Abacus Trust
Responsible Entity
Abacus Funds Management Limited
ABN 66 007 415 590

Abacus Group Holdings Limited
ABN 31 080 604 619

28 April 2003

The Manager
Company Announcement Office
Australian Stock Exchange
20 Bridge Street
Sydney NSW 2000

Dear Sir,

ABACUS PROPERTY GROUP (ABP)

Autumn Newsletter 2003

Attached please find a copy of the *Autumn Newsletter 2003* which is being distributed to security-holders today.

For further information please contact David Bastian on (02) 9253 8600.

Yours sincerely

David J Bastian
Managing Director

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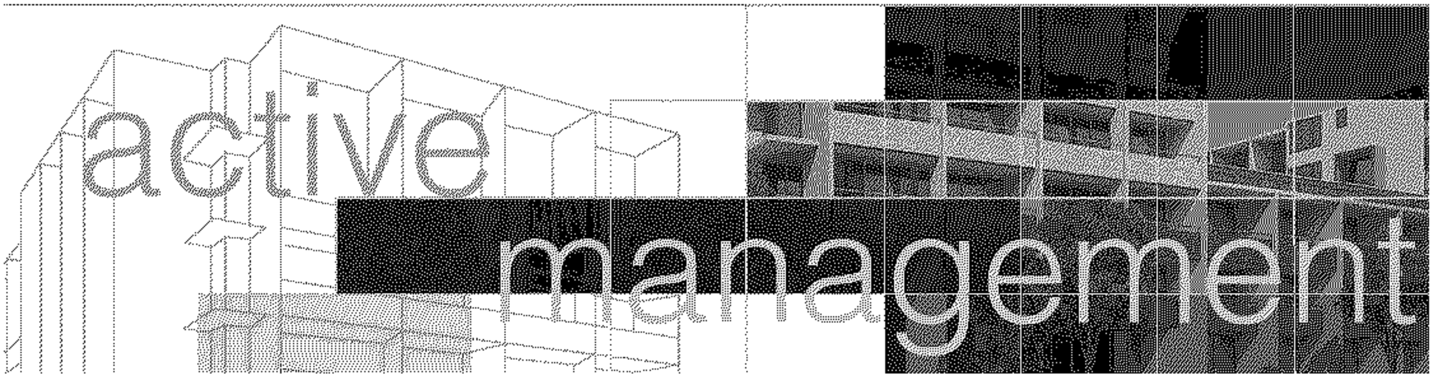
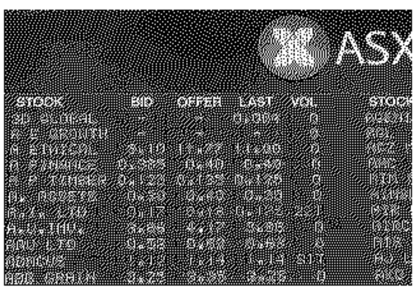
Tel: 02 9253 8600 Fax: 02 9253 8616 Website: www.abacusproperty.com.au



Abacus Property Group
Autumn Newsletter 2003



Welcome to Abacus Property Group's Autumn Newsletter. A great deal has happened in the past six months, both within the Group and in products under the management of Abacus Funds Management Limited (Abacus), all of which we feel sure you will find of interest.

Abacus Property Group Listing

Over 100 Abacus staff, directors and well-wishers crammed into an ASX function room on 14 November 2002 to witness the ringing of the bell as Abacus Property Group securities (code ABP) appeared on the ASX Board for the first time.

Managing Director, David Bastian spoke of the importance of this milestone for the Group and paid tribute to the support received from investors, many of whom had been with Abacus since 1996. "Our investors gave us an overwhelming vote of confidence on 25 October when 98% of those who voted agreed to proceed to listing. Their support on this journey has been highly inspirational" he said.

While looking forward to an exciting future as a listed entity, the Abacus Property Group will maintain its focus on developing reliable property-based income streams with prospects for capital growth.

Solid performance in volatile market

During March 2003, the Abacus Property Group announced its debut result as a listed entity for the six months ending 31 December 2002. An after tax profit of $16.8 million was achieved on revenues of $50.6 million with all areas of the business performing well. Key contributors to revenue were the sale of strata retail units in 109 Pitt Street, Sydney and the sale of the CUB office building in Brisbane.

Earnings per security were 7.74 cents while the total distribution for the period was 5.25 cents. This distribution was made up of three payments owing to the split distribution in the December quarter to take account of the capital raising prior to listing. The total distribution was paid by the Abacus Trust, enabling the Company's profits to be directed to retained earnings.

"The half year results support the prospectus forecasts to deliver a full year distribution to Abacus Property Group investors of 10.5 cents per security" Mr Bastian said.

Detailed information on the results can be found on the Abacus Property Group website at www.abacusproperty.com.au.

Half year results at 31 December 2002

	$'000
Total equity	280,314
Total assets	420,606
Revenues	50,607
Net profit after tax	16,754
Retained earnings	4,939
Earnings per security	7.74 cents
Distribution per security	5.25 cents

Abacus
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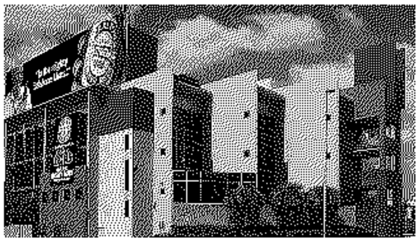
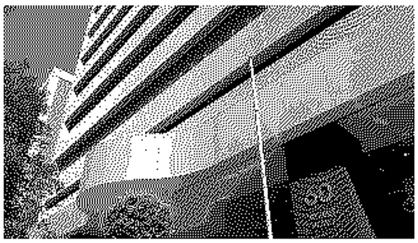




Update on Property Portfolio

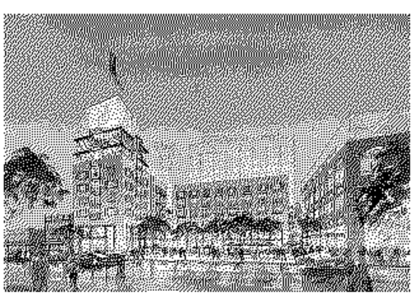
The Abacus Property Group has recently taken advantage of the strong market to reposition its property portfolio. While the sale of the CUB office building in Brisbane and 60 Albert Road in South Melbourne were both motivated by local market conditions, the divestments reflect the current Abacus view of the property cycle and an overall strategy to upgrade the portfolio over time as opportunities arise.

Acquired in 1996, the CUB office building was sold in December 2002 for $14.25 million. While providing a reliable income stream, this purpose-built property provided little opportunity to enhance value and was no longer consistent with the Group's strategic direction. The sale of 60 Albert Road for $32.3 million eliminates the Abacus Property Group's exposure to the Melbourne commercial office market at a time when there is a prospect for oversupply and increasing pressure on rental income.

109 Pitt Street refurbishment

Following the successful auction of the retail component of 109 Pitt Street, Sydney in May 2002, substantial progress is being made on the refurbishment and strata sale of the 20 level office tower. Major works on modernisation of the six lifts, replacement of air-conditioning and other services on 9 refurbished floors, installation of new windows and improvements to the façade have been completed, while refurbishment of the interior is proceeding well. Three of the refurbished floors are already occupied by a single tenant on a ten year lease.

Interest in purchasing commercial strata suites has been strong owing to the prime location of the building, availability of parking and the completely refurbished facilities. Contracts have been exchanged on a number of strata suites, achieving rates above $6,000 per square metre. Strong sales are expected to continue into the next financial year.



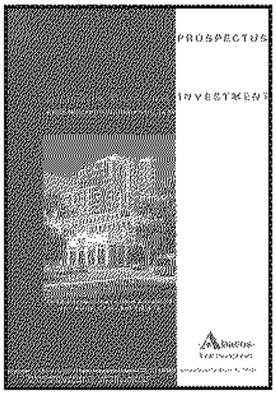
Ashfield Project

A formal presentation of the proposal to create a large Town Square framed by new retail shops and cafes, upgraded Council facilities and a mix of residential accommodation was made to Ashfield Council in December 2002. Broad public consultation will now be undertaken to ensure that all sectors of the community are fully-informed prior to a further review of the project by Council later this year.

Current information on all properties in the Abacus Property Group portfolio is available on the website at www.abacusproperty.com.au.

Abacus Funds Management

Abacus became part of the Abacus Property Group in October 2002. As a licensed securities dealer and responsible entity, Abacus is the funds management arm of the Group. Abacus continues to manage a number of trusts and syndicates outside the Group and to launch new investments.



Abacus Tribeca Investment

Issued in late November 2002, the prospectus for the Abacus Tribeca Investment closed fully subscribed within two weeks with demand from investors substantially exceeding the availability of units. The $14.5 million investment in contributory second ranking debentures was settled in late December and the 14% pa interest accrues from this date. Investors' funds received prior to this date accrued cash management interest for the period.

The debentures are secured over interests in Tribeca, a $200 million residential development on the former Victoria Brewery site in East Melbourne sponsored by Babcock & Brown, Red C and R. Corporation. A soil-turning ceremony was held at the site on 17 March to mark commencement of construction.

Hindmarsh Square Investments Repaid

Investors in the Abacus Hindmarsh Square Mortgage Investment were repaid their capital in March 2003 with 15% pa interest compounded annually. The $6 million contributory second mortgage established in June 2001 assisted in funding the development of a 5-star all-suite apartment hotel in central Adelaide.

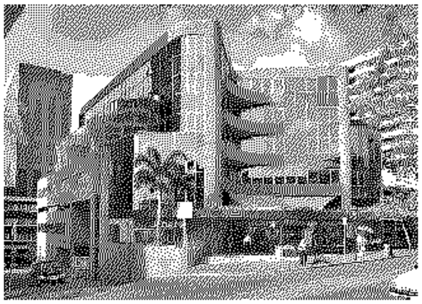
Clients who had entered into Renounceable Sales Contracts over 55 apartments in the development during June/July 2001 were repaid in September 2002. These clients received 22.5% pa on their deposit amount plus cash management interest where deposits were paid in cash.

Eureka Tower payout

Foundations were poured in April 2002 for the 88 storey Eureka Tower development in Southbank, Melbourne - a joint venture of the Grocon Group, the Tab Fried Group and the Nonda Katsalidis Group. Completion is scheduled for late 2004.

Abacus clients entered into Renounceable Sales Contracts totalling $70 million to assist the developer to achieve financial close and an earlier start to the project than might otherwise have been possible.

Following the on market sale of apartments, repayment of deposits has commenced for contracts clients entered into in early 2001. Clients will receive 22.5% pa on their deposit amount plus cash management interest where deposits were paid in cash. The developer is expected to pay out all remaining clients before the end of the 60 month contract period.



Launch of new investment opportunity

During recent months the Abacus Property Group has been acquiring assets for a new fund, the Abacus Diversified Income Fund, scheduled to be released in June this year.

It is the intention of the Abacus Diversified Income Fund to purchase a significant portfolio of medium-sized properties (generally valued at $5 - 15 million) to provide a reliable income stream and potential for capital growth. Returns from this portfolio may be enhanced through carefully structured investments in high yielding secured loans and development projects.

The Abacus Diversified Income Fund will be managed by Abacus which has a history of active management of assets to optimise returns for investors.

Stapled Securities in the new fund will be offered in June under a product disclosure statement/prospectus to be lodged with ASIC. Investments in this new fund will need to be made on the application form which will form part of the product disclosure statement/prospectus. Copies of the product disclosure statement/prospectus will be available from your Financial Adviser during June. Potential investors will need to consider the product disclosure statement/prospectus carefully before making a decision to invest.

Launch of new website

www.abacusproperty.com.au

We are pleased to announce the launch of our new website. Please take the time to browse through its contents and provide your feedback to **enquiries@abacusproperty.com.au**. We welcome your comments.

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