



ASIF / Api Stapling July 2008



Agenda

- Background – ASIF
- ASIF's Investment in Api
- Relative Value
- Stapled Entity
- Impact on ASIF Unitholders
- Update
 - Debt
 - Distributions
- Advantages
- Timetable
- Questions



Background - ASIF

- strong underlying asset base
 - 56 Childcare Centres \$80m
 - Other direct property \$17m
 - Securities \$21m
- ASIF's NTA is ~\$2.81¹
- history of paying distributions in excess of net cash earnings
- increasing interest costs
- ASIF has been seeking earnings accretive

1. Based on 31 May 2008 unaudited Management accounts



Background – ASIF

- increasing demand for liquidity
 - Increasing number of investors seeking to sell units
 - Obligation to provide a liquidity mechanism – constitution, PDS's
- need to develop growth story – ASX listing and diversifying portfolio part of this
- historic growth driven by yield compression
- ASIF owns ~21% of Api



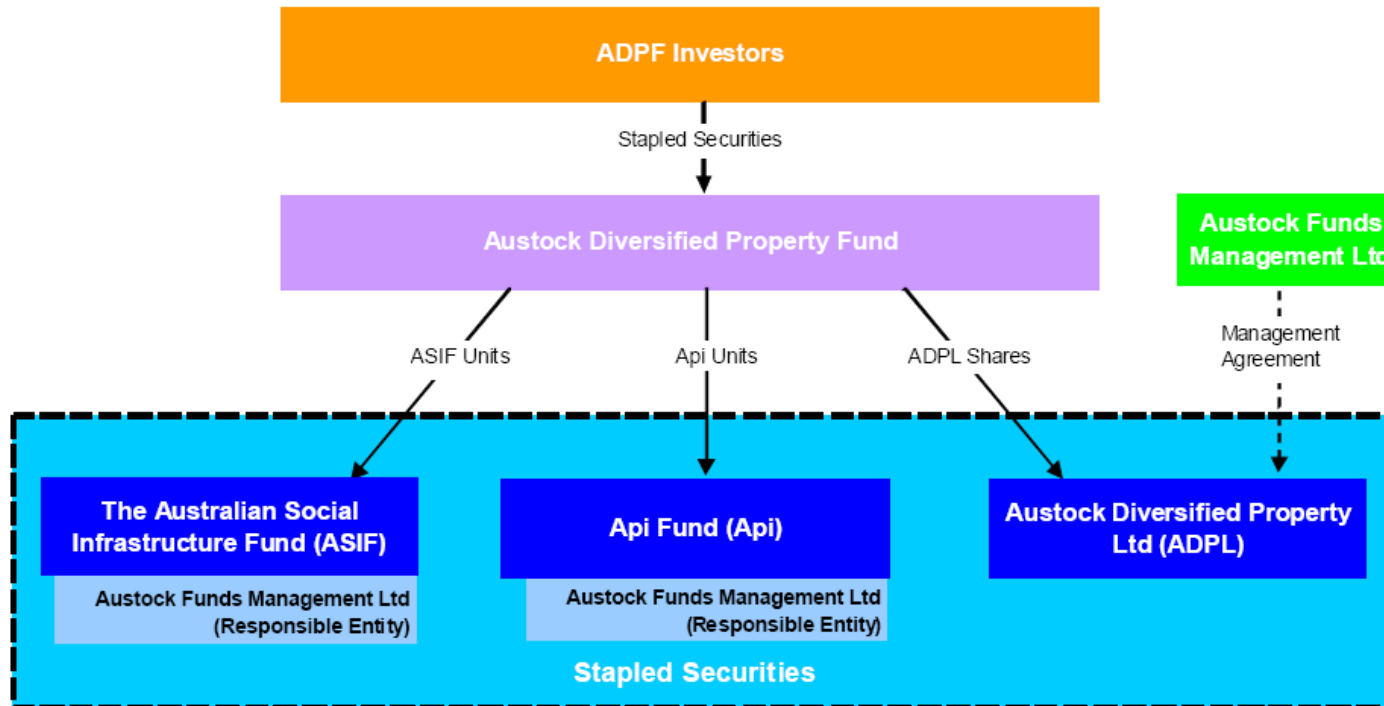
ASIF's Investment in Api

- ASX listed Fund
- Owns a portfolio of listed and unlisted property and infrastructure securities
- ASIF owns 21% of Api – November 2006
- Since 31 March 2008 Api's investment portfolio has declined by \$8.2m to \$36.5m
- Api's NTA ~\$0.51 as at 11.07.08¹
- Api ~ 3.6% of ASIF
- Relative Value – Stapling Booklet .34

1. Based on unaudited management accounts and closing prices for ASX listed stocks on 11.07.08



Structure





Stapled Entity

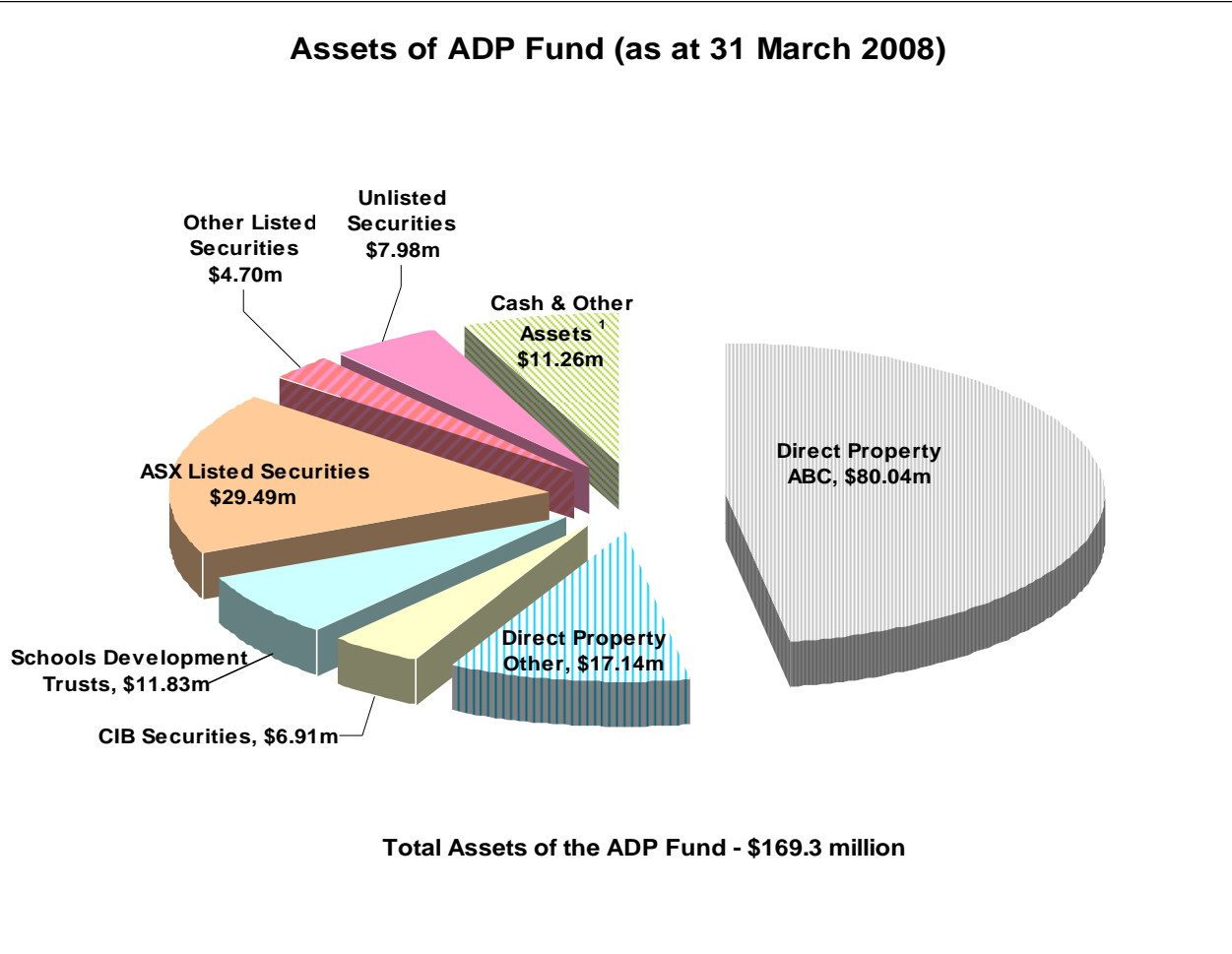
Description of Fund	Diversified Fund which owns direct property, listed and unlisted property securities
Market Capitalisation ¹	\$85.5 million
Number of Unitholders	1,860 approximately
Number of Stapled Securities	34,203,402
Total Assets ²	\$169.3 million
Gearing – (Assets/Total Assets) ²	39.2%

1. Market capitalisation based upon the terms of the Stapling Proposal (i.e., \$2.50 per ASIF Unit and \$0.85 per Api Fund)

2. Refer Stapling Booklet for details Sec B.2. Adjusted for cross holdings.



Investments – Stapled Entity





Impact on ASIF Unitholders

ASIF Unitholder	Before Stapling	After Stapling
Units	100,000 ASIF Units	100,000 Stapled Securities
Value in Stapling Proposal	\$2.50 per ASIF Unit	\$2.50 per Stapled Security
Implied Total Value	\$250,000	\$250,000
Distributions	Monthly	Monthly
ASX Listing	No	Yes

Note: Past performance is not a guide to future performance



Update - Debt Facility

Debt facility Stapled Entity

- Signed Terms Sheet with NAB
- Documentation underway
- Facility Limit \$74m
- Expiry Date 1 July 2010
- No market price review clause
- 65% of loan to be hedged
- Interest Rate is BBSY plus 1.75%
- LVR not to exceed 75% of the value of direct property



Update – Distributions

Stapled Entity

- Assuming the stapling is approved distributions for the three months ending 30 September 2008 will be maintained at 23.18 cents pa.
- Post 30 September 2008 distributions will be reviewed.

Stand alone

- If the stapling is not approved, management will review ASIF's current distribution rate to align it with underlying cash earnings.
- Unitholders will be advised of any changes in ASIF's distribution. This review will be completed over the next month.



Advantages

- diversified property fund - ~ \$169.3 million of assets
- improve liquidity through ASX listing - 1,860 - larger market cap
- earnings accretive to existing ASIF Unitholders
- consolidated debt facility
- monthly distributions to Stapled Security Holders
- provides a platform for further growth
- no changes to the fee arrangements
- supported by an Independent Expert's Report from Grant Thornton Financial – Stapling is in best interest of ASIF and Api Unitholders.



Timetable

Meeting of ASIF Unitholders	14 July 2008
ASX advised of results of ASIF Meeting and Api Meeting	14 July 2008
Stapling Record Date for determining entitlements under the Stapling Proposal	17 July 2008
Stapling Implementation Date being: <ul style="list-style-type: none">– the consolidation of the Api Units– ASIF RE and Api RE undertaking the capital distributions	18 July 2008
Despatch of holding statements	21 July 2008
Stapled Securities commence normal trading on the ASX	22 July 2008



Questions



Appendix 1 Summary of Terms

- Modified terms after detailed consideration by the Board of AFML:
 - a value of \$2.50 per ASIF Unit; and
 - a value of \$0.85 per Api Unit
- Implementation involves:
 - consolidation of Api Units on the basis that every 100 Api Units currently held will be consolidated to 34 Api Units to equate to a value of \$2.50 per Api Unit following consolidation
 - an issue of new units in both ASIF and Api so ASIF and Api Unitholders will hold one Unit in each of ASIF and Api as well as an ADPL share. The ADPL shares will be issued to ASIF and Api Unitholders for no cash consideration

	Price per Unit used to determine equity value	Number of Units pre Stapling	Equity Value pre Stapling	% Value of Equity Stapled Entity	Number of Units post Stapling per value @ \$2.50	% of Stapled Units
ASIF	\$2.50	28,449,729	\$71,124,323	83.18%	28,449,729	83.18%
Api	\$0.85	16,922,567	\$14,384,182	16.82%	5,753,673	16.82%
Total			\$85,508,505	100.00%	34,203,402	100.00%