MACARTHURCOOK
INTERNATIONAL REAL ESTATE INVESTMENT MANAGERS

**4 May 2007** **ASX Code : MPS**

**SGX Code: MacCookPSF**

# ASX Announcement

## MacarthurCook Property Securities Fund acquires additional A$41 million investment portfolio

MacarthurCook Fund Management Limited, the responsible entity of the MacarthurCook Property Securities Fund (the "Fund", ASX code: MPS, SGX Code: MacCookPSF), is pleased to announce the further expansion of the Fund's portfolio by way of additional investment in a number of unlisted, wholesale and listed property trusts, as below.

**New Investments**

The following new investments have been made, or were committed to be made, during the 2007 March quarter.

| Investee Fund | New Investment | Total Investment |
|---|---|---|
| APN/ UKA Poland Retail Fund | $7.0m | $7.0m |
| MAB International Retail Trust | $7.0m | $7.0m |
| MCK Retail Property Trust | $4.4m | $4.4m |
| OFM Direct Property Trust | $2.7m | $8.0m |
| Orchard Essential Healthcare Fund | $2.5m | $5.0m |
| Other Unlisted Property Trusts | $3.4m | $150.5m |
| | | |
| MCK Asian Real Estate Securities Fund | $5.0m | $5.0m |
| Rubicon Europe | $2.9m | $4.6m |
| Rubicon Japan Trust | $2.1m | $2.4m |
| APN/ UKA European Retail | $1.3m | $3.9m |
| ING Entertainment Fund | $1.0m | $1.4m |
| Other Listed Property Trusts | $1.6m | $21.0m |
| **Total** | **A$40.9m** | **A$220.2m** |

At 1 May 2007, the Fund had an unlisted property portfolio of A$186.9 million which, combined with a listed property trust portfolio of A$33.3 million, takes the total investment portfolio of MPS to approximately A$220.2 million.

The new investments were funded through the recently announced placement conducted in Singapore, as well as drawdown of the short term debt facility. The facility allows the Fund to borrow up to 30% of the gross asset value of the Fund on a short term basis.

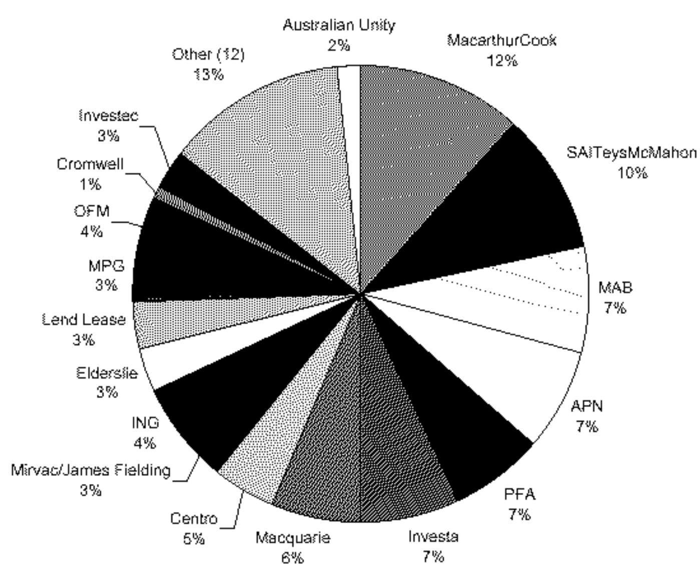
During the period, the Fund acquired unlisted investments that included funds managed by APN Funds Management (APN/UKA Poland Retail Fund), MAB Funds Management (MAB International Retail Trust), MacarthurCook Fund Management (Macarthurcook Retail Property Trust), Over Fifties Funds Management (OFM Direct Property Trust) and Orchard Funds Management (Orchard Essential Healthcare Fund).

Listed Property Trust acquisitions included Rubicon Europe Trust, Rubicon Japan Trust, APN/UKA European Retail Trust, MacarthurCook Asian Real Estate Securities Fund and the ING Entertainment Fund. These investments continue to build on the Fund's investment strategy. Listed Property Trust positions that were reduced over the period included Cromwell Group, Australand Property Group and the Macquarie DDR Trust.

**Increased Portfolio Diversification**
By increasing the size of the Fund through capital raisings, such as the secondary listing on the Singapore Exchange ("SGX"), the Responsible Entity has improved the diversification of the investment portfolio by investing in a broader range of funds, property managers, property sectors and individual properties in an extended range of geographic areas. This strategy should lead to greater security of both capital value and income over the long term. The Responsible Entity will continue to seek opportunities to further diversify the portfolio where appropriate investment opportunities arise and the cost of new equity is appropriate.

**Portfolio Details**
The Fund's investments are now diversified across 29 property investment managers and 47 listed and unlisted funds.

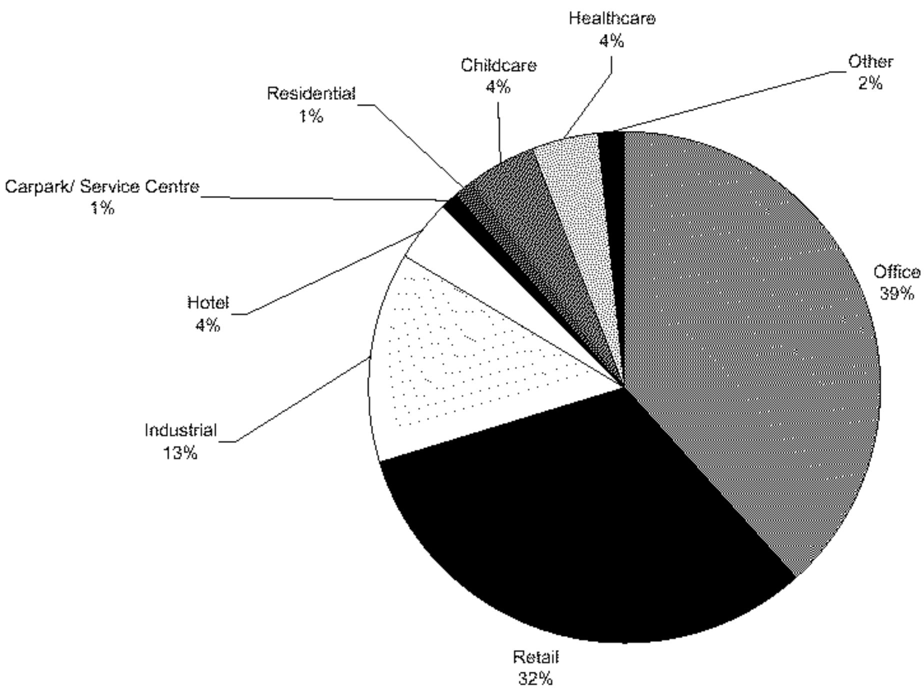
**Manager Diversification**



This diversity is further reflected in the range of funds and property sectors in which the Fund invests. The portfolio weighting across the different classes of property is carefully balanced to ensure the Fund continues to distribute a competitive, low risk level of income to unitholders.

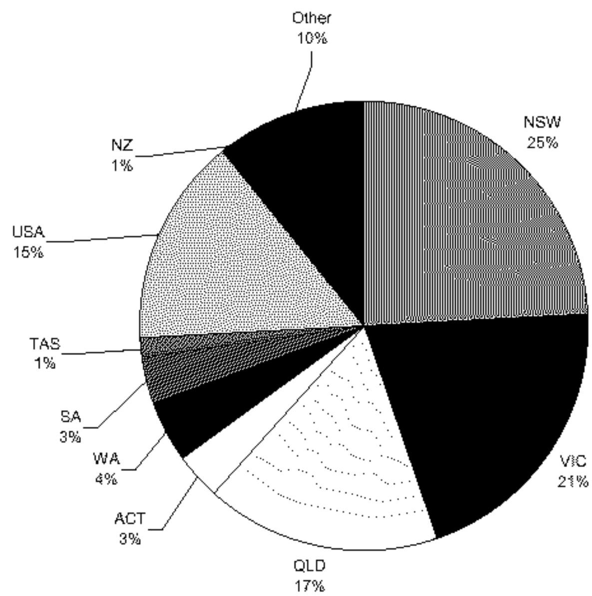
The allocation of the Fund's investments is dominated by the office, retail and industrial sectors as shown in the chart below. However, emerging sectors are also being chosen to further diversify the Fund. These emerging sectors include exposure to childcare, healthcare, service centre, accommodation and hotel assets. These non-traditional sectors are largely accessed via unlisted property funds, with the investments expected to deliver strong returns.

**Sector Allocation as at 1 May 2007**




The Fund is also diversified across different geographic locations as shown in the chart on the following page. A majority of the assets of the Fund's investments are in Australia. The Australian assets are concentrated in New South Wales and Victoria (Sydney and Melbourne offering a broader selection of assets) with smaller investments in other states. The Fund's international exposure is focused on the United States, with smaller investments in New Zealand, Europe and Japan.

**Geographic Allocation as at 1 May 2007**




With the new investments made, the Fund remains firmly on track to meet the distribution forecast of at least 9.50 cents per unit for the 2007 financial year.

**About the MacarthurCook Property Securities Fund**

The MacarthurCook Property Securities Fund is listed on the ASX and secondarily listed on the SGX, and aims to provide investors with exposure to a broadly diversified, property-based investment portfolio, targeting a stable, predictable level of income with the opportunity for long term capital growth. The Fund has a market capitalisation of approximately A$160 million and has assets invested across 47 listed and unlisted property trusts managed by 29 real estate investment managers.

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