

Retail Property Fund

Announcement – 29 June 2009

Property Revaluations

All of the Fund's properties were independently valued during the June 2009 quarter resulting in a net fall in value of \$33.06m or 8.54% on prior book value. The lower valuations are primarily attributed to the challenging economic environment in Australia and overseas, tightening credit markets and valuers generally adopting more conservative assumptions and higher capitalisation rates.

The revaluations in the June 2009 quarter comprised:

Property	Pre-valuation book value (\$m)	New independent valuation (\$m)	Previous capitalisation rate (%)	New capitalisation rate (%)	Variance to book value (\$m)	Variance to book value (%)
Waurin Ponds Shopping Centre Geelong, VIC	\$132.26	\$122.00	6.25%	7.00%	-\$10.26	-7.76%
Sunshine Homemaker Centre Maroochydore, Qld*	\$64.08	\$60.00	7.50%	7.75%	-\$4.08	-6.36%
Caltex Twin Service Centres Sydney to Newcastle (F3) Freeway, NSW	\$50.00	\$43.25	8.40%	10.50%	-\$6.75	-13.50%
Tamworth City Plaza Tamworth, NSW	\$44.02	\$40.00	7.25%	8.00%	-\$4.02	-9.13%
North Blackburn Square Shopping Centre North Blackburn, VIC	\$37.23	\$35.20	7.75%	8.25%	-\$2.03	-5.46%
Wendouree Homemaker Centre and Telstra Call Centre Ballarat, VIC	\$31.76	\$29.65	8.00%	8.75%	-\$2.11	-6.64%
Thornlie Square Shopping Centre Thornlie, WA	\$27.82	\$24.00	7.75%	8.50%	-\$3.82	-13.73%
Total	\$387.16	\$354.10			-\$33.06	-8.54%

The Fund's gearing ratio has changed from 49.45% as at 28 February 2009 to 54.93% as at 16 June 2009 inclusive of the change in property book values. The Fund's total gross assets stand at \$366.21m with total borrowings of \$201.17m as at 16 June 2009.

Despite challenging economic conditions, the Fund's properties continue to demonstrate sound underlying fundamentals, with occupancy at 96.93% of net lettable area as at 31 May 2009 up from 94.62% as at 28 February 2009. The strong occupancy position is underpinned by major supermarket chains Coles and Safeway (Woolworths) and petrol retailer Caltex. While capital values have not been immune to the uncertain economic environment and tight credit markets, the Fund's income position remains very strong.

Please refer to our website at australianunityinvestments.com.au or contact Investor Services on 13 29 39 for up to date information about the Fund.