operating profits in excess of a Board approved benchmark.
- Individual employees will be entitled to a share of any bonus pool based on their performance against pre-determined KPI's and any other relevant measures.
- It is intended that Bonuses earned will be payable in three equal instalments commencing at the end of the bonus year and then annually over the following two years.
- Staff can elect to receive any bonus in cash or shares in APN, except senior staff who have no right of election. Senior staff will be rewarded with shares.

The incentive scheme will be administered by the Board in accordance with the rules of the APN Employee Performance Rights Plan the APN Employee Performance Share Trust.

The scheme itself does not require the approval of members. However, the resolutions to be put to the meeting today are technical resolutions to enable the effective function of the new employee incentive scheme.

The first of these seeks approval of the Plan and the Share Trust for the purposes of sections 257B and 260C of the Corporations Act and all other purposes.

In relation to section 257B, approval will ensure that any shares issued to the trustee of the Share Trust but not allocated to employees can be bought back by the Company, up to a maximum of 10% of the issued capital of the Company.

In relation to section 260C, approval will ensure that the Company can provide or procure financial assistance to the Trustee of the Share Trust to acquire shares for the purpose of issue to employees in accordance with the Plan.

The resolution is documented in the Notice of Meeting and shown on the screen behind me *[refer appendix]*.

Does any shareholder wish to speak in relation to the resolution or ask any questions?

*[Questions / Discussion]*

**Proxies**

For this resolution, proxy instructions have been received by the secretary. A summary of these instructions is set out on the screen behind me *[refer appendix]*.

I intend to vote all open proxies that I hold in favour of the resolution.

**Item 4.1**

**Approval of  
Employee  
Performance  
Rights Plan**

I now put to the meeting the resolution to approve the Employee Share Scheme, comprising the APN Employee Performance Rights Plan the APN Employee Performance Share Trust, for the purposes set out in the Notice of Meeting.

**Put to Vote**

**Item 4.2**

**Approve issue of shares under Employee Performance Rights Plan**

The second of the resolutions on this matter seeks approval for the issue of shares pursuant to the Employee Share Scheme.

Your approval today will ensure that any shares issued pursuant to the Employee Share Scheme in the next three years will have the approval of members. This means the capacity of the company to issue up to 15% of its share capital in any twelve month period, without prior approval of shareholders remains intact. The company retains its flexibility to respond quickly to new opportunities.

The resolution is documented in the Notice of Meeting and shown on the screen behind me *[refer appendix]*.

Does any shareholder wish to speak in relation to the motion or ask any questions?

*[Questions / Discussion]*

**Proxies**

For this resolution, proxy instructions have been received by the secretary. A summary of these instructions is set out on the screen behind me *[refer appendix]*.

I intend to vote all open proxies that I hold in favour of the resolution.

**Item 4.2**

**Approve issue of shares under Employee Performance Rights Plan**

I now put to the meeting the resolution to approve the issue of shares pursuant to the Employee Share Scheme.

**Put to Vote**

**Item 5.1**

**Approve issue of shares under Employee Performance Rights Plan**

Resolutions 5.1 and 5.2 deal with the issue of rights under the amended Executive Services Agreement between the Company and Group Managing Director, Mr David Blight. Mr Blight is excluded from voting on either of these resolutions.

Mr Blight joined APN in November 2008 for a three year term. He has recently agreed to extend this term by two years to December 2013. However, this agreement is conditional upon the approval today of these resolutions.



Resolution 5.1 approves the issue of up to 7.5 million shares in APN to Mr Blight in accordance with an incentive scheme established by the amended Executive Services Agreement. Key features include:

- Mr Blight's right to subscribe for 7.5 million shares in APN at no cost or to receive a cash equivalent amount, at the Company's election. This replaces Mr Blight's previous performance right to subscribe for 6 million shares, which Mr Blight did not exercise and which did not vest;
- The right to exercise is conditional:
  - upon Mr Blight being employed by the Company in his current capacity on December 2013; and
  - on the Company achieving, in respect of the calendar year ending 31 December 2013, an adjusted 'earnings per share' performance hurdle of at least 2.90 cents per share. Adjusted earnings per share is defined as the earnings per share as disclosed in the Company's financial statements, adjusted to exclude all asset impairment adjustments, fair value adjustments and earnings arising from an event that is outside the normal operating activity of the Company;
- The Board may revise the earnings per share performance hurdle, where a transaction occurs that may be in the best interests of the Company, but which has a negative impact on the adjusted earnings per share calculation for determining Mr Blight's entitlement;
- No shares can be issued under this arrangement until after 31 December 2013, except in very limited circumstances where Mr Blight may have a pro-rata entitlement if he suffers long term illness or is unreasonably forced from office and the Company has achieved adjusted earnings per share growth in excess of the required growth rate at the time such an event occurs.

The resolution is documented in the Notice of Meeting and shown on the screen behind me *[refer appendix]*.

Does any shareholder wish to speak in relation to the motion or ask any questions?

*[Questions / Discussion]*

**Proxies** For this resolution, proxy instructions have been received by the secretary. A summary of these instructions is set out on the screen behind me *[refer appendix]*.

I intend to vote all open proxies that I hold in favour of the resolution.

**Item 5.1**  
**Approve issue of shares under Employee Performance Rights Plan**

I now put to the meeting the resolution to approve the issue of up to 7.5 million shares in APN to Mr Blight in accordance with an incentive scheme established by the Amended and Restated Executive Services Agreement between Mr Blight and the Company.

**Put to Vote**

**Item 5.2**  
**Approval of Termination Benefits for Mr Blight**

Still on the subject of Mr Blight's amended Executive Services Agreement, resolution 5.2 seeks approval of the termination benefits that may be payable to Mr Blight.

If Mr Blight's employment terminates in the limited circumstances discussed earlier he may be eligible to be issued up to 7.5 million shares, the value of which will exceed Mr Blight's annual salary and therefore requires member approval.

The resolution is documented in the Notice of Meeting and shown on the screen behind me *[refer appendix]*.

Does any shareholder wish to speak in relation to the motion or ask any questions?

*[Questions / Discussion]*

**Proxies** For this resolution, proxy instructions have been received by the secretary. A summary of these instructions is set out on the screen behind me *[refer appendix]*.

I intend to vote all open proxies that I hold in favour of the resolution.

**Item 5.2**  
**Approval of Termination Benefits for Mr Blight**

I now put to the meeting the resolution that any termination benefits that may become payable to Mr Blight under the terms of the Executive Services Agreement be approved for the purposes of section 200E of the Corporations Act and all other purposes.

**Put to Vote**

**Item 6****Approval of  
Placement to ARA**

We now come to resolution 6, which seeks approval for the placement of approximately 21 million shares in the Company on 22 July 2010.

As previously advised, the share placement was part of the formalisation of a strategic partnership with Asian real estate fund manager, ARA Asset Management Limited.

In addition to the share placement to ARA which raised approximately \$4.6 million, key terms of the strategic partnership include:

- The acquisition by APN of the management rights of the ARA Asian Asset Income Fund (AAIF) for US\$150,000.
- ARA to provide seed capital to support future APN fund management activities subject to specific investment approvals.
- ARA is entitled to appoint a director to the APN PG board; and
- APN has agreed to ensure ARA will be offered the opportunity to participate in certain future equity raisings to maintain its level of investment in the company.

The placement of 15% of the Company's total issued share capital to an ARA subsidiary, ARA Real Estate Investors IV Limited, is the maximum allowed by the listing rules in any 12 month period without approval of members. Your approval today will refresh this capacity and ensure the Company has the flexibility to respond quickly to future opportunities.

The resolution is documented in the Notice of Meeting and shown on the screen behind me *[refer appendix]*.

Does any shareholder wish to speak in relation to the motion or ask any questions?

*[Questions / Discussion]*

**Proxies**

For this resolution, proxy instructions have been received by the secretary. A summary of these instructions is set out on the screen behind me.

I intend to vote all open proxies that I hold in favour of the resolution.

**Item 6**  
**Approval of Placement to ARA**

I now put to the meeting the resolution to approve the issue of 20,964,343 fully paid ordinary shares to ARA Real Estate Investors IV Limited.

**Put to Vote**

**Item 7**

The final item today is a resolution to approve modifications to the Company's constitution.

**Modify Company Constitution**

A number of changes to company law and practice have occurred since the Company was listed in 2005. The modifications are recommended to ensure the constitution is consistent with current law and reflects best practice.

Details of the modifications are set out in the explanatory notes to the Notice of meeting. In summary, they address the following matters:

- Rules regulating the payment of dividends;
- The powers of the Chair in the running of Company meetings;
- Rules regulating the role of Alternate Directors; and
- Rules regulating information included in relation to proxy voting and proxy notices.

The board considers that none of the proposed amendments are controversial or require further elaboration.

The resolution is documented in the Notice of Meeting and shown on the screen behind me *[refer appendix]*.

Does any shareholder wish to speak in relation to the motion or ask any questions?

*[Questions / Discussion]*

**Proxies**

For this resolution, proxy instructions have been received by the secretary. A summary of these instructions is set out on the screen behind me.

I intend to vote all open proxies that I hold in favour of the resolution.

**Item 7**

I now put to the meeting the resolution to modify the Company's constitution.

**Modify Company Constitution**

**Put to Vote**

**General Business** Ladies and Gentlemen, this completes the formal business of the meeting.

However, as I indicated earlier, I would be happy to take any general questions you may have.

*[Questions]*

**Meeting Close** If there are no further questions, I will close the meeting.

Thank you for your attendance today and to those shareholders who participated by proxy. The Directors would be pleased if you would join them for light refreshments and an opportunity to ask additional questions.



**APN** | Property Group

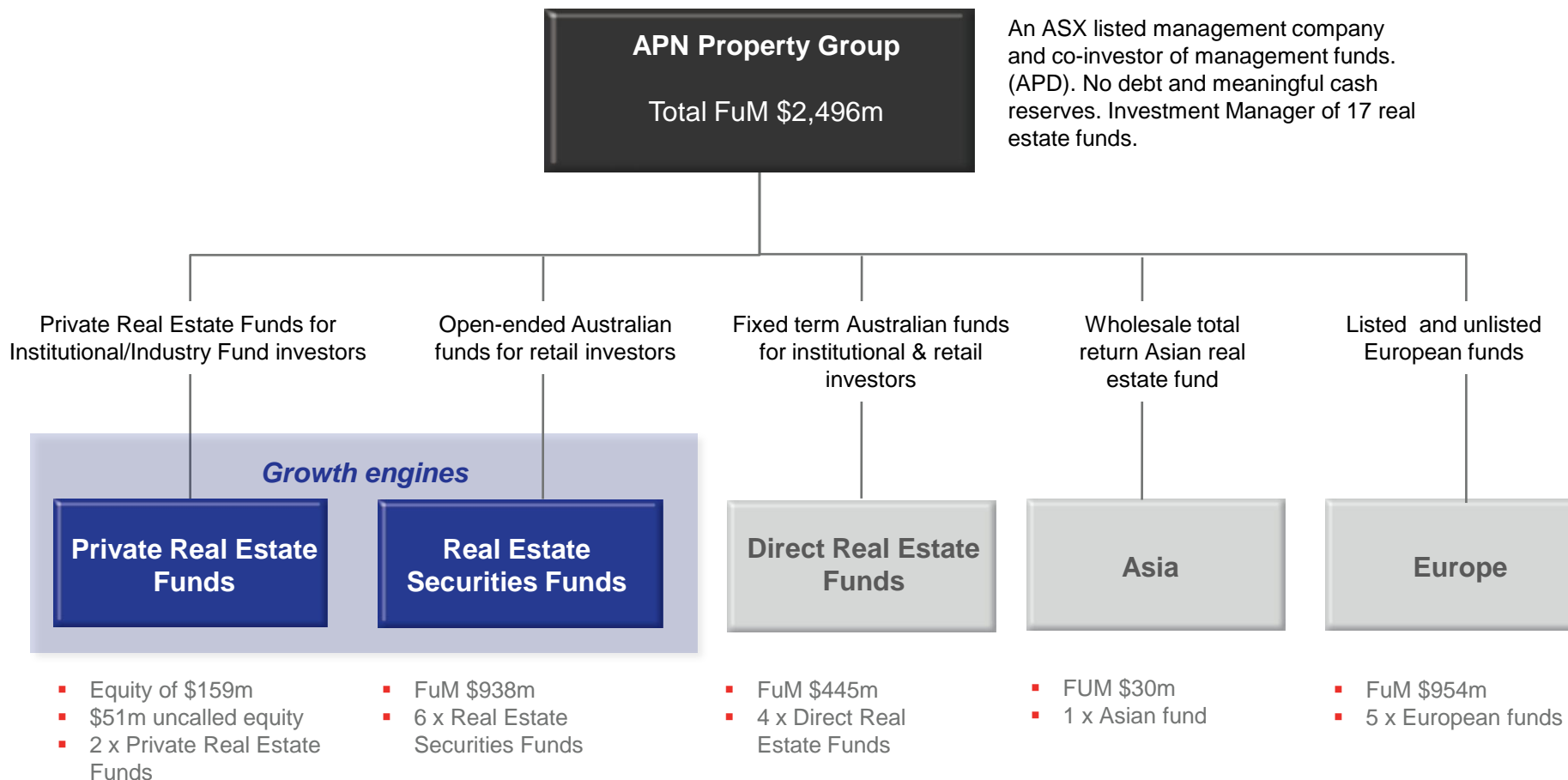
**Annual General Meeting**

19 November 2010



# APN Property Group full year results FY2010

# Group structure



**Five business divisions, each providing products to different market segments**



# APN Property Group full year results summary

- **Underlying profit after tax (from operations)** **\$2.0m**
- Fair value and impairment adjustments after tax (\$7.2m)
- Statutory loss after tax (\$5.2m)
- Net assets \$34.0m, including \$8.6m (now \$14m+) cash at bank – no debt
- FuM: \$2.5b – values stabilising and inflows picking up
- AEZ resolution remains the key priority for the Group
- Actively pursuing new opportunities
- Interim dividend 1.25 cents per share paid in April 2010. No final dividend

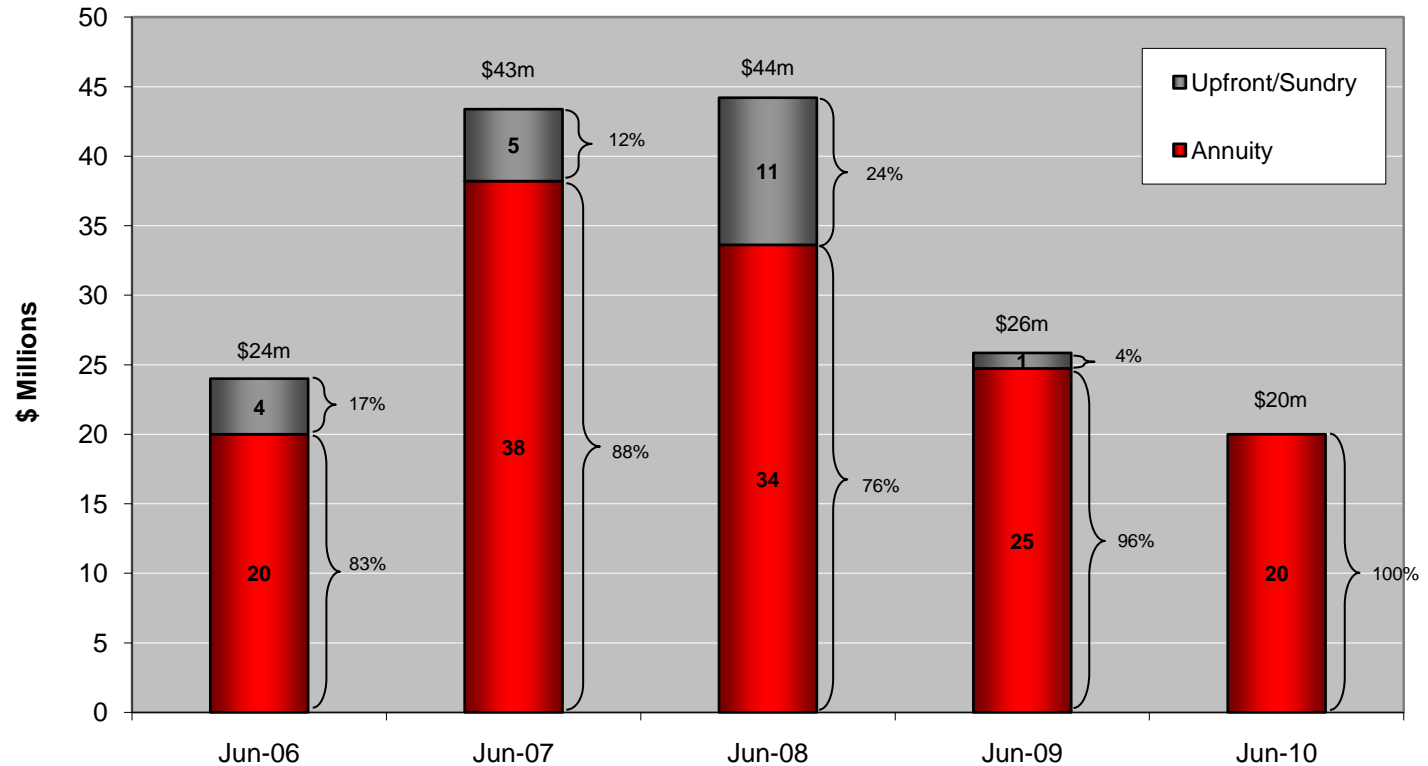
# FY2010 achievements

- Agreed long term strategic partnership with ARA Asset Management Limited (ARA)
  - Placement to ARA raised an additional \$4.6m cash
  - Acquired ARA Strategic Capital, manager of ARA Asian Asset Income Fund (\$30m)
  - Seed capital available for future fund management activities subject to investment criteria
- PFIF liquidity facility development
- AREIT Fund – on most platforms
- Staff Incentive Plan implemented
- Finalised the NSPT refinance
- Refreshed RE Board and improved governance
- Further strengthened the management team

## Key financial results – FY 2010

\$'000	1 <sup>st</sup> half Dec 09	2 <sup>nd</sup> half Jun 10	Full year Jun 10	Full year Jun 09
Revenue	10,066	9,921	19,987	26,179
Underlying profit after tax (from operations)	1,288	722	2,010	5,506
Add impairment and fair value adjustments (net of tax)				
- impairment of intangibles	-	(4,774)	(4,774)	(17,855)
- impairment of receivables	-	(2,127)	(2,127)	(4,578)
- revaluation gains/(loss) of investments	517	(850)	(333)	(5,110)
Net profit after tax (NPAT)	1,805	(7,029)	(5,224)	(22,037)
Basic earnings per share (EPS) cents	1.27	(6.04)	(4.77)	(18.68)

# Revenue analysis – Full Year Results FY10



**100% of FY10 revenue is annuity style**

# Balance sheet review

- Balance sheet is strong with \$8.6m cash and no debt
- Post year end capital raising of \$4.6m and strategic partnership with ARA – significantly enhances opportunities to develop new and existing funds

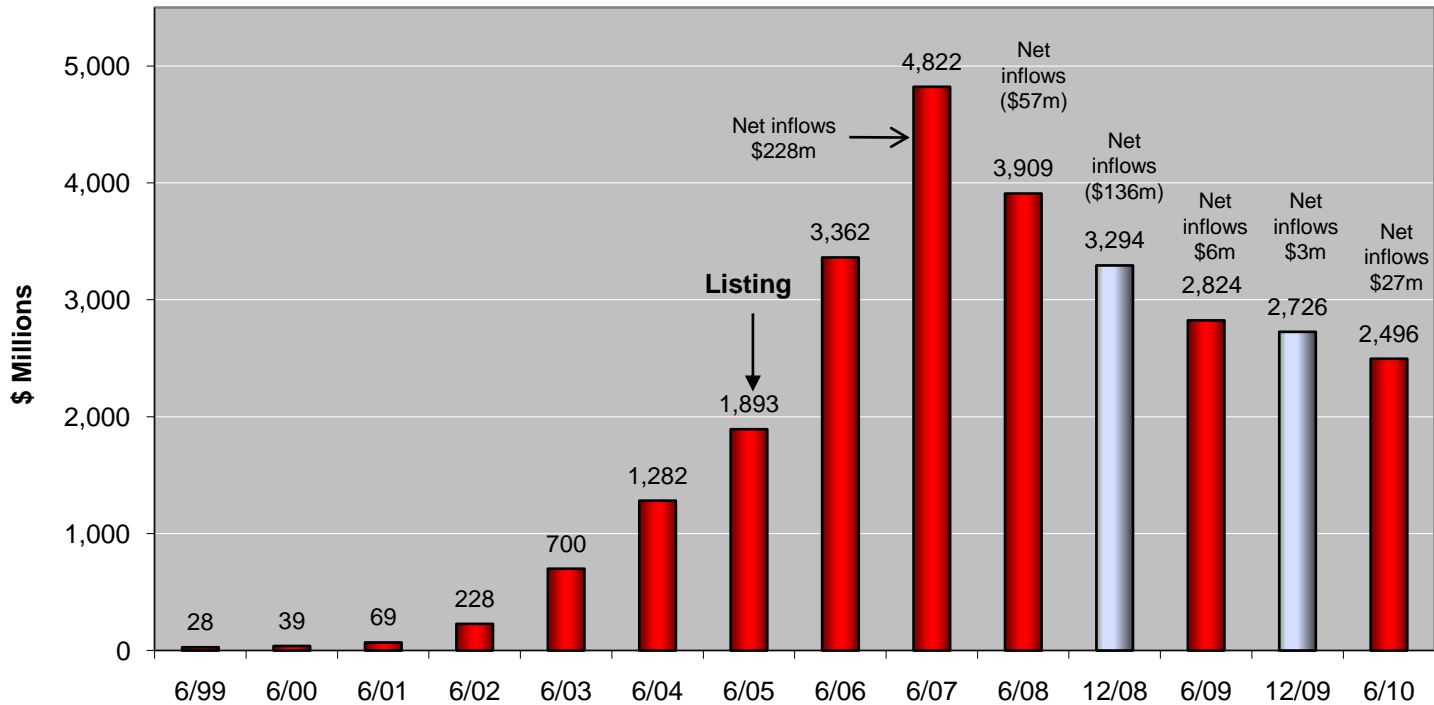
Balance Sheet	Jun 2010 (\$m)	Jun 2009 (\$m)
Tangible Assets	32.6	36.2
Intangible Assets	7.2	13.2
<b>Total Assets</b>	<b>39.8</b>	<b>49.4</b>
Liabilities <sup>1</sup>	5.8	8.1
<b>Tangible Net Assets</b>	<b>26.8</b>	<b>28.1</b>
<b>Total Net Assets</b>	<b>34.0</b>	<b>41.3</b>

<sup>1</sup> Trade and other payables, tax liability payable and provisions



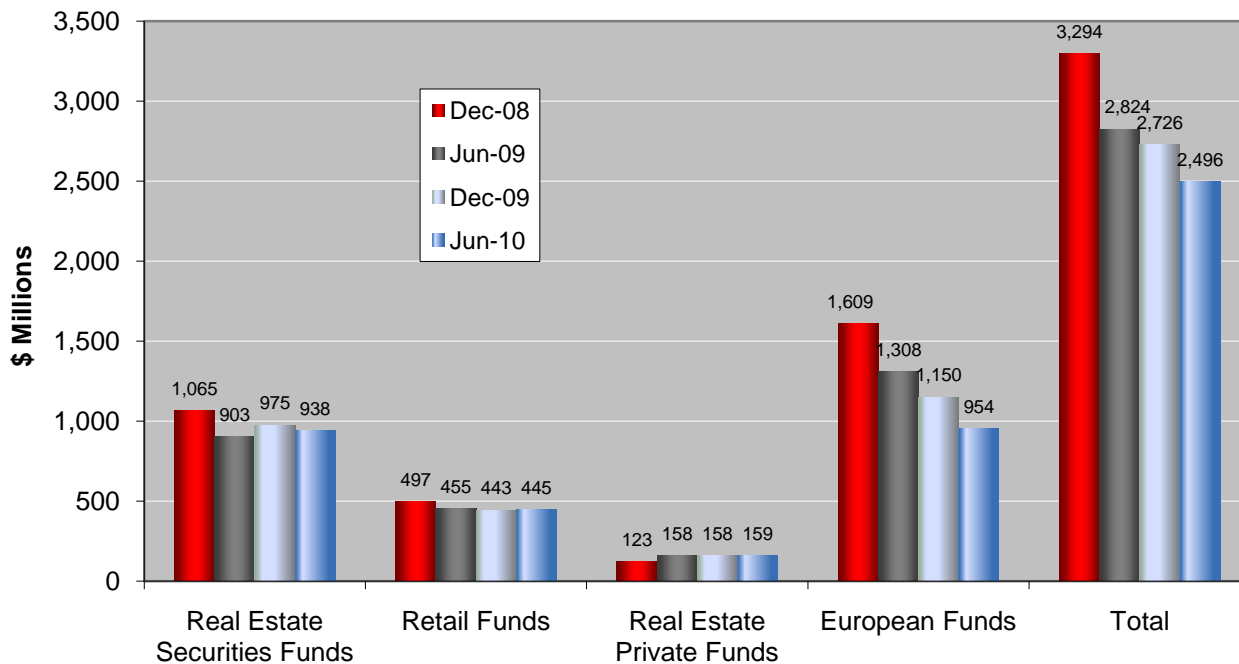
## Funds under Management analysis

# Growth in Funds under Management (FuM)



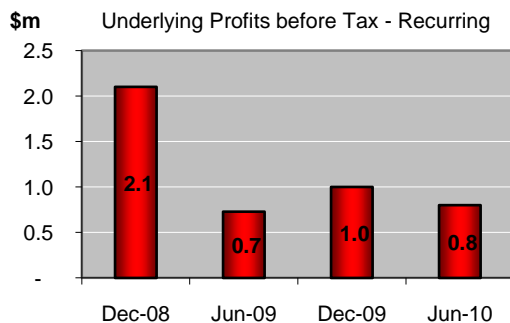
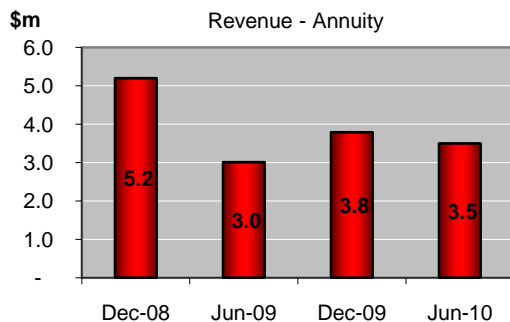
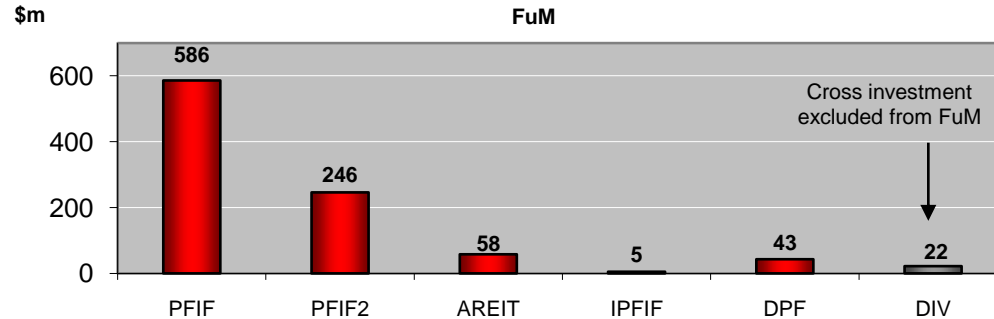
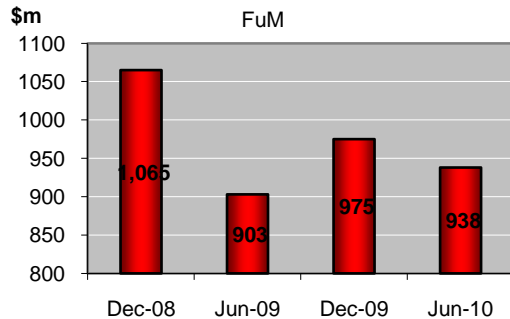
# FuM analysis by product type

- Net FuM reduced by \$328m for 12 months to June 2010
- Movement reflects changes in REIT market and property valuations offset by new inflows in to the APN AREIT fund



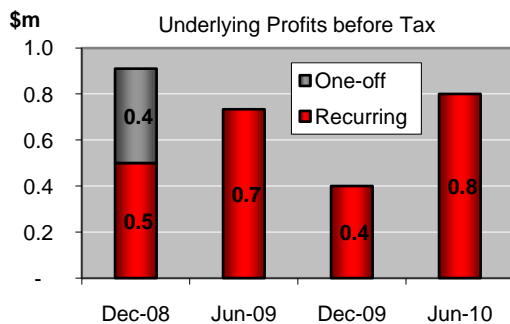
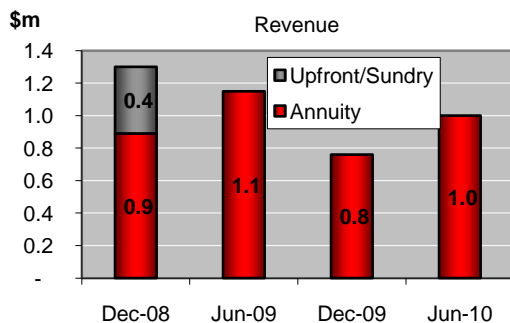
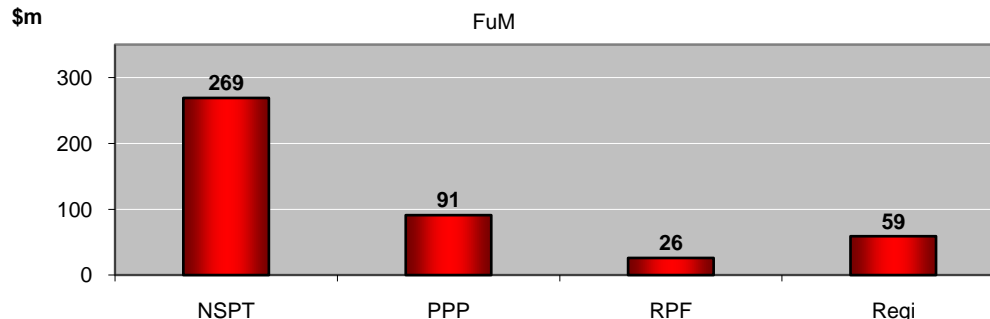
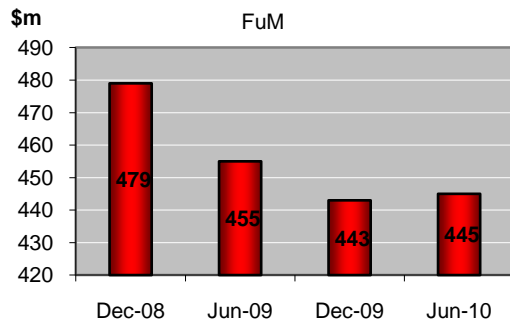


# Real estate securities funds



- Net increase in FuM of \$35m since June 2009
- APN AREIT Fund first full year of operations – net inflows ~\$1m per week
- Liquidity solution for APN PFIF and PFIF2 pursued with ASX and ASIC however, unable to reach agreement
- APN PFIF, PFIF2, IPFIF, DPF and DIV remained closed for redemptions due to liquidity constraints . Recently reopened PFIF and PFIF2 with a managed redemption facility (capped to 5% of NAV pa)
- IPFIF terminated in Jan 2010 ~80% of portfolio sold and returned to investors. Residual unlisted investments to be realised
- Moderate recovery in AREIT sector

# Retail funds



- **APN National Storage Property Trust (NSPT)**

- Debt refinanced September 2010
- Deed of co-operation secured with NSO (operator)
- Fund strategic review date extended to June 2012

- **APN Retirement Properties Fund (RPF)**

- Fund terminated. Option to purchase the properties for \$36m acquired by Lend Lease

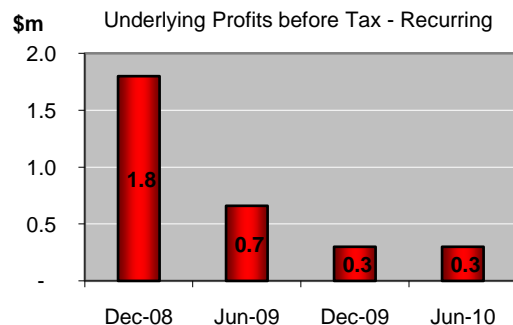
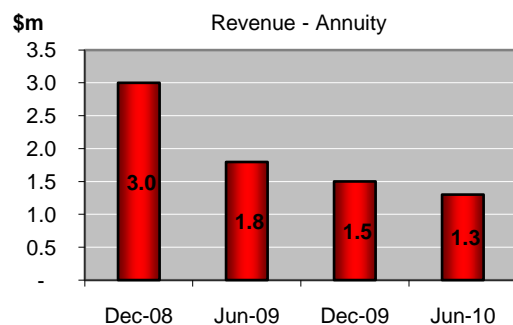
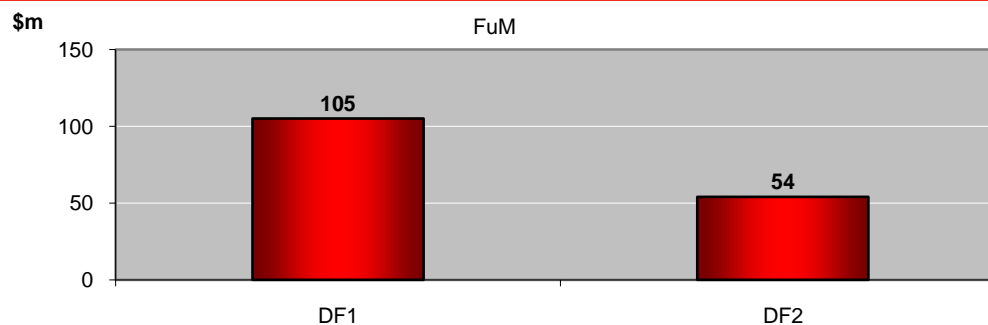
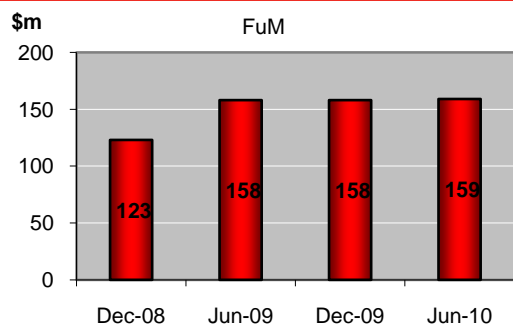
- **APN Property Plus Portfolio (PPP)**

- Long term leases to Woolworths and 7-Eleven

- **APN Regional Property Fund (Regi)**

- New 3 year loan facility secured
- Distributions reinstated

# Real estate private funds



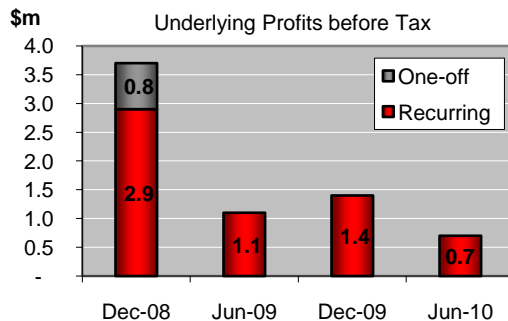
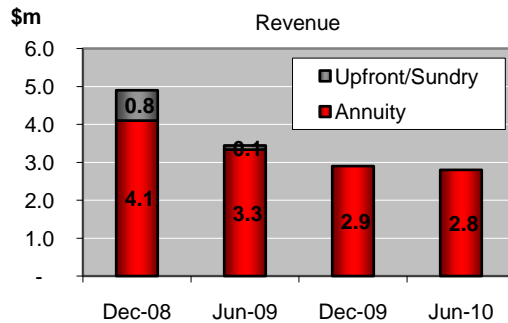
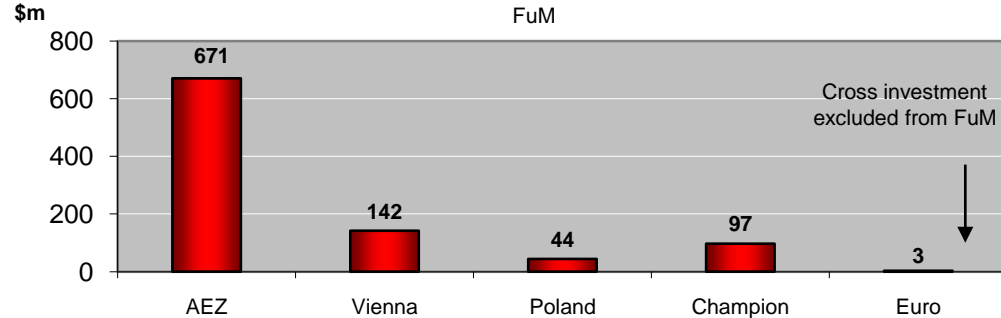
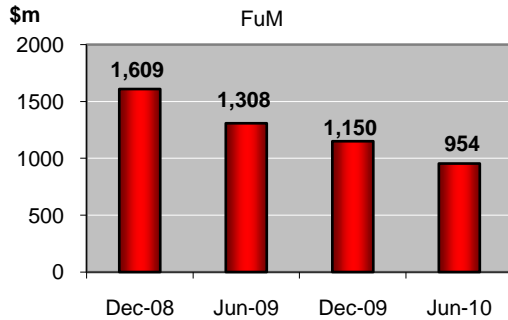
## ■ APN Development Fund No.1 (DF1)

- Fund extended by 2 years to April 2014 to enable completion of 567 Collins St and South Yarra projects
- Major projects 567 Collins St and South Yarra require leasing pre-commitment and loan finance before commencement
- Graystone strategic review completed – transitioning to a diversified property company comprising core assets and development portfolio

## ■ APN Development Fund No.2 (DF2)

- Industry Village – Stage 1: 6 of 9 units sold. Stage 2 pre-sold and construction well underway. Seeking pre-commitments on further stages
- 150 Collins St – Strong leasing interest / joint venture established with Grocon
- \$51m unallocated equity available for new investment opportunities to Dec 2010

# European funds



## ■ APN Vienna Retail Fund (Vienna)

- Property value and income levels holding up well in a difficult market
- Distributions remain suspended to strengthen balance sheet

## ■ APN Poland Retail Fund (Poland)

- Significant decline in income and property valuation
- Remains in breach of banking covenants, conditional in principle agreement secured with senior lender to natural termination in October 2011
- New anchor tenant (C&A) open and trading ahead of expectations and leasing interest improving

## APN Champion Retail Fund (Champion)

- Property value declined (Greek economy issues), but income steady
- Distributions recommenced

# APN European Retail Property Group (AEZ)

- Operating profit after tax of \$10.6m (1.95 cps)
- Statutory loss after tax of \$66.5m reflecting fair value write-downs of property
- Resolving financing issues is APD's key priority
- Market conditions remain very difficult
- Property valuations continue to decline, although some signs of stabilisation
- Banking issues unresolved – continued support from major lender, but significant uncertainty. Negotiations underway
- Asset sales likely over coming 12-24 months

# APN Property Group – summary

- Markets stabilising in Australia. Europe remains extremely challenging
- AEZ resolution a continuing priority
- FuM of \$2.5b at 30 June 2010
- Strategic partnership secured with ARA in July 2010
- Sound balance sheet with cash reserves of \$14m+ (\$8.6m at reporting date)
- Management platform intact and well positioned for growth. Strong team culture
- Several M&A opportunities under review



## APN Property Group outlook

# APN Property Group – FY11

- Stabilisation of European business – a major challenge and our immediate priority
- Determine the future for smaller unlisted funds
- Continue to grow AREIT and PFIF products - increase retail market share
- Grow real estate private funds and real estate securities funds capabilities
- Continued, intense focus on **investment performance** and **service**
- Expand real estate securities capabilities in Asia and leverage the strategic partnership with ARA
- M&A opportunities





**APN** | Property Group

**Annual General meeting**

19 November 2010

# Resolution 1 – Financial Statements and Reports

## **Resolution**

“To receive and consider the Financial Report, the Directors’ Report and the Auditor’s Report, each for the financial year ended 30 June 2010.”

## **Summary of Proxy Instructions**

No Vote Required

# Resolution 2 – Adoption of the Remuneration Report

## Resolution

“That the Remuneration Report for the financial year ended 30 June 2010 be adopted.”

## Summary of Proxy Instructions

For	Open	Against	Abstain
32,671,978 28.45%	80,321,686 69.93%	1,859,199 1.62%	36,800

# Resolution 3 – Re-election of Director

## Resolution

“That Mr Chris Aylward, who retires by rotation in accordance with clause 4.3(c) the Constitution, and being eligible, be elected as a Director.”

## Summary of Proxy Instructions

For	Open	Against	Abstain
33,246,174	80,311,686	1,242,053	89,750
28.96%	69.96%	1.08%	

# Resolution 4.1 – Approval of Employee Share Scheme

## Resolution

“That the employee share scheme comprising the APN Property Group Employee Performance Rights Plan and the APN Property Group Employee Performance Share Trust be approved for the purposes of sections 257B and 260C of the Corporations Act and all other purposes.”

## Summary of Proxy Instructions

For	Open	Against	Abstain
33,001,621 28.73%	80,286,686 69.89%	1,593,356 1.39%	8,000

# Resolution 4.2 – Approve issue of shares under Employee Share Plan

## Resolution

“That all issues of securities under the APN Property Group Employee Performance Rights Plan be approved as an exception to Listing Rule 7.1 and for all other purposes.”

## Summary of Proxy Instructions

For	Open	Against	Abstain
33,003,531 31.47%	70,286,686 67.03%	1,572,124 1.50%	27,232

# Resolution 5.1 – Approve issue of shares to David Blight

## Resolution

“That the issue of up to 7,500,000 fully paid ordinary shares in the Company to the Company’s Group Managing Director and Chief Executive Officer, Mr David Blight, under the employee incentive scheme established by the Amended and Restated Executive Services Agreement between Mr Blight and the Company (Executive Services Agreement) be approved for the purpose of Listing Rule 10.14 and all other purposes.”

## Summary of Proxy Instructions

For	Open	Against	Abstain
30,107,681 28.71%	70,241,686 66.97%	4,532,206 4.32%	8,000

# Resolution 5.2 – Approval of termination benefits

## Resolution

“That any termination benefits that may become payable to Mr David Blight under the terms of the Executive Services Agreement be approved for the purposes of section 200E of the Corporations Act and all other purposes.”

## Summary of Proxy Instructions

For	Open	Against	Abstain
30,076,775	70,286,686	4,468,112	58,000
28.69%	67.05%	4.26%	



# Resolution 6 – Approval of previous share placement to ARA

## Resolution

“That the issue of 20,964,343 fully paid ordinary shares in the Company on 22 July 2010 to ARA Real Estate Investors IV Limited be approved for the purposes of Listing Rule 7.4 and all other purposes.”

## Summary of Proxy Instructions

For	Open	Against	Abstain
8,877,323 9.91%	80,286,686 89.67%	372,696 0.42%	2,497,232

# Resolution 7 – Modification to the Company’s Constitution

## Resolution

“That the Company’s Constitution be modified by making the amendments which are marked up in the document to be tabled at the Annual General Meeting and signed by the Chair of the meeting for the purposes of identification.”

## Summary of Proxy Instructions

For	Open	Against	Abstain
34,235,827 29.82%	80,286,686 69.93%	282,900 0.25%	84,250

# Disclaimer

This release contains forward-looking statements, including statements regarding future earnings and distributions. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statement contained in this release. You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to us as of the date of this presentation. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.