



23 December 2010

AXIOM SETTLES GEPPS CROSS SALE; REMEDIES BANK BREACH

As foreshadowed in its previous announcement, Axiom Properties Ltd is pleased to announce it has today settled the sale of its half interest share in "Lot 501" at Gepps Cross, the 62,000 sq.m. bulky goods centre in Adelaide's northern suburbs developed by Axiom and completed in June 2009.

The proceeds of the sale for \$31.8m to family interests associated with Gerry Harvey have been applied to reducing the debt on the balance of the site which Axiom retains. This reduction in the overall debt facility means Axiom is no longer in breach of its lending covenants under the revised facility agreement.

The Gepps Cross Centre was developed by Axiom in partnership with Harvey Norman Holdings Ltd and Charter Hall, and is currently the largest bulky goods centre in Australia, boasting an outstanding mix of quality national and international retailers including Harvey Norman, The Good Guys, Spotlight, Super Amart, Toys'R'Us, JB Hi-Fi, Rebel Sport and Nick Scali.

Prior to the sale, Axiom held a 50% interest in each of the 2 sites that make up the Centre. Following today's sale, Axiom retains its 50% share of the second site, which is anchored by The Good Guys, JB Hi-Fi, Toys'R'Us and Super Amart, and represents 33,000 sq.m. of retailing.

This latest divestment, combined with the recent sale for \$46.5m of Building A at Worldpark:01, builds on Axiom's previously stated commitment to restoring value for its shareholders through strengthening the balance sheet and a substantial reduction in the company's overall debt position. The Company is now positioning itself for a positive start to the projects that it has in the pipeline where it can focus on delivering superior returns for its shareholders.

ENDS

For further information, please contact Ben Laurance 0408 955 281