



19 December 2016

Launch of APN Retail Property Fund complete

APN Property Group Limited (**APN**) announced today that the APN Retail Property Fund (the **Fund**) has been successfully launched.

The Fund will own a portfolio of 23 Puma Energy Service Stations, located in Queensland and New South Wales independently valued at \$106.1 million at a yield of approximately 7.3%. The properties have 15 year triple net leases (plus four additional 10 year options), with annual rent increases of 3%.

The Fund is forecast to provide a starting equity distribution yield of 7.40% pa.

APN and Puma Energy have made cornerstone investments into the Fund of approximately \$10 million and \$20 million respectively.

APN is in continuing discussions regarding a number of additional properties which may be included in the Fund at a future point in time which may take the total portfolio size to approximately \$350 million (including approximately \$80 million of assets currently managed by APN in the APN Property Plus Portfolio). A potential future listing of the Fund on ASX is also under consideration.

Mr Tim Slattery, Executive Director, commented: 'We are delighted to have completed the launch of the APN Retail Property Fund. The Fund provides unitholders an attractive risk-adjusted commercial property investment with a strong cash income yield as well as a long term lease profile to Puma Energy. We believe Puma Energy is an outstanding business and an excellent tenant covenant and we are looking forward to working with the Puma team further as they grow the business in Australia into the future.'

General Manager of Puma Energy Australia, Mr Ray Taylor, commented: 'We are very pleased to be working with APN Property Group and with the establishment of the APN Retail Property Fund. Puma Energy has strong growth aspirations in Australia and we were searching for a partner and a structure to support those plans. The team at APN has demonstrated that they are the right partners for us and we look forward to working with them to help achieve our aims for the mutual benefit of all parties.'

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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 institutional and retail 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.

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