

Property Income Fund

ARSN 094 220 498

Announcement – 6 September 2011

Leasing update

40 Allara Street, Canberra, ACT

We are pleased to report we have fully leased the remaining 3,062m² of vacant space and six car parks for four years to a Commonwealth Government tenant. The lease commenced 1 August 2011, and expires 30 June 2015.

This is a significant result for the Fund and its investors. The additional income from the new tenancy is expected to increase distributions from December 2011.

98 Ingleston Road, Wakerley, Queensland

We are pleased to report the current tenant, Consolidated Paper Industries has signed a Heads of Agreement to extend its lease by a further 12 months until 31 August 2012. The rent received by the Fund on this property will increase by 20% from 1 September 2011.

The lease extension allows either party to terminate the lease at an earlier date. The tenant may only provide this notice after December 2011, whereas we can terminate the lease at any time giving three months prior notice.

7-9 Siddons Way, Hallam, Victoria

The tenant vacated the property in May 2011. We have refurbished the office space and are actively marketing the property for lease.

For more information

We regularly provide up to date information about the Fund, including quarterly Fund Update's and Continuous Disclosure information. These contain current information about the Fund's gearing, interest cover, borrowings, fund diversification, valuation policy, related party transactions, distribution practices and withdrawal rights.

Please refer to the 'Quick Links' section of this website or contact Investor Services on **13 29 39** for copies of the documents.