

APN | Funds Management

17 June 2009

BSX Announcements Office
Bendigo Stock Exchange Ltd
Level 8
410 Collins Street
MELBOURNE VIC 3000

By email: announcements@bsx.com.au

ANNOUNCEMENT

APN Regional Property Fund (BSX code: APR) | ARSN 110 488 821

Dear Sir/Madam

APN Funds Management as Responsible Entity for the APN Regional Property Fund advises that no distribution will be paid for the June 2009 quarter.

The successful sale of Greenpoint Shopping Centre for \$8.4m which is due to settle on 30 June 2009 will allow debt to be reduced by approximately \$8.3m. Despite this, the Fund still expects to be close to its loan to value ratio covenant at 30 June 2009 as valuations are expected to fall by a further 5-10% from December 2008 levels.

The Responsible Entity maintains a strong focus on reducing debt in order to facilitate a refinancing of its expiring debt facility in October 2009. To this end, the surplus operating cash flows usually used to pay distributions will continue to be applied to reducing debt.

We expect to commence formal negotiations with our bank in terms of refinancing the bank debt facility expiring in October, over the next month. We will review the distribution policy for the 2010 financial year once a likely outcome becomes evident.

Yours faithfully

APN FUNDS MANAGEMENT LIMITED



John Freemantle
Company Secretary