



Aspen Group

2015 Full Year Results Presentation

August 2015

Agenda



1. Strategy progress
2. Financial results
3. Business update
4. FY16 priorities

Appendix



1. Strategy progress

FY15: Delivering on business strategy



Strategic focus

- Aspen is now substantially a pure-play accommodation business
- Strong thematic: demographics; affordability; public policy
- Attractive asset pricing

Accommodation operations

- Strong performance in core residential / short-stay portfolio offset by weakness in the resources sector
- Karratha Village re-leased for further two years
- Focus on both driving revenue and cost discipline

Accommodation portfolio growth

- Aspen holds 42% of Aspen Parks Property Fund (APPF)
- \$48m acquisitions at weighted yield of 10.0% (pre costs)
- Continuing acquisition momentum
- Acquisitions weighted to permanent residents
- Manufactured housing development underway

Non-core asset sales

- \$108m of non-core asset sales announced or settled
- Spearwood South only material non-core asset remaining

FY15: Delivering on business strategy



Financial performance

- FY15 group overheads reduced by a further 35% over FY14, reflecting strong cost focus
- Operating profit of \$10.2m
- NAV per security \$1.26 – negatively impacted by devaluation of resources properties and Spearwood South

Disciplined capital management

- Strong balance sheet – 30 June 2015 look through gearing 22.5%
- Debt refinanced for both Aspen Group and APPF, increasing facility limits and extending maturities to September 2017
- Securities buyback completed at average price of \$1.25
- Completion of APPF entitlement offer

Attractive and growing distributions

- FY15 distribution of 9.0 cents per security consistent with guidance
- FY16 distribution guidance of at least 9.4 cents per security (+4.4%)
 - 1H FY16 distribution guidance of 4.6 cents per security

Aspen Group has been refocused to deliver a clear and consistent business strategy

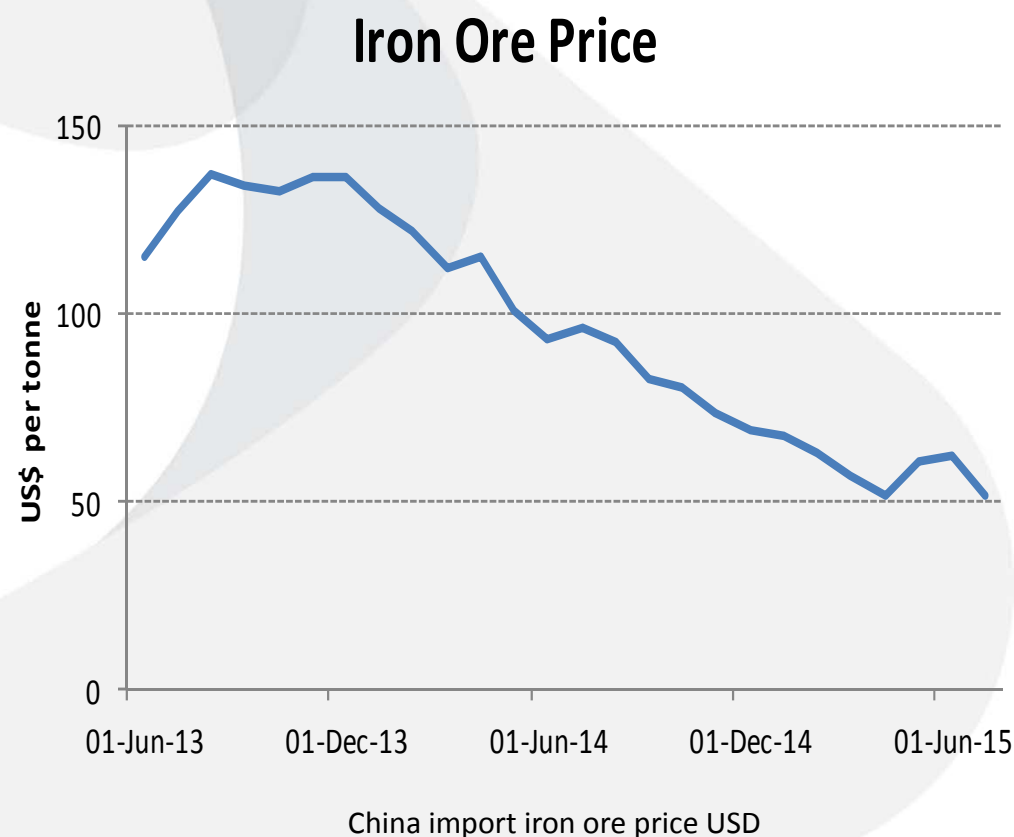
Restructured		Refocused	Optimise and reinvest
2012	2013	2014	2015 YTD
❖ Board restructure and appointments ➤ Hugh Martin ➤ Clive Appleton ➤ Guy Farrands ❖ Strategic review commenced ➤ exit from funds management business ➤ commence non-core assets disposals and business simplification ❖ Capital management ➤ Aspen Group \$101.4m entitlement offer ➤ Debt restructure	❖ Senior management appointments ➤ CEO and MD: Clem Salwin ➤ CFO: Adam Marrs Ekamper ❖ Strategic review completed ➤ announced focus on value for money accommodation sector ❖ On-market buyback announced ❖ AKV lease extended for two years until 2016	❖ Sale of majority of non-core assets ➤ ATO Adelaide office building and ACC site ➤ Septimus Roe office, Perth ➤ Noble Park ❖ Debt facility refinanced for APPF ❖ APPF \$41.2 million entitlement offer ❖ Recommence acquisitions ➤ Harrington Holiday Park (NSW) - APPF	❖ Commenced manufactured housing development ❖ Acquisition of three parks ➤ Australiana (QLD) - APPF ➤ Ballina (NSW) - APPF ➤ Tomago (NSW) – Aspen Group ❖ Acquisition of two MHEs – Aspen Group ➤ Four Lanterns Estate (NSW) ➤ Mandurah Gardens Estate (WA) ❖ John Carter appointed to board ❖ Non-core asset sales ➤ three North West WA resorts ➤ c.50% of Spearwood industrial estate ❖ AKV 2 year lease extension to 2018 ❖ Debt facility refinanced for Aspen Group

Sale of approximately \$500 million of non-core assets in some 35 transactions

Business transition complete; strategic focus has shifted to optimising operations and portfolio growth

Strategic transition in face of significant headwinds

- ❖ Exceptionally challenging environment of the severe downturn in the resources industry
- ❖ Operating results, excluding our resource exposure, have been solid
- ❖ However, the impact of the resources cycle has been very marked on our properties serving that industry, in terms of both earnings and values

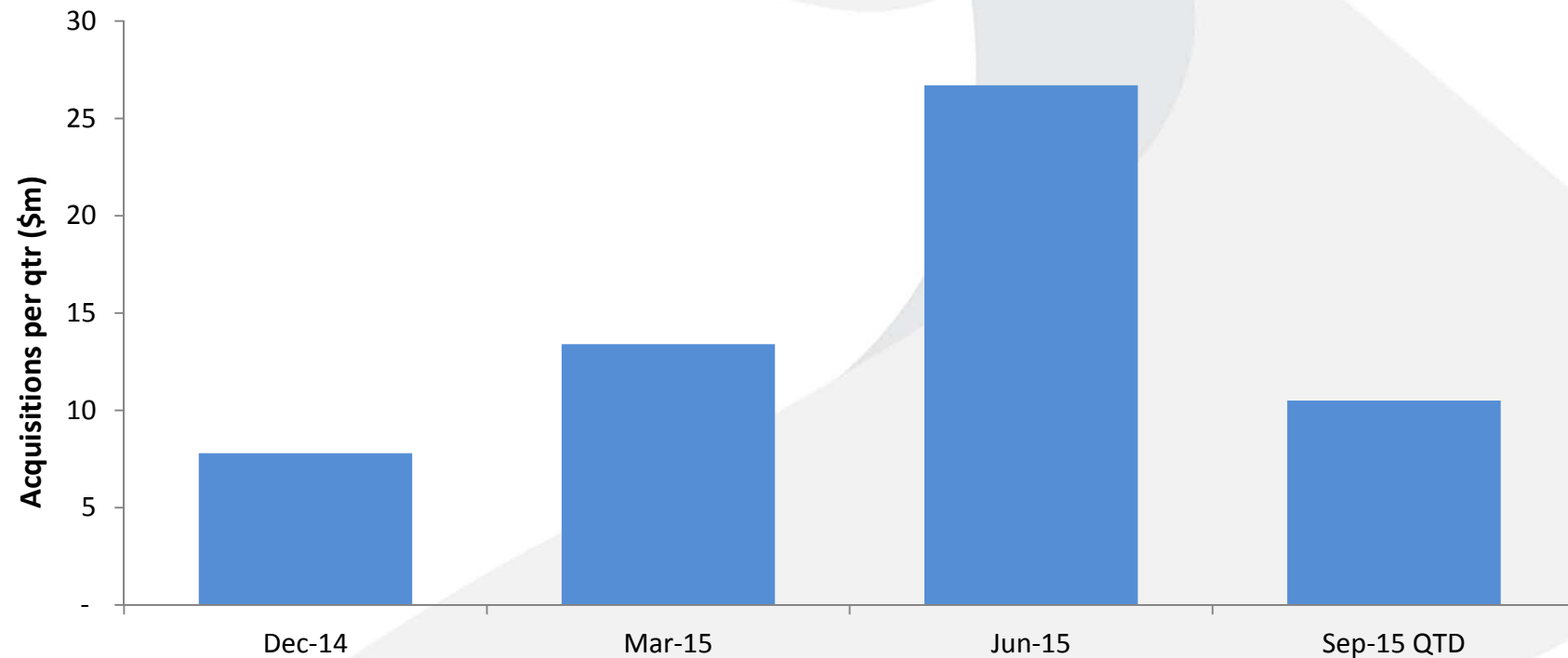


Acquisitions momentum, with disciplined capital allocation



Continue to see attractive opportunities

Acquisitions by quarter¹



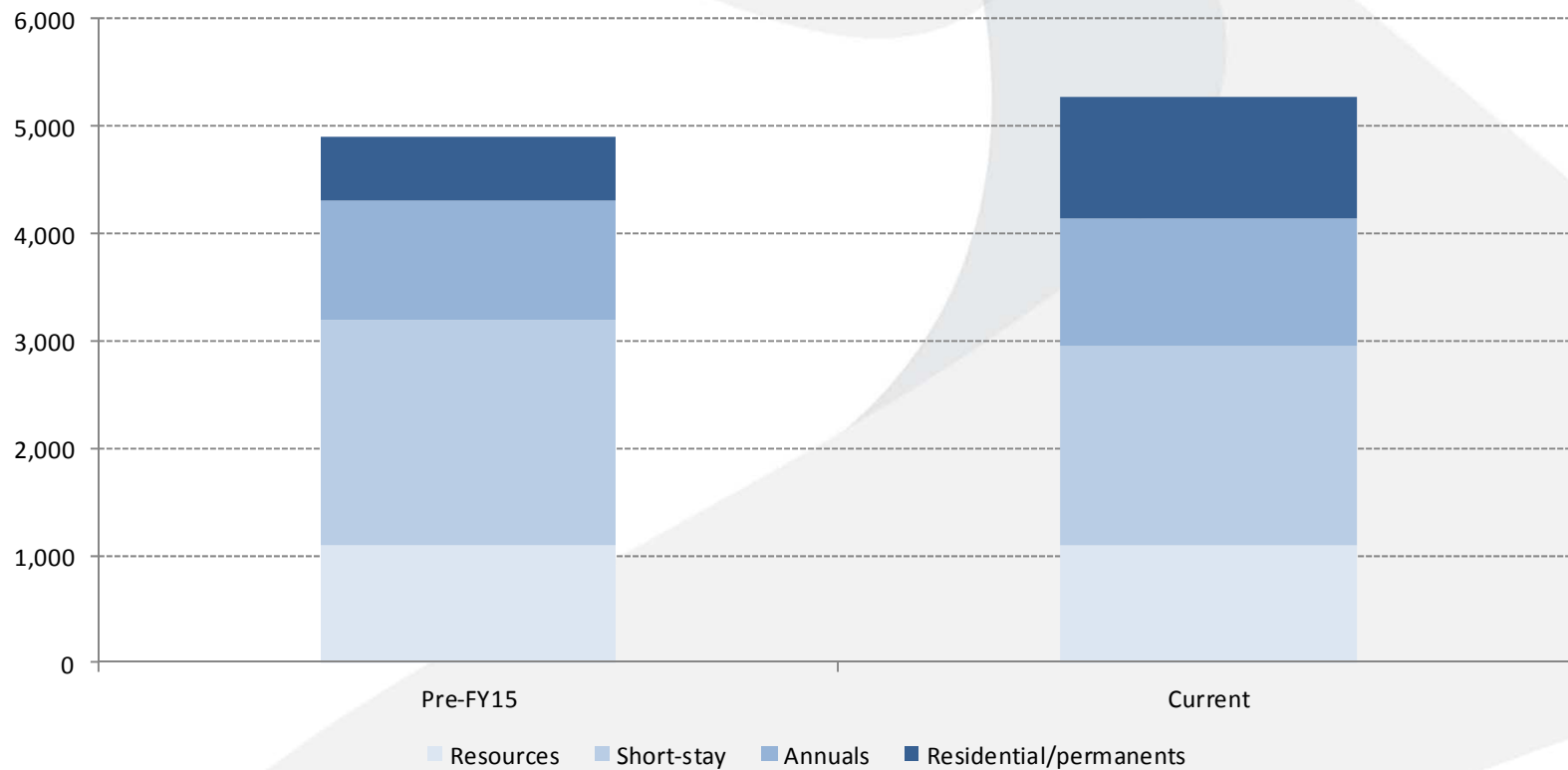
¹ Consolidated portfolio (inclusive of APPF)

Shift to permanent residential



- ❖ Portfolio has been shifting towards residential/permanents
 - Acquisitions have been 56% residential/permanents
 - Sale of short stay resort-style assets in north-west WA

Portfolio composition^{1,2}



¹ Proforma for three north-west WA properties conditionally sold, excluding FY15 acquisitions

² Including Tomago Van Village, settled on 19 August

Non-core asset sales largely complete



\$108.4 million of non-core asset sales announced or settled

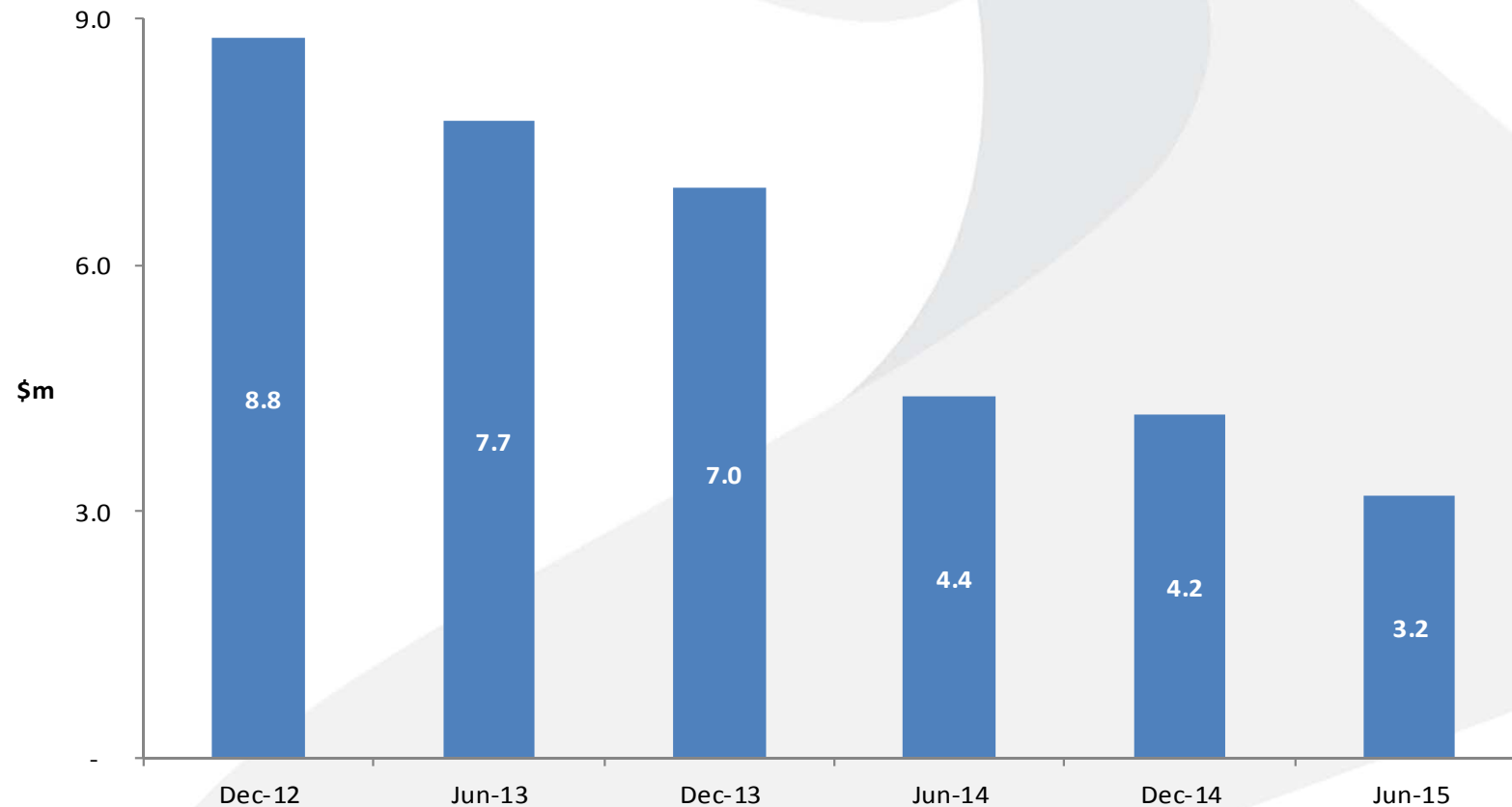
- ❖ Noble Park (\$20.7m) and Adelaide City Central (\$12.0m) settled during FY15
- ❖ Sale of Spearwood North in April 2015 (settled August 2015) for \$35.0m
- ❖ Spearwood South only material non-core asset remaining
 - Environmental reclassification complete
 - Independent valuation of \$29.0m, a reduction of \$3m in carrying value
 - Equivalent to 11% yield with a ~5 year WALE
 - Will only pursue monetisation on terms that optimise value
- ❖ All legacy developments sold or settled during FY15, except for a single unsold development asset at the Whitsundays, net \$3.0m carrying value

Further reduction in overheads



- ❖ Overheads in 2H FY15 down 24% from 1H FY15
- ❖ 2H FY15 overheads down 64% from 1H FY13 levels

Aspen Group overheads, FY13 – FY15



2. Financial results

Accommodation operating performance

- ❖ Strong performance of core residential/short stay assets
- ❖ Resource assets: further reduction in income, reflecting severe weakness in the resources sector
- ❖ Cost and yield management a key focus to drive margins

	FY15 \$m	FY14 \$m	Change %
Net income			
Residential / short stay	15.0	14.0	7%
Resources parks	4.4	6.5	(33%)
Resort properties ²	3.8	3.7	3%
Total	23.1	24.2	(4%)
Net income margin			
Residential / short stay	47%	46%	1%
Resources parks	43%	50%	(7%)
Resort properties ²	23%	21%	2%
Total	40%	39%	1%

¹Like-for-like basis, excluding AKV

²Three north-west WA properties conditionally sold

Operating earnings



	FY15 \$m	FY15 CPS	FY14 \$m
Profit / (loss) from operations			
Accommodation			
- Aspen Group properties	5.9	5.2	10.7
- APPF properties	15.8	13.9	0.0
- APPF management fees / equity	1.1	1.0	5.0
Commercial / industrial	6.9	6.1	15.2
Development and other	0.8	0.7	(4.3)
Total revenue	30.4	26.9	26.6
Operating expenses	(11.6)	(10.2)	(10.6)
Financial expenses	(4.7)	(4.1)	(1.3)
Operating profit before tax	14.2	12.5	14.7
Income tax expense	0.0	0.0	0.0
Operating profit after tax	14.2	12.5	14.7
Non-controlling interest ¹	(4.0)	(3.6)	0.0
APZ share of operating profit after tax	10.2	9.0	14.7
APZ distributions	10.2	9.0	13.8

¹Relating to APPF investors

Statutory performance



	FY15 \$m	CPS	FY14 \$m
Operating profit	14.2	12.5	14.7
Residential / short stay revaluations	4.0	3.5	(2.3)
Resource property revaluations	(29.0)	(25.6)	(14.8)
Non-core revaluations	(3.0)	(2.7)	(66.7)
Acquisition cost impairment	(3.4)	(3.0)	0.0
Administration and relocation costs	(3.7)	(3.3)	0.0
Financial expenses (mark to mark of interest rate swap)	(2.0)	(1.8)	(0.3)
Other statutory amounts	(2.9)	(2.6)	(0.3)
Total comprehensive loss for the year before tax	(25.9)	(22.9)	(69.7)
Tax benefit / (expense)	0.0	0.0	(12.1)
Total comprehensive loss for the year after tax	(25.9)	(22.9)	(81.8)
Revaluation through capital reserve ⁽¹⁾	(6.3)	(5.6)	0.0
Loss on sale of withdrawal offer ⁽²⁾	0.5	0.5	0.0
Statutory loss after tax	(31.7)	(28.0)	(81.8)
Non-controlling interests ¹	4.9	4.4	0.0
Statutory loss after tax attributable to Aspen Group	(26.8)	(23.7)	(81.8)

¹Relating to APPF investors

Balance sheet



	30-Jun-15 \$m	30-Jun-14 \$m
Cash	23.3	44.7
Property, plant and equipment	209.8	1.4
Goodwill	12.0	0.0
Assets held for sale	108.5	115.2
Investment properties / equity investment	0.0	49.2
Other	8.9	11.2
Total assets	362.4	221.7
Borrowings	141.9	26.7
Subsidiary liabilities held for sale	0.6	3.9
Other	23.9	11.4
Total liabilities	166.4	42.0
Net assets	196.1	179.7
Non-controlling interests ¹	(55.3)	0.0
Unrecognised property value (e.g. goodwill)	1.7	0.0
Net assets attributed to Aspen Group	142.5	179.7
NAV per share	1.26	1.50
Gearing	35.1%	Nil
Look through gearing	22.5%	Nil

Note: June 2015 consolidates APPF into Aspen Group

¹Relating to APPF investors

Valuation movements



- ❖ Short stay properties showed an increase over the half-year of \$3.3m
- ❖ Resource parks continued to be weak, down \$6.4m, over the half year, reflecting lower income
- ❖ Aspen Karratha Village (AKV) down \$4.5m
 - Two year lease extension to January 2018 for 83% of rooms provides income security
 - The new valuation represents 12% yield based only on the income of the 83% occupancy
 - Actively seeking customers for the remaining rooms

Asset valuation ¹	Jun-15 \$m	Dec-14 \$m	Half-year Change \$m	Jun-14 \$m
Residential/short-stay	138.3	135.0	3.3	131.3
Resource properties				
AKV	22.0	26.5	(4.5)	38.5
Other 4 resource parks	19.9	26.3	(6.4)	33.2
Resort properties ²	33.7	33.7	-	35.0
Total	213.9	221.5	(7.6)	238.0

¹ Like-for-like basis, consolidated portfolio (inclusive of APPF)

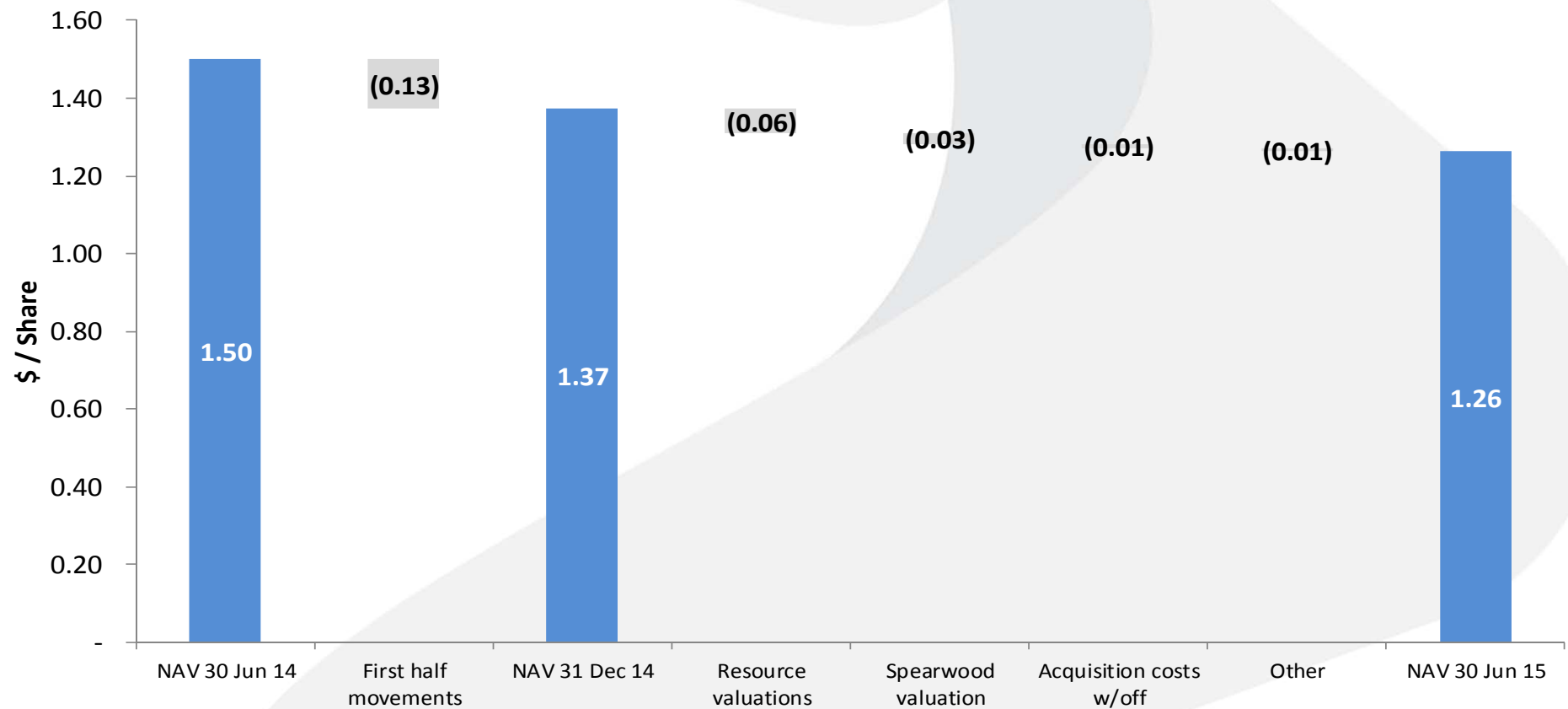
² Three north-west WA properties conditionally sold

NAV per security



Decline in NAV of \$0.11 per security over 2H FY15

Movement in NAV per security, FY15



3. Business update

Business priorities



1. Improving operational performance:

leveraging deep operational expertise

2. Prudent development growth:

significant potential within the portfolio

3. Disciplined portfolio acquisitions

consistent investment criteria

4. Conservative capital management:

Disciplined use of capital

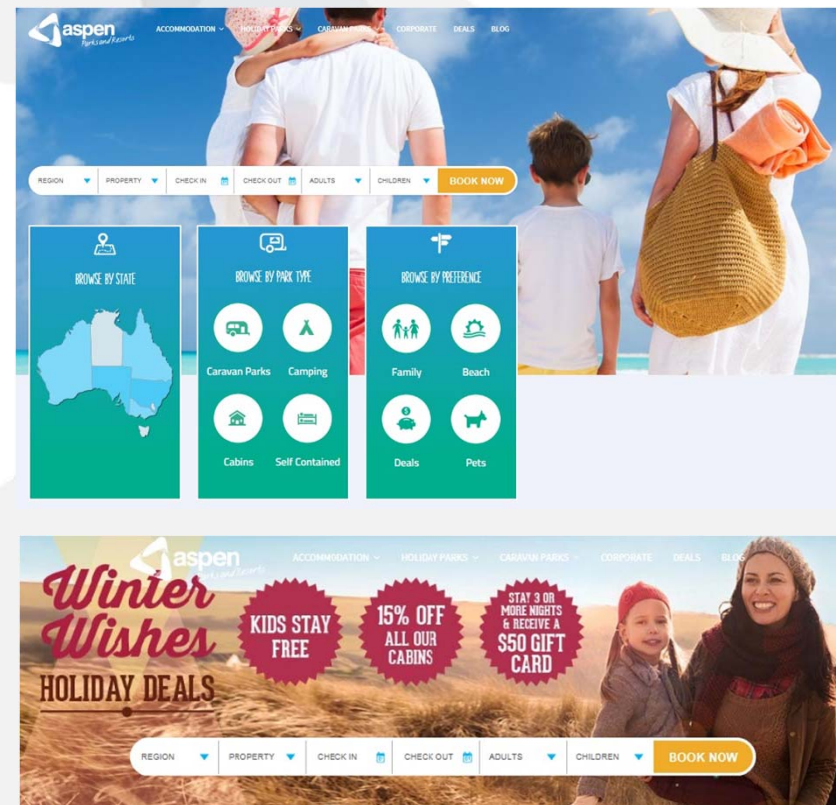
1. Improving operational performance

Operational focus

Building on over 11 years of management experience

- ❖ Focus on driving revenue gains and cost efficiencies
- ❖ New customer website launch in June 2015 as part of upgraded digital strategy, and broadening distribution channels
- ❖ Yield management to optimise revenue
- ❖ Greater standardisation across the business
 - Supplier efficiencies with scale
 - Cluster management

New customer website



1. Improving operational performance

Selective operational development

- ❖ Nearly \$5.0m in capex underway
- ❖ Occupancy and rate growth drive strong expected returns on capital employed

Dubbo Parklands

- ❖ 4 three bed cabins underway, to cater to family market
- ❖ Working closely with NSW Government: \$500,000 grant partially funded new water playground
- ❖ Completion due September 2015



Ashley Gardens

- ❖ Spare land at central Melbourne property
- ❖ DA lodged to add 14 three bedroom cabins
- ❖ Two-level product to optimise land use
- ❖ Expected completion 3Q FY16

2. Prudent development growth

Creating value from development

- ❖ Multiple approaches to manufactured housing development
 - Upgrade of existing residential sites
 - Conversion of short-stay sites
 - Utilisation of additional land on properties
- ❖ Key development characteristics
 - Relatively capital light
 - Relatively quick cycle
- ❖ Focus is on improving income quality and security by creating annuity land rental

2. Prudent development growth

Growing development pipeline

- ❖ Manufactured housing development commenced in FY15
 - 3 settled in FY15; as at 30 June 2015, 6 in stock and 7 under construction, across multiple properties
 - Continuing “flow” development
- ❖ DAs submitted, or in process, for expansion of over 200 sites, utilising additional land at the properties
 - Four Lanterns
 - Shady River
 - Perth Vineyards
- ❖ Master planning underway at an additional 4 properties

3. Disciplined portfolio acquisitions

Key investment thematic

- ❖ Strong recurring income yield
- ❖ Metropolitan, major population centres and existing clusters
- ❖ Development/expansion upside opportunities
- ❖ Recent acquisitions reflect these key themes
 - Permanent residential - Mandurah Gardens, Perth; Four Lanterns, Sydney
 - Mixed (permanent + short-stay) – Tomago, Newcastle; Ballina Lakeside; Australiana, Hervey Bay
 - Short-stay with permanent potential - Harrington, NSW
- ❖ Continue to see acquisition opportunities that meet our investment criteria
 - Reflects highly fragmented nature of the industry



Mandurah Gardens Estate, WA

3. Disciplined portfolio acquisitions



Acquisition case study: Four Lanterns

Low risk acquisition

- ❖ Mature park: 100% occupancy, 100% permanent
- ❖ Minimal short-term capex requirements
- ❖ Strong demographics in surrounding catchment area: Sydney median house prices, population approaching or in retirement
- ❖ Part of Leppington town centre and new public infrastructure, including rail



Attractive development upside

- ❖ Many older style homes nearing the end of their useful lives
- ❖ Potential to unlock significant expansion of about 25% (subject to approval)
- ❖ Enhancement of park presentation to deliver improved yields



4. Conservative capital management



Commitment to capital discipline

- ❖ Reallocating capital from the weak resources sector to stronger demand for affordable housing in Perth
 - Process will continue as approvals achieved
- ❖ Sale of three north-west WA resort-type assets for \$34m to focus capital “on-strategy”
- ❖ Strong balance sheet position
 - 30 June 2015 look through gearing 22.5%
 - Pro forma¹ current look through gearing 14.5%
 - Standalone Aspen Group current pro forma¹ is net cash \$9.9m
 - Significant capital to potentially deploy



¹ Post settlement of Spearwood North and Tomago



4. FY16 priorities

Priority action points for FY16



- ❖ Positive industry thematics – Aspen is well placed
- ❖ Drive operational returns – revenue generation and cost discipline
- ❖ Manufactured housing development – execute and expand pipeline to create annuity rental streams
- ❖ Acquisitions– actively reviewing a number of attractive opportunities
- ❖ Spearwood South – optimise value
- ❖ Growing distributions - FY16 guidance of at least 9.4 cents per security (+4.4%)
 - 1H FY16 distribution guidance of 4.6 cents per security



Aspen Group

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Appendix A: the Aspen business

Substantially pure play accommodation following strategic refocus



Portfolio composition over time¹

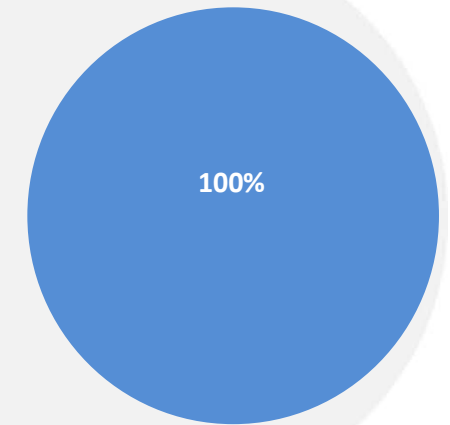
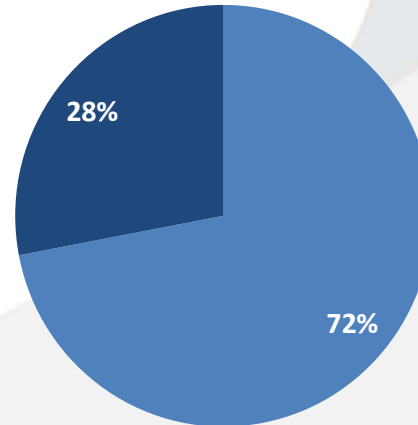
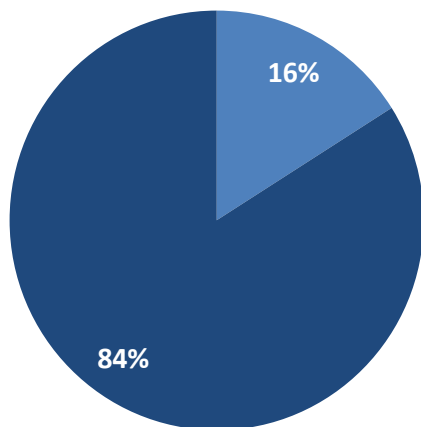
30-Jun-13

30-Jun-15²

Strategic objective

Sale of non-core assets

Acquisition of accommodation parks

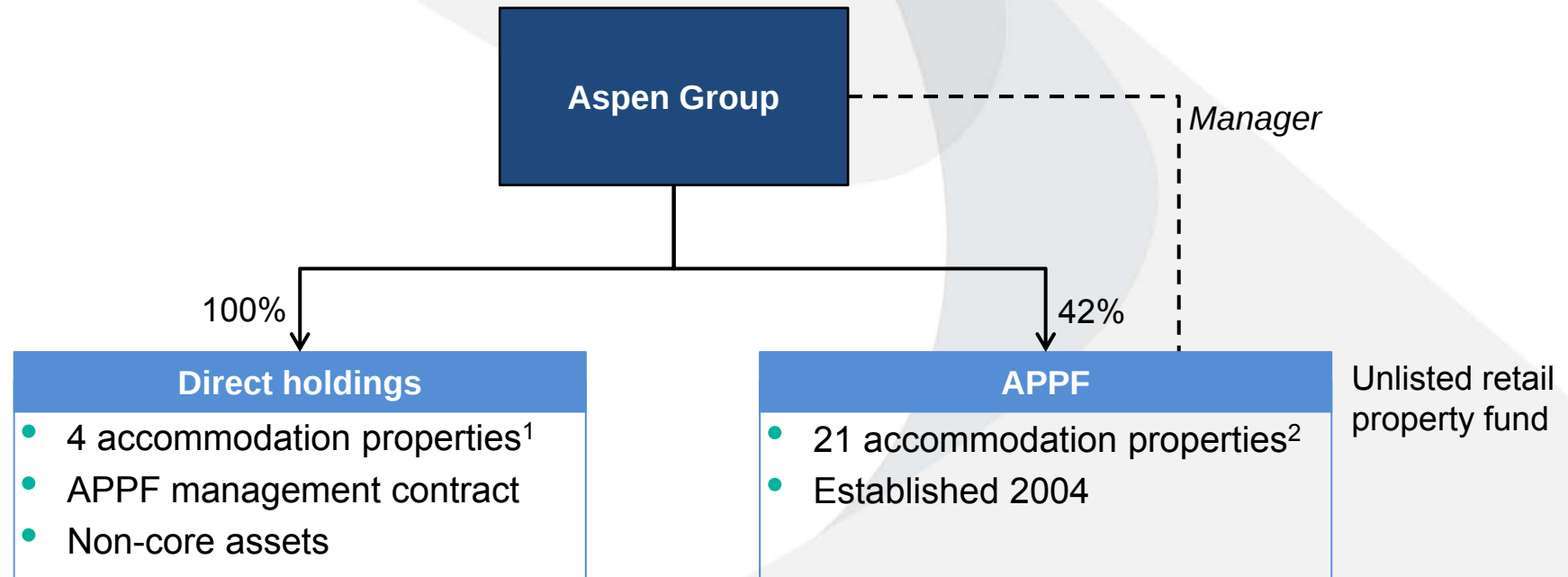


■ Accommodation ■ Non-accommodation

¹ Consolidated portfolio (inclusive of APPF)

² 30 June 2015 pro forma for sale of Spearwood North, conditional sale of three WA properties and acquisition of Tomago Van Village

Business structure



¹ Includes Tomago Van Village acquired post 30 June 2015

² Excludes three WA properties conditionally sold

Business activities



Aspen's mix of revenue across segments of “value for money” accommodation to diversify and improve earnings quality

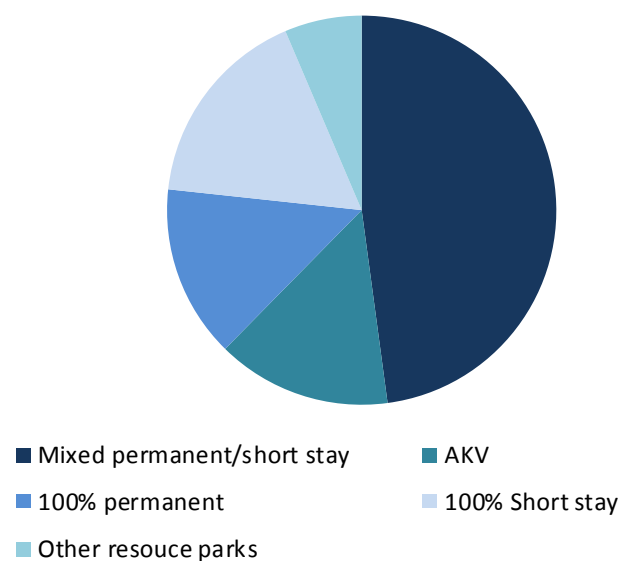
Aspen Group core revenue sources



Accommodation portfolio^{1,2}

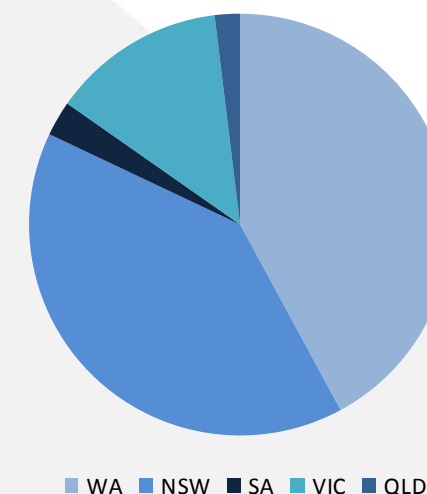


Carrying value split by property type³



	Value (\$m) ³	% overall	# of sites
Mixed permanent/short stay	63.6	44%	3,137
100% short stay	18.9	16%	447
100% permanent	18.7	16%	582
AKV	22.0	18%	180
Other resource parks	8.4	7%	923
Total	131.6	100%	5,269

Carrying value split by state³



¹ Excludes three WA resort properties conditionally sold

² Includes Tomago Van Village acquired post 30 June 2015

³ Aspen Group proportionate exposure value

Accommodation portfolio^{1,2}



Consolidated accommodation portfolio comprises 25 accommodation parks and MHEs across Australia with over 5,000 cabins and sites

Western Australia

Property	Carrying value (\$m)	Cap rate (%)
16 Balmoral	1.2	10.8
17 Cooke Point	8.1	36.2
18 Karratha Village	22.0	21.0
19 Pilbara	7.9	16.5
20 Coogee Beach	6.5	19.2
21 Mandurah	10.7	9.3
22 Perth Vineyards	14.7	10.9
23 Woodman Point	13.0	11.5
Total / Average	84.1	17.4

South Australia

Property	Carrying value (\$m)	Cap rate (%)
24 Myall Grove	2.7	16.2
25 Port Augusta	5.7	13.8
Total / Average	8.4	14.6

Over 5,000 sites

- ❖ 2,256 permanent/annual sites
- ❖ 3,013 short stay sites

○ Aspen Group asset

□ Resource property

Queensland

Property	Carrying value (\$m)	Cap rate (%)
1 Australiana	6.0	11.3

New South Wales

Property	Carrying value (\$m)	Cap rate (%)
2 Ballina	17.2	9.0
3 Dubbo	11.3	10.2
4 Four Lanterns	8.0	8.3
5 Harrington	8.3	13.0
6 Horseshoe	8.5	12.8
7 Maiden's Inn	15.0	12.2
8 Shady River	5.8	12.7
9 Tomago	11.2	9.3
10 Twofold Bay	6.5	10.3
11 Wallamba River	9.1	9.9
Total / Average	100.9	12.0

Victoria

Property	Carrying value (\$m)	Cap rate (%)
12 Ashley Gardens	20.3	10.3
13 Boathaven	7.8	15.1
14 Geelong	3.2	23.0
15 Yarraby	10.2	11.3
Total / Average	41.5	12.4

¹ Excludes three WA resort properties conditionally sold

² Tomago Van Village acquired post 30 June 2015

Aspen Group direct portfolio



Property	Segment / Accommodation type	Jun-15 \$m	Carrying values		Movement	
			Jun-14 \$m		\$m	%
Four Lanterns Estate ¹	100% permanent	8.0	-		-	-
Mandurah Gardens Estate ¹	100% permanent	10.7	-		-	-
Tomago Van Village ¹	Mixed permanents/short-stay	11.2	-		-	-
Aspen Karratha Village	Resource	22.0	38.5	(16.5)	(43%)	
Spearwood	Commercial / Industrial	63.3	66.3	(3.0)	(5%)	
Upper Swan	Development	3.1	2.4	0.7	29%	
Midland	Commercial / Industrial	2.5	2.0	0.5	25%	
Aspen Whitsunday Shores (AWSS)	Development	3.0	2.4	0.6	30%	
Total		123.8	111.6	12.2	11%	

¹ Includes unrecognized goodwill

- ❖ Carrying value reductions occurred at AKV (\$16.5m) and Spearwood (\$3.0m) during FY15
- ❖ Increase in AWSS represents infrastructure works undertaken

APPF portfolio



Property	State	Accommodation type	Carrying values	
			Jun-15 \$m	Jun-14 \$m
Ballina Lakeside	NSW	Residential/short-stay	17.2	-
Harrington ¹	NSW	Residential/short-stay	8.3	-
Maiden's Inn	NSW	Residential/short-stay	15.0	14.5
Shady River	NSW	Residential/short-stay	5.8	6.0
Twofold Bay	NSW	Residential/short-stay	6.5	6.0
Wallamba River	NSW	Residential/short-stay	9.1	7.7
Australiana	QLD	Residential/short-stay	6.0	-
Boathaven	VIC	Residential/short-stay	7.8	8.0
Geelong Riverview	VIC	Residential/short-stay	3.2	2.4
Yarraby	VIC	Residential/short-stay	10.2	9.4
Coogee Beach ²	WA	Residential/short-stay	6.5	7.3
Perth Vineyards	WA	Residential/short-stay	14.7	14.0
Woodman Point ³	WA	Residential/short-stay	13.0	12.5
Horseshoe Lagoon	NSW	Residential/short-stay	8.5	8.0
Dubbo Parklands	NSW	Residential/short-stay	11.3	10.2
Ashley Gardens	VIC	Residential/short-stay	20.3	19.5
Port Augusta	SA	Residential/short-stay	5.7	5.7
Myall Grove	SA	Resource	2.7	5.3
Balmoral	WA	Resource	1.2	3.9
Cooke Point ⁴	WA	Resource	8.1	11.3
Pilbara	WA	Resource	7.9	11.2
Exmouth Cape ⁵	WA	Tourist	10.1	10.3
Monkey Mia ⁵	WA	Resort	14.6	14.9
Ningaloo Reef ⁵	WA	Resort	9.4	10.1
Total			223.3	198.2

¹Harrington includes unrecognised acquisition costs \$0.6m

²Coogee Beach includes unrecognised goodwill of \$2.0m at Jun 15

³Woodman Point includes unrecognised goodwill of \$5.7m at Jun 15

⁴Cooke Point includes unrecognised goodwill at Jun 14 of \$6.0m

⁵Properties held for sale at 30 June 2015 and classified as *Discontinued assets held for sale*

Strong acquisition momentum in east coast markets: Harrington, Australiana



Harrington Holiday Park Harrington, New South Wales



Acquisition announced: 8 December 2014
Purchase price: \$7.8 million
Initial yield: 12.9%

Harrington Holiday Park is located on the NSW Mid-North Coast, approximately 80km south of Port Macquarie.

The park is a 315 site mixed use property, with annual rentals accounting for approximately 22% of revenue. The property is leasehold with 24 years remaining.

Australiana Holiday Park Hervey Bay, Queensland



Acquisition announced: 20 March 2015
Purchase price: \$6.0 million
Initial yield: 10.7%

Australiana is situated in Hervey Bay, 290 kilometres north of Brisbane on the Fraser Coast, and a popular town for both tourism and retirement.

Australiana is a 4.5 star AAA rated accommodation park which comprises 107 sites with a mix of two thirds short stay caravan sites and cabins, and one third permanent residents.

Strong acquisition momentum in east coast markets: Ballina, Tomago



Ballina Lakeside Holiday Park

Ballina, New South Wales



Acquisition announced: 15 May 2015

Purchase price: \$16.5 million

Initial yield: 10.0%

Ballina Lakeside Holiday Park is located immediately adjacent to Shaws Bay lagoon and approximately 500 metres from the beach. The park is a 226 site mixed use property which includes 83 permanent residential sites and 143 short stay sites on 5.44 ha of land.

Tomago Van Village

Newcastle, New South Wales



Acquisition announced: 3 August 2015

Purchase price: \$10.5 million

Initial yield: 9.3%

Tomago Van Village is located in metropolitan Newcastle, approximately 18 kilometres from the Newcastle CBD and 160 kilometres north of central Sydney.

The property has 160 sites, 136 of which are licences for long-term utilisation, with the balance being short-stay sites. There is an existing development consent for a further 24 long-term sites.

MHE acquisitions aligned to focus on 'value-for-money' accommodation



Four Lanterns Estate

Leppington, New South Wales



Acquisition announced: 13 January 2015

Purchase price: \$7.4 million

Initial yield: 7.6%

Four Lanterns Estate is located within the Leppington Town Centre, part of the major south-western Sydney metropolitan growth corridor.

Established for over 40 years, the site has 102 existing residential sites, with a 100% occupancy level. Development potential exists to increase the number of residential sites subject to Council approval.

Mandurah Gardens Estate

Mandurah, Western Australia



Acquisition announced: 22 June 2015

Purchase price: \$10.2 million

Initial yield: 9.25%

Mandurah Gardens Estate is located on the banks of the Serpentine River and is in close proximity to the regional hospital, Mandurah Forum shopping centre as well as the Mandurah beaches and restaurant precinct.

Established in 1999, it has 158 residential sites and a 100% occupancy level.



Appendix B: detailed financials

Financial highlights



Key financial metrics (\$m)	FY15	FY14	Change
Revenue	65.2	110.6	(41.0%)
Statutory Loss	(31.7)	(81.8)	62.2%
Operating Profit ¹	10.2	14.7	(30.6%)
Operating Profit (cps)	9.0	12.3	(26.8%)
Operating Cashflow	3.4	40.5	(113.6%)
Gearing	35.1%	nil	35.1%
Net Asset Value (\$ / Security)	1.26	1.50	(16.0%)
<u>Distribution per Security (cps)</u>	<u>9.0</u>	<u>11.5</u>	<u>(21.7%)</u>

¹ Operating profit attributable to equityholders of Aspen

Debt structure



❖ Simple debt structure

- Facility for each of Aspen Group and APPF
- Both refinanced during FY15, with an increase in term, and reduction in margin

Senior debt facilities	APZ	APPF
Maturity date	Sep 17	Sep 17
Total drawn debt	35.1m	107.4m
Senior debt facilities	60.0m	110.0m
LVR	32%/ 0% ¹	48% / (40%) ²
LVR limit covenant	50%	50%
Debt maturity (years)	2.3	2.3
Weighted average cost of debt	5.1%	4.7%

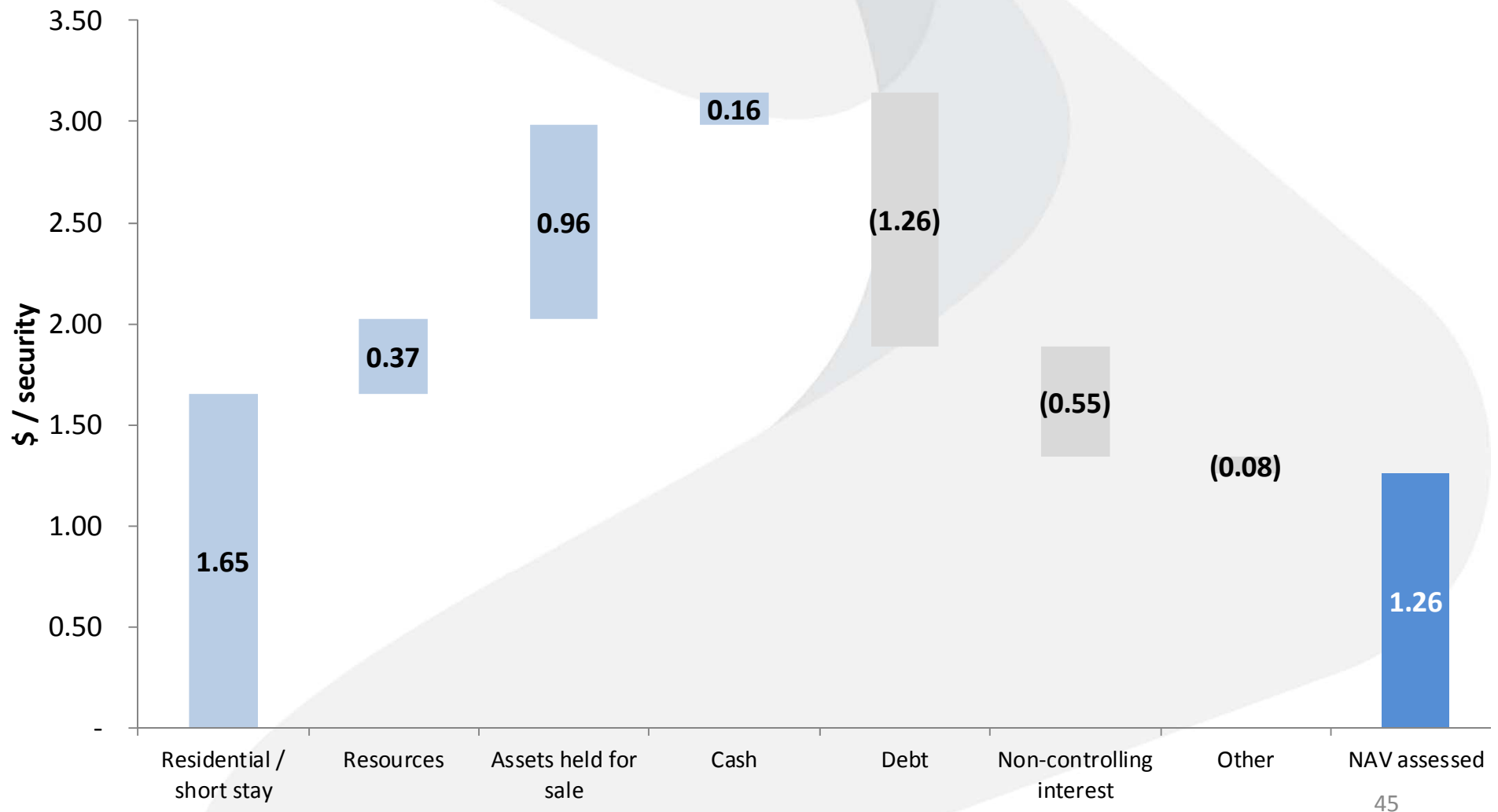
¹ APZ LVR pro forma for Tomago/Spearwood

² APPF LVR pro forma for three north-west WA properties conditionally sold

NAV per security composition



- ❖ Of the \$0.96 per security in assets held for sale, \$0.62 has been contracted for sale
 - \$0.26 pertains to the unsold half of Spearwood South



APZ operating earnings deconsolidated



APPF deconsolidated and reflected as equity accounted investment

	FY15		FY14
	\$m	CPS	\$m
Profit / (loss) from operations			
Accommodation			
- AKV	5.7	5.0	10.7
- Four Lanterns	0.2	0.2	0.0
- APPF management fees / equity	6.3	5.5	5.0
Commercial / industrial	6.9	6.1	15.2
Development and other	(0.1)	(0.1)	(4.2)
Total income	18.9	16.7	26.7
Operating expenses	(7.4)	(6.5)	(10.6)
Financial expenses	(1.3)	(1.2)	(1.3)
Operating profit before tax	10.2	9.0	14.8
Income tax expense	0.0	0.0	0.0
Operating profit after tax	10.2	9.0	14.8
APZ distributions	10.2	9.0	13.8

APZ balance sheet deconsolidated



APPF deconsolidated and reflected as equity accounted investment

	30-Jun-15 \$m	30-Jun-14 \$m
Cash	21.5	44.7
Property, plant and equipment	39.6	1.4
Goodwill	1.6	0.0
Assets held for sale	74.3	115.2
Investment properties / equity investment	45.1	49.2
Other	6.0	11.2
Total assets	188.1	221.7
Borrowings	35.1	26.7
Subsidiary liabilities held for sale	0.6	3.9
Other	9.9	11.4
Total liabilities	45.6	42.0
Net assets (NAV)	142.5	179.7
NAV per share	1.26	1.50
Gearing	8.4%	Nil
Look through gearing	22.5%	Nil

APPF operating earnings



	FY15		FY14
	\$m	CPS	\$m
Profit / (loss) from operations			
Residential / short stay	16.1	7.4	14.1
Resources	4.4	2.0	7.0
Non-core assets	3.8	1.7	4.6
Total income	24.2	11.2	25.6
Operating expenses	(5.6)	(2.6)	(5.5)
Fund management fees	(2.1)	(1.0)	(3.1)
Financial expenses	(4.9)	(2.3)	(6.5)
Operating profit before tax	11.6	5.4	10.6
Income tax expense	0.0	0.0	0.0
Operating profit after tax	11.6	5.4	10.6
APPF distributions¹	8.7	4.0	10.5

¹Distributions are paid after retaining earnings to allow for operating capital expenditure requirements

APPF profit/loss



	FY15		FY14
	\$m	CPS	\$m
Operating profit	11.6	5.4	10.7
Residential / short stay revaluations	1.7	0.8	(29.9)
Resource property revaluations	(12.2)	(5.6)	(21.7)
Non-core revaluations	(2.1)	(1.0)	(20.0)
Acquisition cost impairment	(2.3)	(1.1)	0.0
Administration and relocation costs	(1.2)	(0.5)	0.0
Financial expenses (mark to mark of interest rate swap)	(1.5)	(0.7)	(0.6)
Other statutory amounts	(0.5)	(0.2)	0.0
Total comprehensive loss for the year before tax	(6.5)	(3.0)	(61.4)
Tax benefit / (expense)	0.6	0.3	1.1
Total comprehensive loss for the year after tax	(5.9)	(2.7)	(60.3)
Revaluation through capital reserve	0.9	0.4	11.4
Total comprehensive loss for the year after tax	(5.0)	(2.3)	(49.0)

APPF balance sheet



	30-Jun-15 \$m	30-Jun-14 \$m
Cash	1.8	3.9
Property, plant and equipment	172.9	177.6
Goodwill	16.3	10.3
Assets held for sale	34.2	12.0
Other	2.9	4.9
Total assets	228.0	208.6
Borrowings	106.6	110.2
Other	14.0	12.2
Total liabilities	120.5	122.4
Net assets	107.5	86.2
NAV per share	0.4622	0.5299
Gearing	46.3%	51.4%
Look through gearing	47.8%	52.0%

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