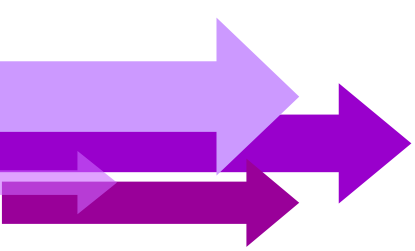




AIMS Property Securities Fund

Financial Half Year Results Presentation
February 2014





Review of Half Year 2013/14



- On 29 November 2013, the Fund announced it had changed its name from the MacarthurCook Property Securities Fund to the AIMS Property Securities Fund (**Fund**). The responsible entity of the Fund also changed its name from MacarthurCook Fund Management Limited to AIMS Fund Management Limited (**RE**)
- The Fund recorded a profit of \$5,381,000 for the financial half year to 31 December 2013 compared to a net loss of \$3,327,000 for the previous corresponding period
- The Fund's total assets were valued at \$64.438 million as at 31 December 2013 compared to \$59.536 million as at 30 June 2013
- The Fund had no interest bearing liabilities as at 31 December 2013 compared to \$4,698,000 as at 31 December 2012
- The Fund's NTA per unit is 12.59 cents as at 31 December 2013 compared to 11.66 cents per unit as at 30 June 2013
- The Fund announced it will pay a distribution of 0.15 cents per unit for the quarter ended 31 December 2013
- As at 31 December 2013, a total of 1,829,506 units have been bought and settled for a total of \$141,000 under the buy back program announced on 12 August 2013¹
- On 3 September 2013, the Court of Appeal set aside the RE's judgement against TFML Limited for \$17,764,204 plus costs. On 14 February 2014, the RE's application for special leave to appeal to the High Court of Australia was granted. The case will be heard in the High Court of Australia on 4 April 2014

Notes

1. As at 24 February 2014: 4,988,709 units have been bought back and cancelled for a total consideration of \$378,911



Fund Comparison to Prior Year

	31 December 2013	31 December 2012
Operating Result	\$4.8 million	(\$3.3) million
ASX Price per unit	7.9 cents	6.0 cents
Number of Units on Issue ('000)	504,457	361,214
NTA per Unit	12.59 cents	13.61 cents
Market Capitalisation	\$39.85 million	\$21.7 million
Value of unlisted investments	\$36.805 million	\$48.410 million
Value of listed investments	\$18.146 million	\$3.707 million
Total Assets	\$64.438 million	\$54.338 million
Gearing (interest bearing liabilities/total assets)	nil	6.8%
Cash and cash equivalents	\$8.982 million	\$1.407 million
Net Debt	nil	\$3.291 million



Balance Sheet

	31 December 2013 (\$'000)	31 December 2012 (\$'000)
Current Assets		
Cash & cash equivalents	8,982	1,407
Trade & other receivables	505	814
Total Current Assets	9,487	2,221
Non-Current Assets		
Listed property securities	18,146	3,707
Unlisted property securities	36,805	48,410
Total Non-Current Assets	54,951	52,117
Total Assets	64,438	54,338
Liabilities		
Interest bearing liabilities	-	4,698
Trade & other payables	951	488
Total Liabilities	951	5,186
Net Assets	63,487	49,152



Statement of Profit or Loss

	31 December 2013 (\$'000)	31 December 2012 (\$'000)
Distribution income	1,153	1,592
Interest income	137	27
Change in fair value of investments	4,869	(3,333)
Other	-	8
Net investment income	6,159	(1,706)
Responsible entity fees	140	130
Administration expenses	638	1,044
Borrowing costs	-	447
Total expenses	778	1,621
Net gain/(loss) for half year attributable to Unitholders	5,381	(3,327)



Significant Changes

- **Income**

- 27.6% fall in distribution income from the Fund's investment portfolio compared to the previous corresponding period resulting from the disposal and withdrawal from a number of investments
- Unrealised gain of \$4.749 million on fair value of investments compared to an unrealised loss of \$3.321 million for the previous corresponding period

- **Expenses**

- Repayment of the OCBC facility from \$4.698 million as at 31 December 2012 to nil led to a fall in borrowing costs from \$447,000 for the first HY2012/13 to zero
- General administration expenses of \$638,000 in the first HY 2013/14 mainly due to the on going litigation costs against TFML Limited and Pelorus Private Equity

- **Debt repayments**

- The Fund has repaid the OCBC debt facility in full as at 30 June 2013

- **New Investments**

- As at 25 February 2014, the Fund has acquired 2,968,742 units in the AIMS AMP Capital Industrial REIT listed on the Singapore Exchange
- The Fund acquired 18,991,375 New Units in the AIMS Property Fund (St Kilda Rd) Entitlement Offer. New Units have a preferential right to an annualised yield of 8.5% up to 31 December 2015. The Fund now holds a 49.9% interest in the fund



Significant Changes (cont)

- **Distributions**

- On 18 December 2013, the RE informed Unitholders that Fund intends to pay a distribution for the quarter ended 31 December 2013 of 0.15 cents per unit (**December Distribution**)
- The December Distribution consists of 0.099 cents per unit being the quarterly distribution component and 0.051 cents per unit of special distribution which is being paid for the December Distribution only

- **Distribution Reinvestment Plan**

- On 29 January 2014, the RE announced that the independent directors considered that the Distribution Reinvestment Plan (**DRP**) should be withdrawn for the December Distribution for the following reasons:
 - the limited number of unitholders electing to participate in the DRP for the December Distribution
 - The costs of administering the DRP for such a limited number of participants; and
 - There is currently an on-market buy back program being conducted in relation to the Fund's unit

- **Unit Buy back**

- As at 24 February 2014, the Fund has bought and cancelled 4,988,709 for a consideration \$378,911 which equates to an average price of 7.59 cents per unit

Investment Portfolio – as at 31 December 2013

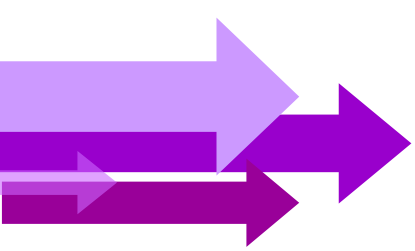
Investment	Sector	Fund Size (\$m) 31 December 2013	Investment Allocation (%)	Ownership of Investment	Current Unit Price	Annualised Distribution Yield	Investment Value	Gearing (Debt/Total Assets)	Term Expiry	WALE by Income (years)
Unlisted Securities										
APGF Real Estate Investment Trust	Diversified	\$49.14	0.70%	2.6%	\$0.37	0.0%	\$386,047	66.8%	Winding Up	5.6
APN Champion Retail Fund	Retail	\$21.88	0.00%	14.4%	\$0.00	0.0%	\$0	100.0%	1-Oct-13	9.5
APN/UKA Poland Retail Trust	Retail	\$32.12	0.00%	18.5%	\$0.00	0.0%	\$0	100.0%	1-Dec-16	4.8
Arena Office Fund	Office	\$341.00	5.40%	1.7%	\$0.59	4.1%	\$2,967,500	46.1%	31-Dec-15	4.6
AIMS Property Fund (St Kilda Rd)	Office	\$27.43	11.09%	49.9%	\$0.27	8.5% ¹	\$6,092,913	58.6%	31-Dec-15	1.29
Australian Unity Office Property Fund	Office	\$267.69	13.24%	5.0%	\$0.83	7.7%	\$7,274,805	44.3%	Open-ended	4.65
Centuria Direct Property Fund	Industrial	\$14.40	3.83%	18.0%	\$0.27	0.0%	\$2,106,000	20.4%	Winding Up	0
MAB International Retail Trust	Retail	\$56.50	3.10%	6.6%	\$0.27	0.3%	\$1,701,000	53.0%	7-Mar-14	4.79
MacarthurCook Office Property Trust	Office	\$15.09	5.97%	35.1%	\$0.32	0.0%	\$3,281,654	36.4%	Open-ended	1.35
MPG Bulky Goods Retail Trust	Retail	\$50.77	6.41%	19.7%	\$0.80	5.1%	\$3,520,000 ²	60.0%	31-Mar-13	3.28
PFA Diversified Property Trust	Diversified	\$373.90	12.87%	4.6%	\$0.71	10.2%	\$7,072,300	50.0%	Open-ended	3.4
Stockland Direct Office Trust No.3	Office	\$7.76	0.46%	6.7%	\$0.06	0.0%	\$253,000 ³	0.0%	Winding Up	N/A
Toga Accommodation Fund	Hotels	\$58.10	3.91%	3.7%	\$0.43	5.0%	\$2,150,000	63.1%	Open ended	N/A
Total Unlisted Investments			67.0%				\$36,805,221			
Listed Securities										
Blackwall Property Funds Limited	Diversified	\$11.16	1.31%	5.5%	\$0.26	4.6%	\$718,120	3.6%	Listed	N/A
P-REIT	Diversified	\$124.34	9.45%	10.9%	\$0.23	0.0% ⁴	\$5,193,831	41.3%	Listed	N/A
APN Regional Property Fund	Diversified	\$55.83	3.54%	9.8%	\$0.61	10.1%	\$1,946,191	57.5%	Listed	4.23
AIMSAMP Industrial REIT	Industrial	\$988.30	4.43%	0.4%	\$1.27	7.8%	\$2,436,379	26.5%	Listed	2.89
Arena REIT	Childcare	\$331.80	14.29%	3.3%	\$1.16	5.9%	\$7,851,250	32.0%	Listed	8.7
Total Listed Investments			33.02%				\$18,145,771			
TOTAL INVESTMENTS		\$2,858.67	100%				\$54,950,992			

1. The Fund acquire 18,991,375 New Units through the Entitlement Offer. New Units have a preferential right to distribution of 8.5% p.a. to 31 December 2015.

2. The Fund received a payment of \$3,520,000 for the redemption of its interest in the MPG Bulky Goods Retail Trust.

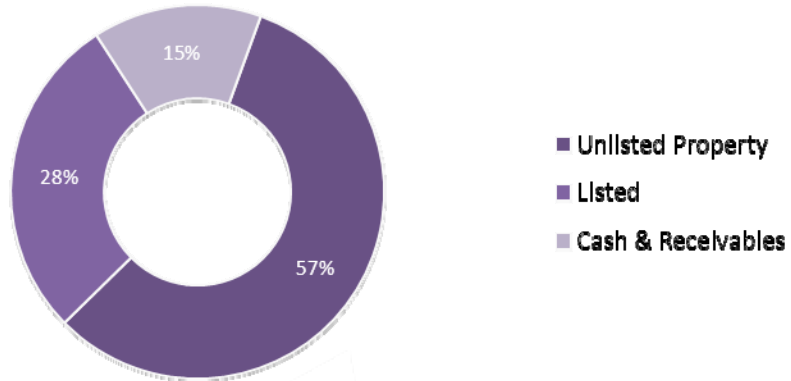
3. A Final Distribution of 6.325 cents per unit has been paid to unitholders in Stockland Direct Office Trust No.3.

4. The trust has announced it will pay a distribution of 0.75 cents per unit on 7 April 2014.

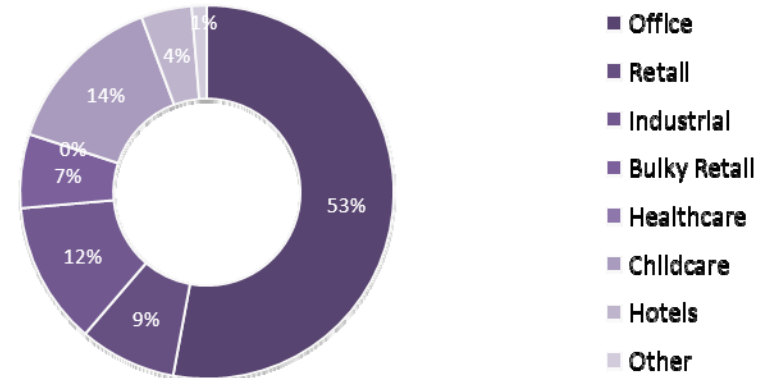


Portfolio Analysis

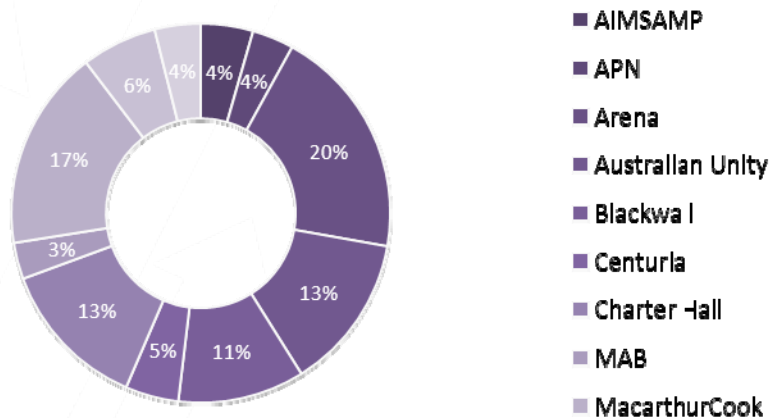
Portfolio by Asset



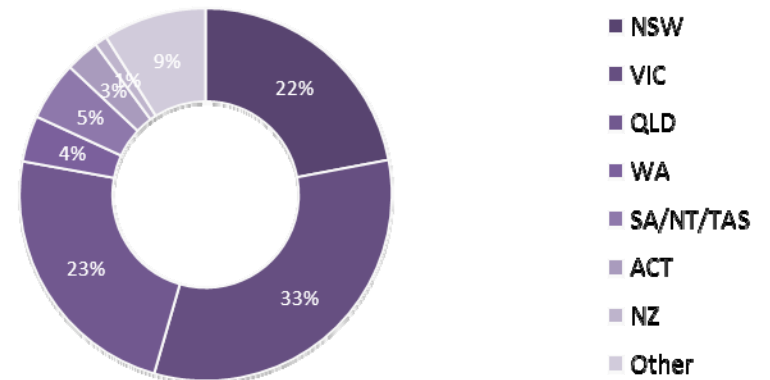
Portfolio by Sector

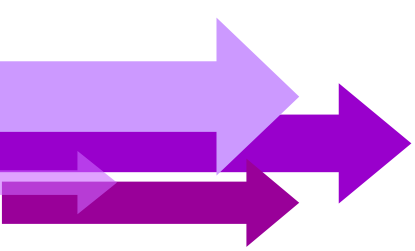


Portfolio by Manger



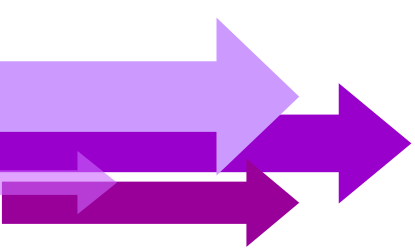
Portfolio by Region





Litigation with TFML Limited

- On 10 August 2012, the RE announced a successful outcome in its litigation against TFML Limited, the responsible entity of P-REIT
- On 17 August 2012 Justice Hammerschlag in the Supreme Court of NSW made orders in favour of MCKFM in the sum of \$17,764,204 including pre judgement interest
- Justice Hammerschlag also ordered TFML Limited pay the RE's costs in the proceedings
- On 3 September 2013, the Court of Appeal set aside the judgement against TFML Limited
- The Court of Appeal also order that the RE pay TFML Limited's costs in the proceedings and the appeal
- Based on legal advice, the RE concluded that the costs if any are not reliably estimated as at 31 December 2013. As a result, no asset, income, liabilities and expenses have been recognised in the interim financial statements as at 31 December 2013
- In November 2013, the RE filed an application for special leave for the matter to be appealed to the High Court of Australia
- On 14 February 2014, the RE's application for special leave was granted and the matter is set down to be heard in the High Court of Australia on 4 April 2014

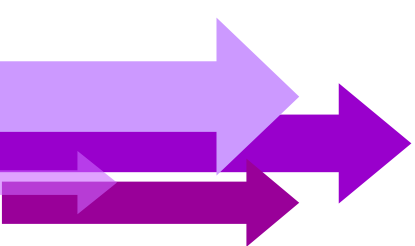


Fund Strategy



The Fund's strategy remains as follows:

- The RE does not intend to dispose of the Fund's investments and wind up the Fund
- The Fund will continue to assess withdrawal and/or redemption offers as and when they arise
- The Fund intends to pay regular income distributions commencing with the December Distribution
- The Fund intends to pay a one off special distribution as part of the December Distribution
- The Fund intends to continue with the Unit Buy Back program that was announced in August 2013
- The Fund intends to make new investments that met the Fund's investment criteria preferably in to vehicles that are managed by the RE or one of its associates
- The Fund has commenced a marketing program to improve the awareness of the Fund and engage with the investment community



Disclaimer



This presentation has been prepared by AIMS Fund Management Limited (ABN 79 004 956 558; AFSL 258052) as the responsible entity for the AIMS Property Securities Fund (ARSN 111 442 150). It is a presentation of general background information about the Fund as at 31 December 2013 unless otherwise stated. It is a summary and does not purport to be complete. It is to be read in conjunction with the Half Year Financial Report filed with the Australian Securities Exchange on or around 27 February 2014. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. A reader should, before making any decisions in relation to their investment or potential investment in the Fund, seek their own professional advice. This presentation is not an offer or invitation for subscription or purchase of securities or other financial products.