


ASPEN GROUP

Aspen Group

2008 Half Year Results

"Creating wealth through intelligent property investment"

Contents

1. Corporate Structure
Overview

ASPEN GROUP

	Investment Property	Funds Management	Equity Investments
Underlying Revenue	53%	47%	Included in funds management
Strategy	➢ Portfolio of diversified property assets ➢ Characterised by strong income security through high quality tenants and long term leases	➢ Driving DPU and EPU Growth ➢ Efficient use of capital ➢ Leverages Aspen's core property expertise	➢ Co-invests in funds – Strategic stakes – Enhance investor confidence – Accretive returns to APZ ➢ Ongoing funding activities to support growth
Assets Managed	$380 million	7 funds $1,037 million GAUM	Aspen Diversified $16.4m Aspen Parks $11.5m Aspen Living $24.5m Aspen Developments $40.4m Aspen Select $1.0m

2. Highlights

Half Year in Review

ASPEN GROUP

- Underlying Net Profit increased 63% to $19.02 million
- Underlying EPS increased 26% to 7.57 cents
- 13% growth in property portfolio largely a result of $36.6 million in revaluations
- 12% increase in property revenues to $16.1 million
- Funds management income increased 101% to $14.5 million
- Gearing maintained at a conservative level of 34%
- Core debt remains fully hedged
- Retail funds management inflows increased 96% over the corresponding half year
- Distributions increased 35% to 7.75 cents per security

2. Highlights

Financial Performance

"Strong growth in underlying earnings"

	HY 2008	HY 2007	% Change
Underlying Net Profit* ($'m)	19.02	11.65	↑ 63%
Underlying EPS (cents)	7.57	6.02	↑ 26%

* Underlying net profit after tax represents net profit after tax excluding non cash items namely movements in fair value of investment properties, equity and hedge instruments.

2. Highlights

Financial Position

"Strong balance sheet position"

	31 Dec 07	30 Jun 07	% Change
Gross Assets Under Management ($'m)	1,429	1,224	↑ 17%
Investment Property ($'m)	380	336	↑ 13%
Gearing	34%	31%	↑ 10%

3. Financial Summary

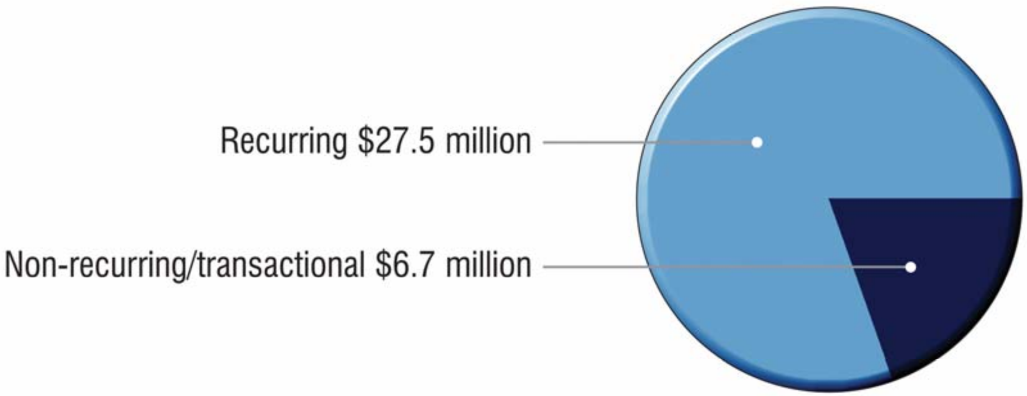
Financial Performance

	HY08 ($M)	HY07 ($M)	% Change
Underlying NPAT before significant items	**19.0**	**11.7**	**63%**
Significant Items:			
Revaluation Gains on Investment Property (Net of tax)	30.5	42.9	
Gains on Interest Hedge instruments	1.3	0.9	
Security based payments	(1.5)	(0.4)	
Profit Before Tax	**49.3**	**55.1**	
Underlying Earnings per Security (cents)	**7.57**	**6.02**	**26%**

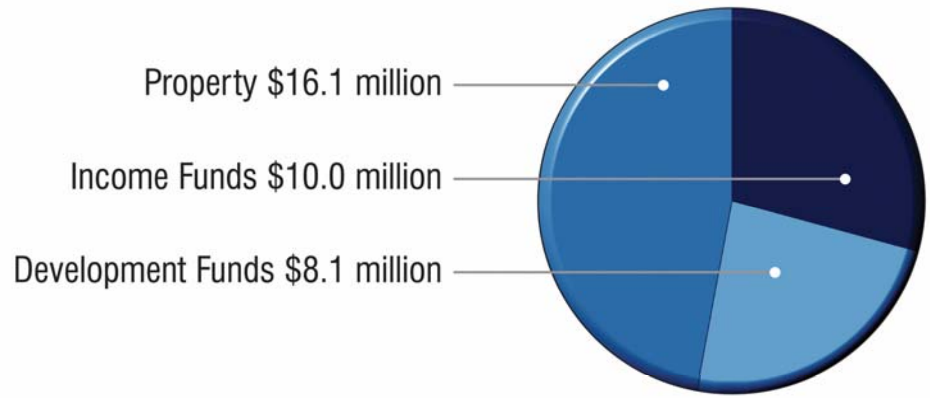
3. Financial Summary

Operating Revenue

Operating Revenue by Nature



Operating Revenue by Type



3. Financial Summary

Financial Position

		31 Dec 07	30 Jun 07	Change	
Assets		$M	$M	%	
Current	Trade	59.9	75.2		
	Inventories	49.4	-		
	Cash and other	18.2	12.0		
Non Current	Investment Properties	380.2	335.8		
	Equity Investments	93.8	93.3		
	Inventories	15.1	12.8		
	Other non-current assets	18.2	7.8		
Total Assets		**634.8**	**536.9**	**18%**	↑
Liabilities					
Current	Trade and Other	28.5	25.4		
Non Current	Borrowings	218.9	166.5		
	Other Liabilities	16.6	13.2		
Total Liabilities		**264.0**	**205.1**	**29%**	↑
Net Assets		**370.8**	**331.8**	**12%**	↑
NTA	(excl. non dilutive employee security options)	**$1.46**	**$1.32**	**11%**	↑
NTA	(incl. non dilutive employee security options)	**$1.39**	**$1.32**	**5%**	↑

4. Capital Management

Capital Structure

Capital Structure	Current
Stapled Securities on Issue	**262.7 million**
Market Cap (at $1.64 closing price, 21 Feb 2008)	**$431 million**
Total Securityholders	***Circa* 3,500**
Institutional	**66%**
Retail	**34%**

4. Capital Management

Debt Structure - Group

Debt Profile (31 December 2007)	Total	Fixed	Floating
Borrowings	$218.9 m	$129.6 m	$89.2 m
Average Hedge Maturity Profile		2.9 yrs	30 days
Gearing	34%*		
Look-through gearing	42%		
Unused Facility Limit	$43.2m**		

* Gearing falls to 20% with repayment of non-core debt of $108.6 (relating to funds management loans and seeded assets).

** excluding $20m bank guarantee

4. Capital Management

Debt Structure - Group

Aspen Group

- Conservative gearing strategy
- Average hedged debt maturity of 2.9 years
- Facility maturity 31 October 2011
- Average cost of debt 7.16%
- Upon repayment of non core debt, 100% of Aspen's borrowings will be hedged against interest rate rises.

Aspen Funds

- Weighted average gearing 49%
- Weighted average loan term 3 years
- Average cost of debt 8.06%*

* Includes significant proportion of development funding.

5. Business Strategy
Overview

Transparent business model remains unchanged

1. Development of Sound Property Portfolio (Section 6):
    - Produce strong recurring rental streams
    - Capital growth through active management and optimal asset utilisation

2. Develop a leading Funds Management Business (Section 7)
    - Generate significant recurring income streams from limited capital employed
    - Focus is on the value proposition i.e. underperforming asset class or significant growth sector
    - Always with a view to building a sustainable business segment and skills set within the Group
    - Developing multiple distribution channels both in Direct and Indirect Wholesale and Retail markets

Aspen is a long term holder of property and therefore not reliant on asset disposals to achieve its underlying earnings performance.

6. Property Portfolio

Summary at 31 December 2007

ASPEN GROUP

Property	Location	Sector	Latest Valuation	Book Value A$ millions	Occupancy
Septimus Roe Square	Perth, WA	Office	December 2007	93.9	100%
Alcoa Office Complex	Booragoon, WA	Office	October 2006	28.9	100%
564 St. Kilda Road	Melbourne, VIC	Office	December 2007	31.9	100%
33 York Street	Sydney, NSW	Office	June 2007	3.2	100%
Elders Woolstores	Spearwood, WA	Industrial	December 2006	57.5	100%
Noble Park	Melbourne, VIC	Industrial	May 2006	25.0	89%
Rocklea	Brisbane, QLD	Industrial	May 2006	11.3	100%
Garden Town	Toowoomba, QLD	Retail	June 2007	35.0	90%
55 Currie Street	Adelaide, SA	Office	December 2007	93.5	99%
Total				**380.2**	

6. Property Portfolio

Overview

Key Indicators

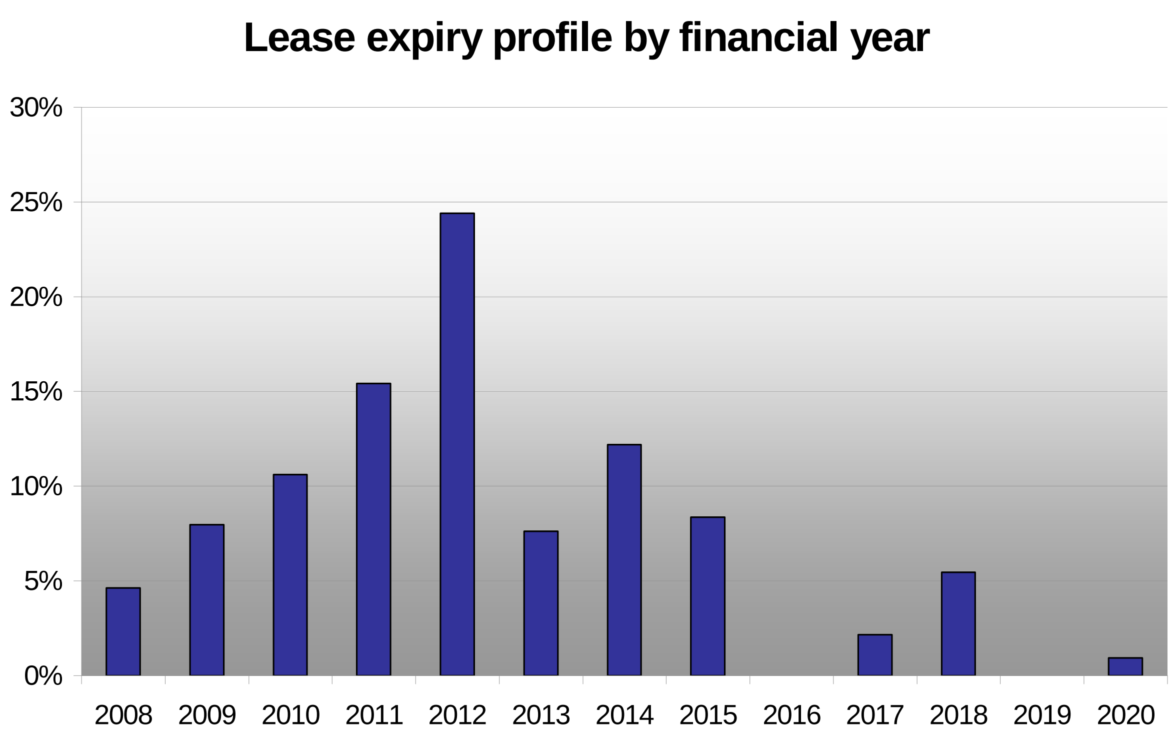
Weighted Average Lease Expiry	4.45 years
Weighted Average Occupancy	97%
Weighted Average Cap rate	7.62%

Highlights

- Capitalised on Perth CBD office strength with 22% lift in Septimus Roe Square valuation in 12 months
- Entry to Adelaide CBD market has paid dividends with 20% valuation uplift on MTAA House in 12 months - improved occupancy from 88% to 99%
- St Kilda Rd. tenant risk (Hewlett Packard) eliminated with 10 yr L'Oreal lease on 4,278 sqm (51%)
- Additional 9,000sqm office site approved for development at the Alcoa Office Complex site and development approval for a mixed use apartment complex
- Sound sector and geographic diversification
- Approval for 180 relocatable accommodation units on Karratha site

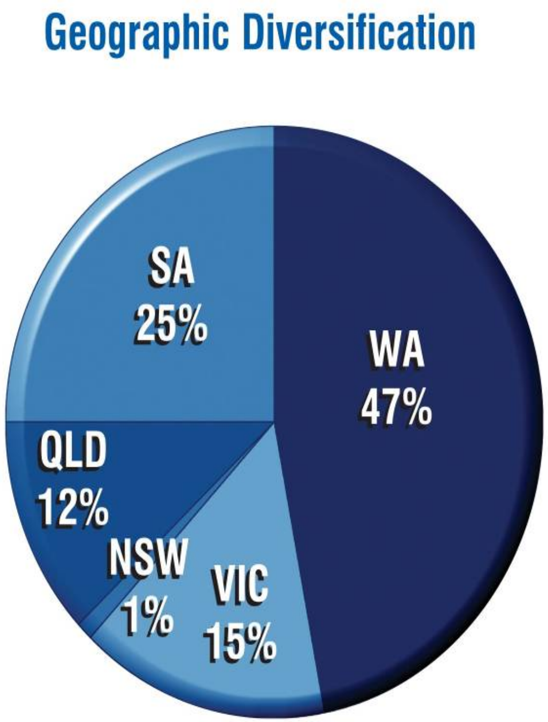
6. Property Portfolio

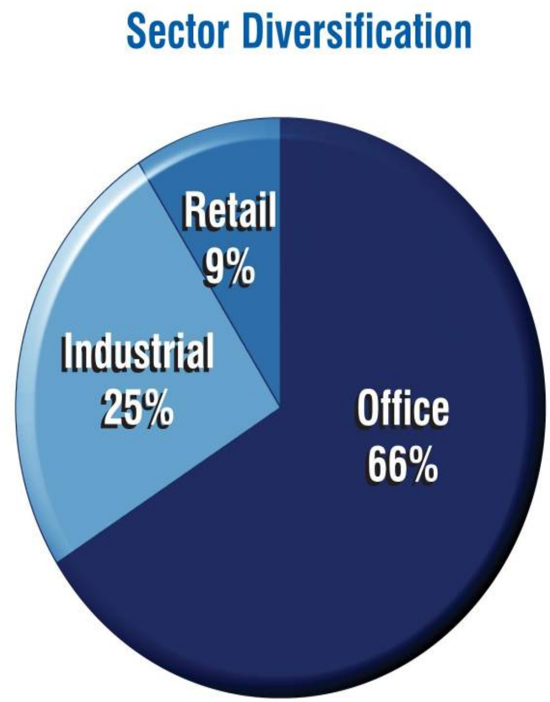
Leasing Profile



Key Tenants	Lease Expiry	% of Income
Elders	2012	16%
Centrelink	2011	9%
DIMIA	2015	8%
Alcoa	2014	6%
L'Oreal	2018	6%
Total		45%

6. Property Portfolio
Diversification





7. Funds Management

Overview

- Leverages Aspen's core property management expertise
- Growing recurring income base (Increase of 105% 1HY08)
- In-house skill sets across all property sectors
- 4 established funds management business sectors
- Seed assets and key personnel in place for two additional funds in FY08 focussed on retirement and affordable living sectors
- "Aspen Select" property securities fund to be established in FY08
- National BDM network established resulting in distribution levels significantly up year on year

7. Funds Management

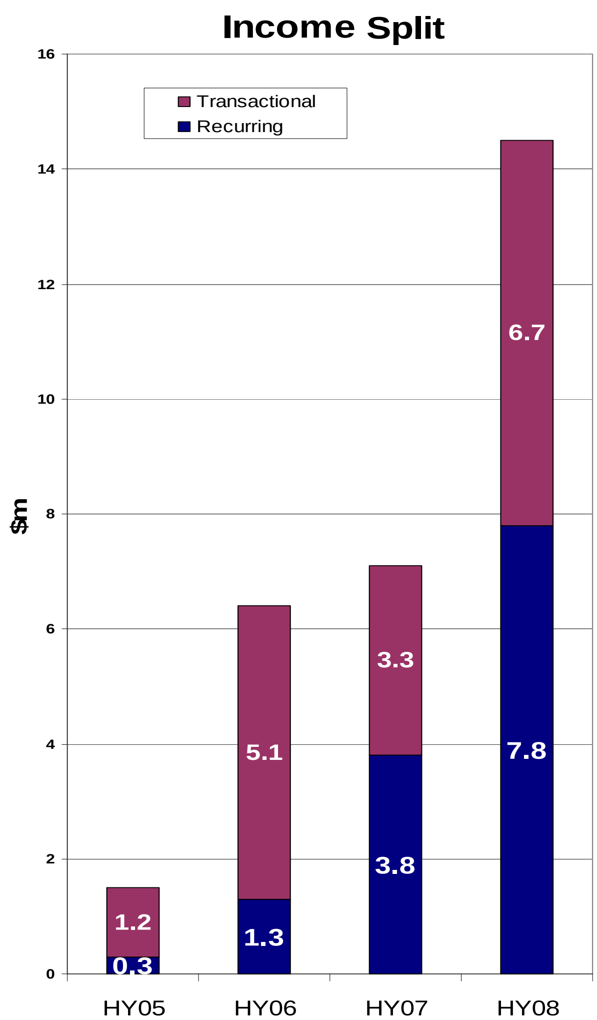
Divisions

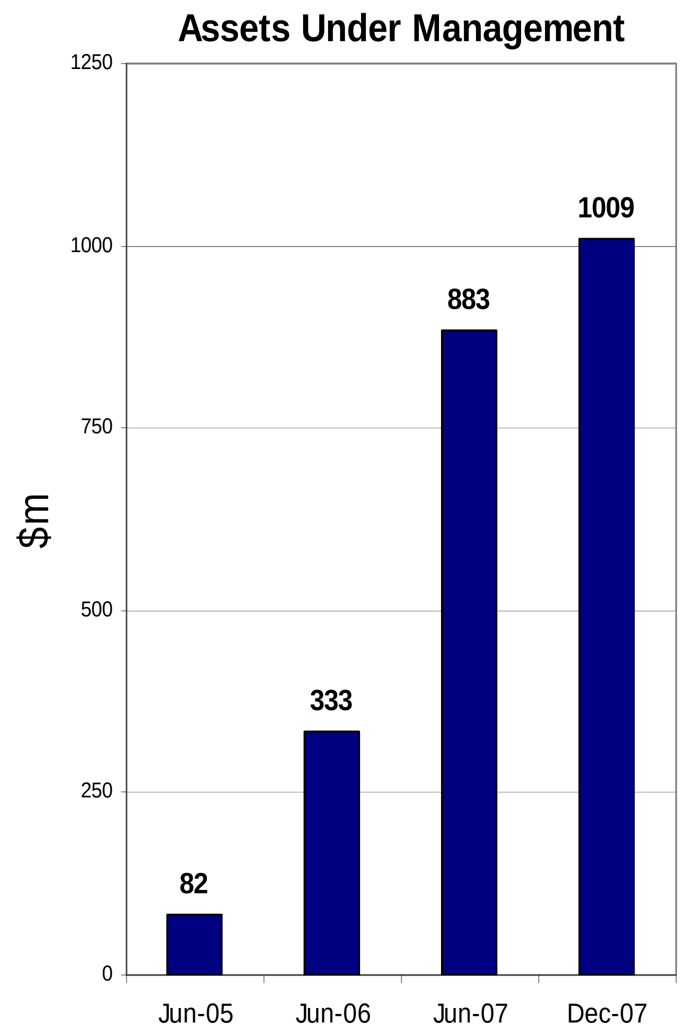
Branding	Aspen Parks	Aspen Diversified	Aspen Living	Aspen Developments	Aspen Villages	Aspen Communities
Sector	Resort Park	Core Income	Syndicated Land	Development Fund Series	Affordable Living/Retirement	Retirement Aged Care
Asset value	$238 million*	$194 million	$287 million	$242 million	$28 million*	$48 million*
Commenced	Apr 04	Apr 05	Nov 05	Feb 07	Jun 05	Sept 07
Target assets	$250 million	$250 million	$1 billion	$500 million	$250 million	$250 million
No of assets	26	13	4	18	6	5
Fund structure	Unlisted Stapled	Unlisted Trust	Unlisted Coy	Unlisted Coy	Unlisted Stapled	Unlisted Stapled
Investors	Retail	Retail	Wholesale/Retail	Wholesale	Retail/Wholesale	Retail/Wholesale

***Post settlement of secured properties**

7. Funds Management

Contribution to Income and Asset Growth





7. Funds Management

Distribution

- Increased national business development team to 6 covering all key centres of Australia
- Direct/Inhouse Sales Managers increased to 2
- Proven distribution capacity at retail and wholesale levels
- 96% increase in retail inflows over the corresponding half year
- December 07/January 08 retail inflows up 23% on corresponding months last year
- Continued focus on greater retail platform representation for open-ended funds
- Wholesale capital raisings undertaken included:
    - Fern Bay syndicate $30 million (100% complete)
    - ADF No 1 $90 million (80% complete)

7. Funds Management

New Initiatives

Aspen Parks

- Introduced wholesale version designed to be platform friendly
- Targeting personal superannuation investors and model portfolios
- Growing popularity of Aspen Parks with financial planners as a portfolio diversifier
- Parks wholesale on BT Wrap and in discussions with several platform operators

Aspen Diversified

- Introduced limited redemptions to enable greater platform exposure
- Targeting personal superannuation investors and model portfolios
- Represented on BT Wrap, Symmetry, Netwealth, MLC platforms
- In discussions with several other platform operators

Property Securities Fund

- Development of Aspen Select Property Fund offering diversified property sector exposure
- Leverage Aspen's property and distribution capabilities

Aspen Villages Fund

- Affordable living sector
- Six properties secured to seed new Fund

Aspen Communities

- Expansion into retirement and aged care living
- Two seed assets acquired, with a further three secured

7. Funds Management

Aspen Parks Property Fund

Strategy

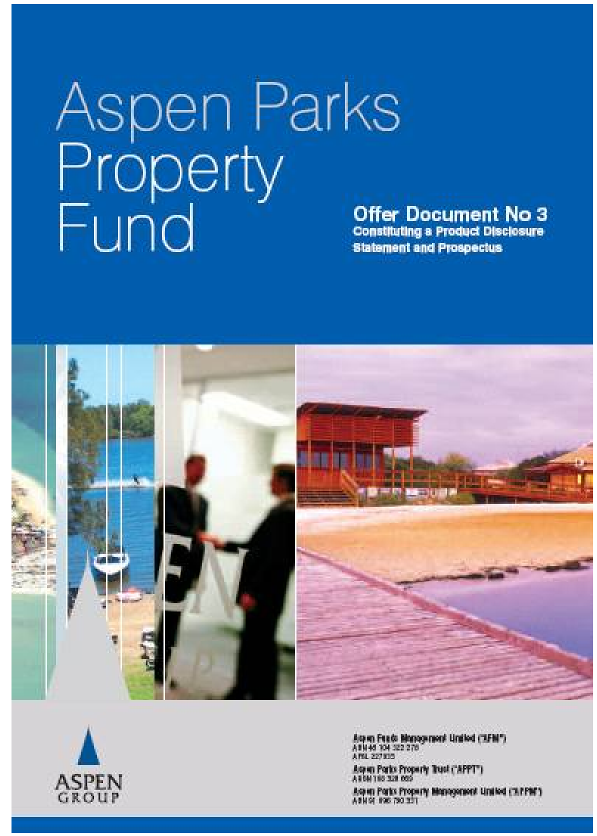
- To acquire, manage and expand a portfolio of park properties providing regular income and capital growth to investors

Highlights

- Target GAUM ($150 million) achieved in only 3 years
- Provided original investors with total return of 18.8% pa since inception
- Portfolio increased to 26 properties across Australia
- Circa 1,300 investors

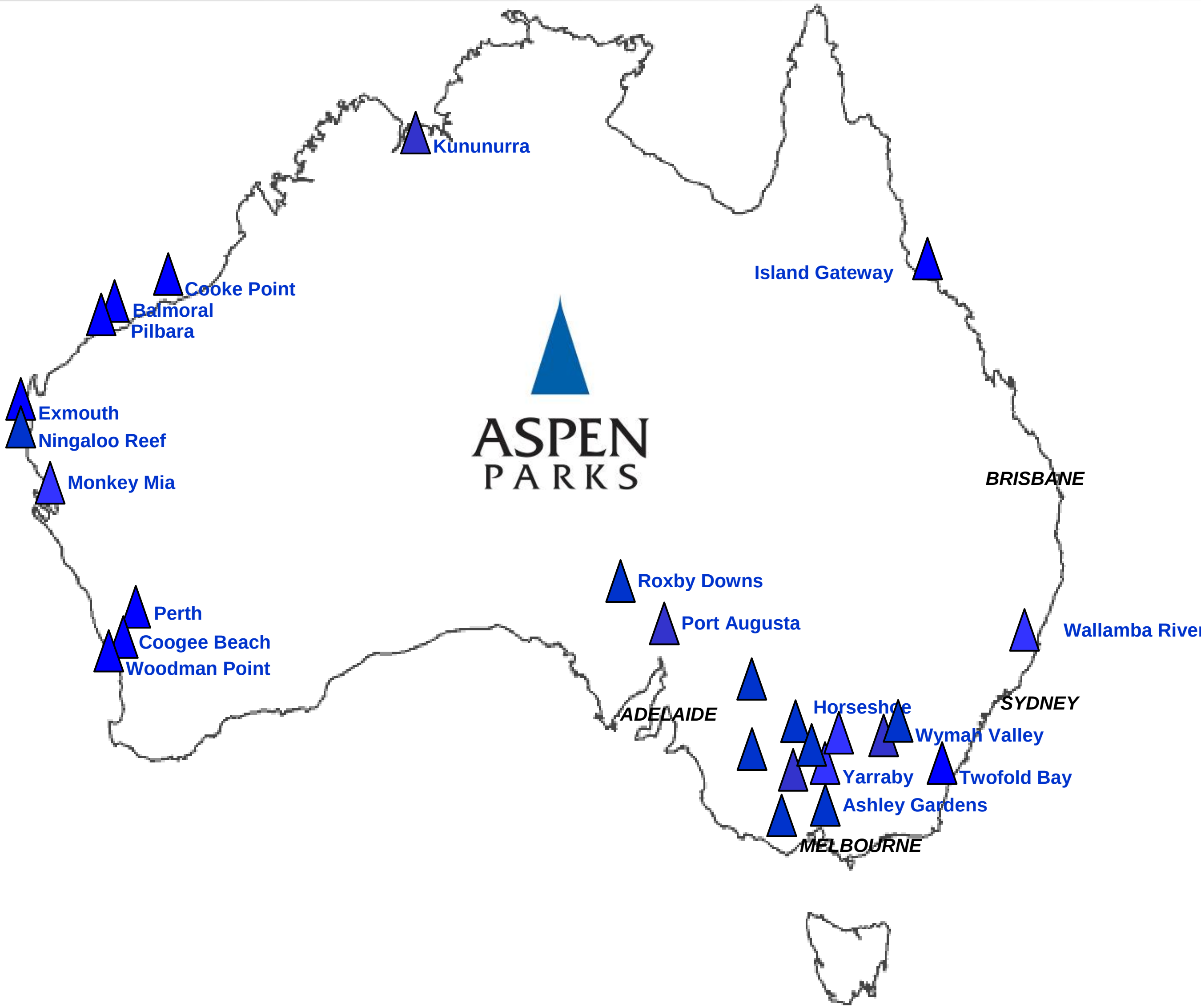
Outlook

- Launch of Aspen Parks wholesale to broaden distribution base
- Further re-development potential exists in a number of parks
- Seeking further complementary and accretive acquisitions



7. Funds Management

Aspen Parks Property Fund



"Creating wealth through intelligent property investment"

7. Funds Management

Aspen Parks Property Fund

New Acquisitions 1H FY08

Myall Grove, Roxby Downs, SA
$11.5 million

Seven Park Portfolio
Victoria and New South Wales
$43.1 million

Monkey Mia
Remaining 50% share
$9.5 million

Monkey Mia

Cabin Developments

Pilbara, Exmouth,
Wymah Valley,
Wallamba River,
Geelong,
Golden River,
Horseshoe Lagoon

7. Funds Management
Aspen Diversified Property Fund

Strategy

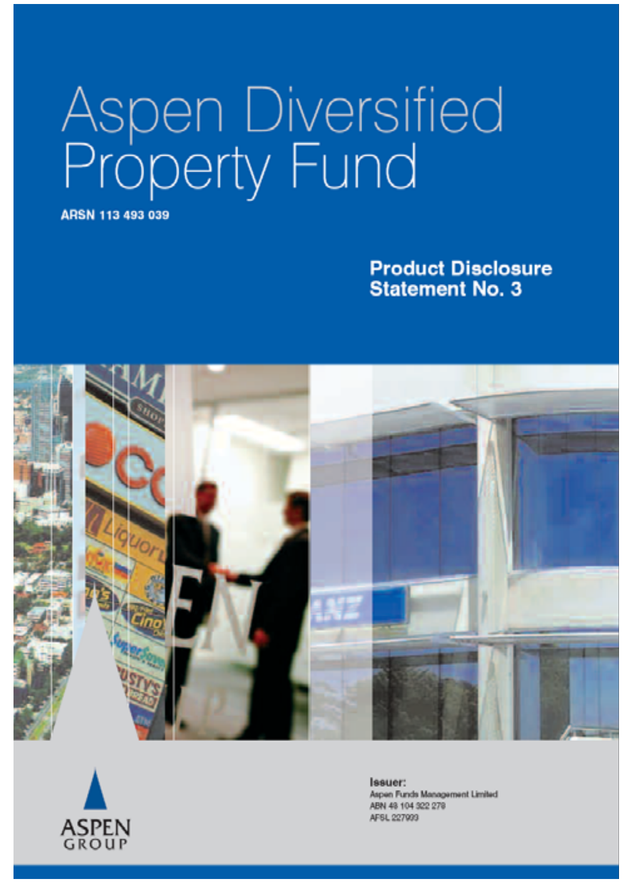
- To acquire a commercial property portfolio in the $5 – $30 million range (too large for individual investors but too small for LPTs, institutional investors)

Highlights

- Total return since inception 12.30% pa
- 3 acquisitions totalling $38 million in 1H FY08
- Strong key tenants - Pacific Brands (Holeproof), Optus, Freedom Furniture, Coles, Cook Freeze Pty Ltd, Trailcraft,
- Weighted average lease expiry increased to 4.6 years

Outlook

- Attractive yield of 8% pa paid monthly with 100% tax deferral
- Enhanced liquidity terms to facilitate broader distribution via platforms
- Continue to actively manage the portfolio to improve returns for unitholders

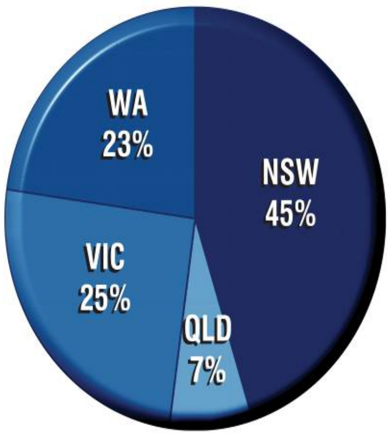


7. Funds Management

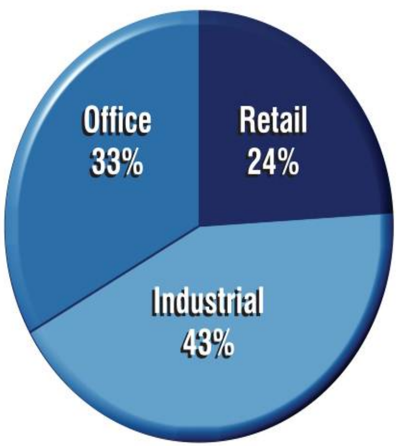
Aspen Diversified Property Fund

ASPEN GROUP

Geographic Diversification



Sector Diversification



Property	Location	Use	Acquisition Date	Book Value
5 Memorial Drive	Shellharbour, NSW	Office/ Retail	Dec 2007	$8.5m
2 Apollo Place	Lane Cove, NSW	Office	Dec 2007	$9.2m
3 Apollo Place	Lane Cove, NSW	Office	Dec 2007	$7.8 m
60 Grindle St	Wacol, QLD	Industrial	Dec 2007	$13.6m
Springvale Road	Mulgrave, VIC	Industrial	Jun 2007	$20.0m
Homemaker City	Castle Hill NSW	Retail	Feb 2006	$28.0m
Holeproof Complex	Nunawading VIC	Industrial	Dec 2005	$28.5m
Mount St Building	North Sydney NSW	Office	Dec 2005	$33.6m
Trailcraft Industrial Complex	Henderson WA	Industrial	Aug 2005	$9.1m
Abernethy Park	Kewdale WA	Industrial	Jun 2005	$11.6m
Champion Drv Retail Centre	Armadale WA	Retail	Jul 2005	$11.0m
Riseley Corporate Centre	Booragoon WA	Office	Jun 2005	$7.7m
Cardno BSD Centre	Subiaco WA	Office	Jun 2005	$5.6m
Total				$194.2m

7. Funds Management

Aspen Diversified Property Fund

Lane Cove

Wacol

Shellharbour

7. Funds Management

Aspen Living

	Aspen Dunsborough Lakes	Aspen Whitsunday Shores	St Leonards Estate	Fern Bay Seaside Village	Total
Number of Lots Remaining	1,135	800	1,108	776	3,819
Projected Gross Realisable Value ($'m)	432	255	354	244	1,285
Location	Dunsborough WA	Bowen QLD	Perth WA	Stockton NSW	
Development Timeframe (Years)	9.5	11	8	8.5	
Target IRR	20.1%	20.0%	21.8%	18.0%	

Aspen Living is also Project Manager for “Aspen Developments” residential estates, namely Byford by the Scarp and Chittering Estate which comprises circa 1,200 lots with end values in of circa $0.36 billion.

7. Funds Management
Aspen Living

Strategy

- Leverages Aspen's expertise in residential subdivision to provide attractive returns to investors and long term recurring funds management income for Aspen.
- In-house expertise used to reposition underperforming developments and increase market awareness.

Highlights

Land bank	3,819 lots
Under mgmt. for ADF No 1	1,200 lots
Total Land Bank	5,019 lots
On-completion value	$1.64 billion
Development period	0-12 years

Outlook

- To acquire advanced developments which have a short lead time to generating revenue.

Aspen Development Fund No1

Strategy

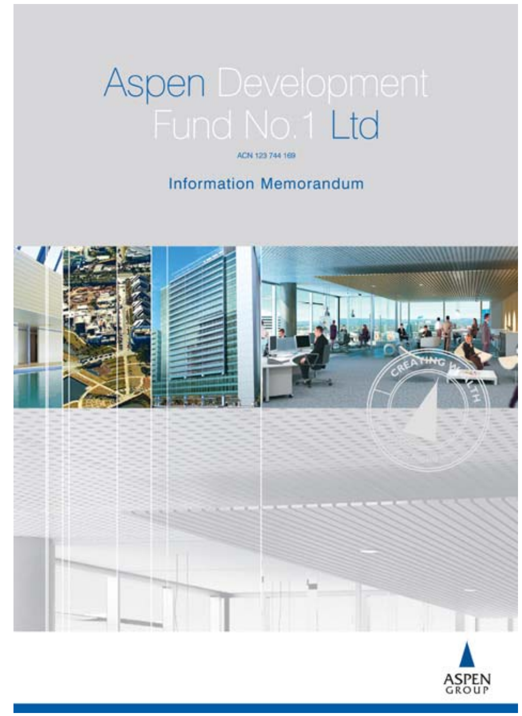
- Multi-project development fund diversified across construction, residential development, health/ retirement sectors to mitigate development risk.
- Opportunity to joint venture with institutional and sophisticated investors

Highlights

- Established May 2007 following Off market transaction
- Acquisition price of $233.7m
- 18 projects across 3 states
- Development approval received on Currumbine Retirement Village

Outlook

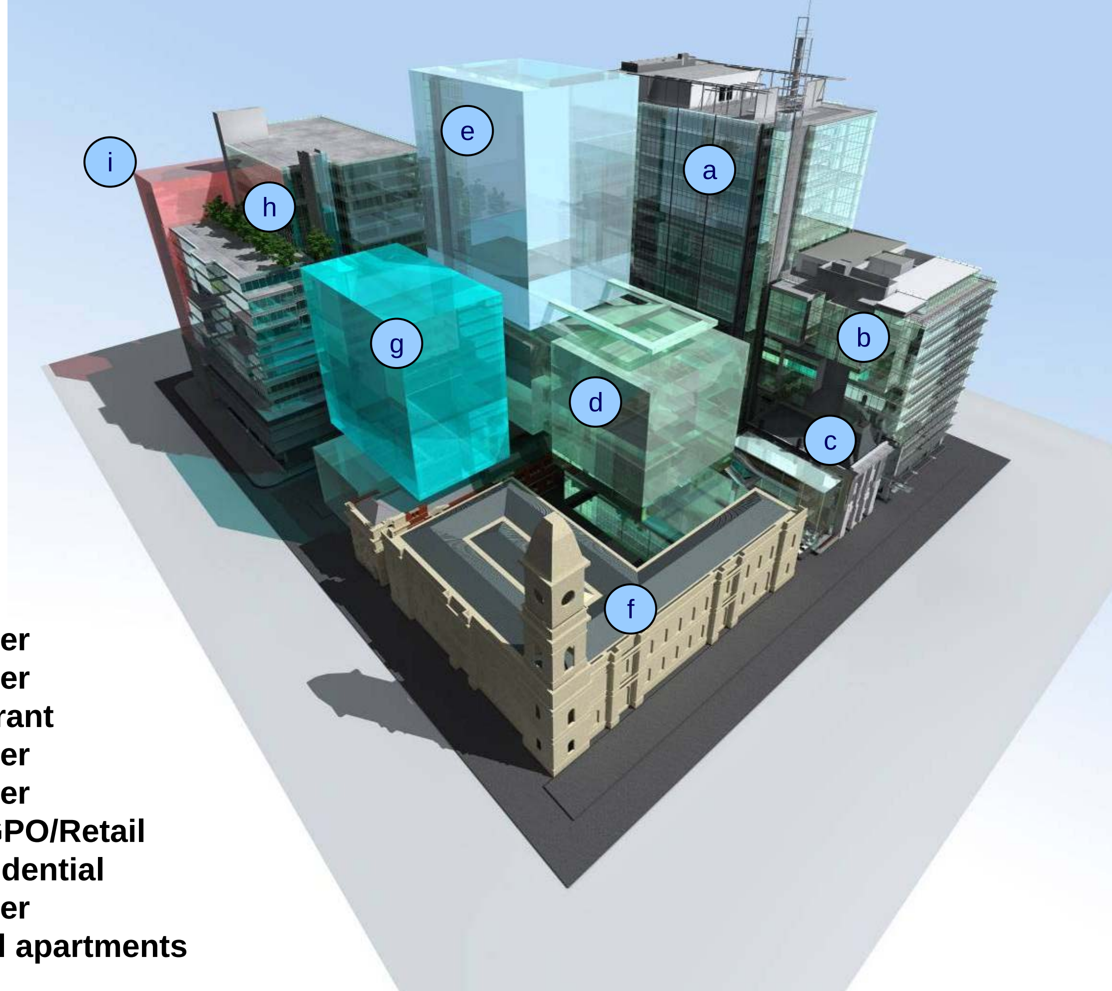
- Completion of Tower Two (13,000 sqm) in Adelaide CBD as scheduled and 90% plus leased
- Marketing commenced for pre-commitments for third Tower (37,000 sqm)
- Commencement of construction on Norwest Private Hospital
- Significant exposure to emerging Adelaide CBD market



7. Funds Management

Aspen Developments

Adelaide City Central



Key

- **a.** Office Tower
- **b.** Office Tower
- **c.** Bar/restaurant
- **d.** Office Tower
- **e.** Office Tower
- **f.** Adelaide GPO/Retail
- **g.** Hotel/ Residential
- **h.** Office Tower
- **i.** Residential apartments

7. Funds Management

Aspen Developments

Norwest Private Hospital
(artists impression)

7. Funds Management

Aspen Villages

Strategy

- Create open-ended fund to acquire, develop and manage residential accommodation villages
- Target sectors requiring affordable and/or flexible accommodation solutions with supporting services

Highlights

- Portfolio of properties has recently increased to 6 sites (currently warehoused for new fund launch) with a total contracted value of $28 million
- Locations in Port Macquarie and Tuncurry (NSW), Mornington Peninsula (VIC), Dundee Beach (NT), Mildura (Vic) and Byford (WA)

Outlook

- Launch of fund in 2H FY08
- Development to commence on three sites in 2H FY08

7. Funds Management
Aspen Communities

Strategy

- To develop built form retirement villages and aged care facilities in a sustainable community environment
- Typical sites will comprise 200-300 living units on 7-12ha land
- Utilise in-house development expertise of Aspen Developments
- Capitalise on strong and growing demand for over 55's living

Highlights

- William Marshall, previously CEO of Swancare Group joined Aspen in September 07 to head Aspen Communities
- Two sites acquired and a further three secured

Outlook

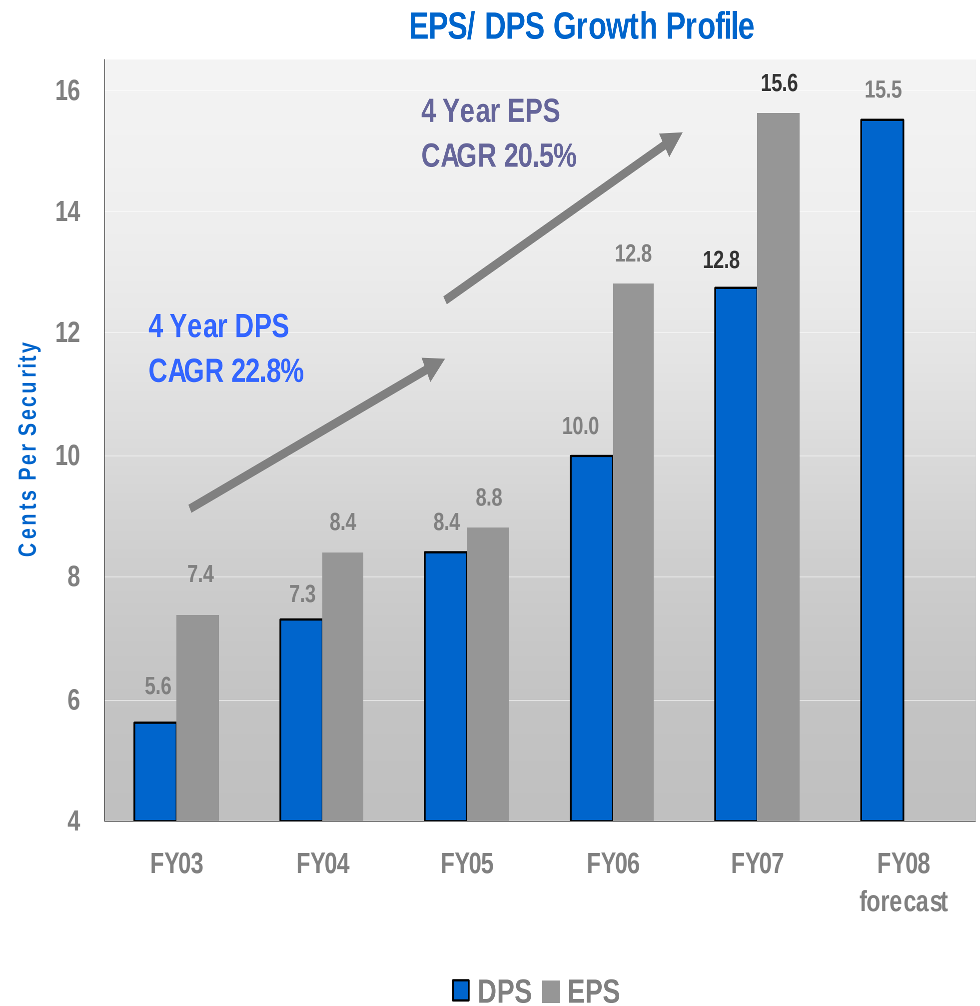
- Fund to be launched in 2H FY08

8. Summary

Underlying EPS and DPS growth has been driven by:

- Strong performance of property portfolio through astute acquisitions and active asset management
- Growth in funds management through astute entry into several growth property sectors eg. parks & retirement living
- Expanded national retail and wholesale distribution network

Distribution increased Sept 07 quarter to 3.875 cps (15.5cps annualised)



9. Outlook

- 9.4% distribution yield at current security price of $1.64. (Distribution expected to be comfortably met by full year underlying earnings)
- Sound rental income stream from property portfolio (not reliant on asset disposals)
- Growing level of recurring income from existing funds under management complemented by new funds management initiatives
- Strong capital management with further reduction in gearing to circa 20% on sell down of new fund equity
- Balance sheet well positioned to take advantage of selective new opportunities
- Continuing expansion of retail and wholesale distribution channels
- Wholesale Parks Fund, Diversified Offer Document No 3 and Aspen Select Fund to facilitate distribution growth
- Launch of Aspen Villages and Aspen Communities funds on the back of seed assets

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All references to dollar amounts are in Australian currency unless otherwise stated.

Appendix 1 Financial Summary

Income Statement

		HY08 ($M)	HY07 ($M)
Income	Rental income	16.14	14.44
	Funds management	14.46	7.20
	Property revaluations & Other	36.94	48.52
	Financial Income	4.87	2.28
	Share of profit of associates	2.24	2.89
Total Income		**74.65**	**75.33**
Expenses	Direct property expenses	4.67	4.49
	Administrative expenses	1.97	0.89
	Employment expenses	6.15	2.28
	Caversham employment expenses	1.30	-
	Share option expenses	1.50	0.40
	Financial expenses	5.64	4.85
	Other expenses	0.78	0.51
Total Expenses		**22.01**	**13.42**
Profit Before Tax		**52.64**	**61.91**
	Income Tax Expense	(3.38)	(6.85)
Profit After Tax		**49.26**	**55.06**

Appendix 2 Property Portfolio
Office

St. Kilda Rd, Melbourne

Building Area	8,470 sqm plus 173 car parking bays
Tenants	L'Oreal
Occupancy	100%
Book Value	$31.9 million

Alcoa Office Building, Perth

Building Area	7888 sqm plus 230 car bays
Tenants	Alcoa of Australia Limited
Occupancy	100%
Book Value	$28.9 million

55 Currie Street, Adelaide

Building Area	25,655 sqm plus 95 car parking bays
Tenants	Department of Immigration and Multicultural Affairs, Centrelink
Occupancy	99%
Book Value	$93.5 million

Septimus Roe Square, Perth

Building Area	16,883 sqm plus 126 car bays
Tenants	38 tenants including BankWest, Subway, Dome Cafe, Sun, State Police Connel Wagner, Commonwealth Gvt.
Occupancy	100%
Book Value	$93.9 million

33 York Street, Sydney

Building Area	539 sqm plus 3 car bays
Tenants	Aspen Group
Occupancy	100%
Book Value	$3.2 million

Appendix 2 Property Portfolio

Office Update

Currie Street

- Re-valued to $93.5m as a result of yield compression in the Adelaide commercial market and increased leasing activity in the building
- Take up of vacant area by existing tenants
- Occupancy increased from 88% to 99%

Septimus Roe Square

- Strong Perth CBD office market and aggressive leasing has lifted occupancy to 100%
- Forecourt re-development completed. New tenants include Dome Café, Australia Post and Subway, significantly adding to building's appeal

St Kilda Road

- L'Oreal 10 year lease over 50% of building to commence March 2008

Alcoa Office Building

- Additional 9,000sqm office site approved for development and approval for a mixed use apartment complex

Appendix 2 Property Portfolio

Industrial

Elders Woolstores, Fremantle

Building Area	100,800 sqm
Tenant	Elders Limited (subsidiary of Futuris Limited)
Occupancy	100%
Book Value	$57.5 million

Noble Park. Melbourne

Building Area	42,747 sqm plus 400 parking bays
Tenants	AEP Industries and Palazzo Distribution Services, UR1 International
Occupancy	89%
Book Value	$25.0 million

Rocklea, Brisbane

Building Area	14,555 sqm plus 150 car bays
Tenants	Acme Fine Furniture
Occupancy	100%
Book Value	$11.3 million

Property Portfolio

Industrial Update

Elders Woolstores

- Substantial increase in surrounding land values and redevelopment activity of both light industrial and residential enhances appeal as a redevelopment site

Noble Park

- Noble Park/Melbourne industrial market remains firm

Rocklea

- Recent rezoning of neighbouring land to mixed use raises the possibility of alternative future redevelopment potential

Appendix 2 Property Portfolio

Retail

ASPEN GROUP

Garden Town, Toowoomba

Building Area	12.434sqm plus 750 car bays
Tenants	Super IGA Supermarket, two sub-major and multiple speciality tenancies
Occupancy	90%
Book Value	$35.0 million

- Tenant re-mix opportunities to be pursued
- Food court redevelopment planned