

NSX Announcement

APN Property Group Limited
ABN 30 109 846 068

Responsible Entity:
APN Funds Management Limited
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The Manager
Company Announcements Office
National Stock Exchange of Australia Limited
Level 2, 117 Scott Street
Newcastle, NSW 2300

Dear Sir/Madam

APN Regional Property Fund (NSX code: APR)
ARSN: 110 488 821

1H FY18 Financial Results

APN Funds Management Limited as responsible entity for the APN Regional Property Fund (the **Fund**) is pleased to announce the Fund's financial results for the six months to 31 December 2017.

Key Highlights

- The Fund recorded a Net Profit of \$4.75 million for the period, a 75.1% increase from the six months prior (\$2.71 million);
- Net tangible assets increased 10.9% from \$1.19 per unit at 30 June 2017 to \$1.32 at 31 December 2017;
- The Fund's loan to valuation ratio improved from 33.1% to 30.9%;
- Portfolio occupancy increased from 99.0% to 100.0%;
- The weighted average lease expiry (WALE) reduced from 2.5 years to 2.4 years (by income); and
- The Fund's portfolio was independently valued as at 31 December 2017 as set out in the table below:

Property	Value as at 30 Jun 2017	Value as at 31 Dec 2017	Change	Cap rate as at 30 Jun 2017	Cap rate as at 31 Dec 2017
28 Honeysuckle Drive, Newcastle, NSW	\$26,200,000	\$28,200,000	7.63%	8.25%	7.75%
26 Honeysuckle Drive, Newcastle, NSW	\$19,100,000	\$20,400,000	6.81%	8.50%	8.00%
Total / Weighted average	\$45,300,000	\$48,600,000	7.28%	8.36%	7.85%

Yours sincerely



Chantal Churchill
Company Secretary

About APN Property Group

APN Property Group (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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