

Abacus Property Group Structure & Statistics

Corporate Overview

Abacus Property Group (Abacus) is a diversified listed A-REIT included in the S&P/ASX 200 Index (ASX Code: ABP). Is a stapled structure that comprises two companies, Abacus Group Holdings Limited and Abacus Group Projects Limited, and two trusts, Abacus Trust and Abacus Income Trust. Investors acquire stapled securities, being shares in the companies stapled to units in the trusts.

Abacus was formed in 1996 as a boutique property syndicator, providing property based investment opportunities for retail clients of financial planners. In 2001, Abacus merged a number of property syndicates to form the diversified Abacus Property Group. In late 2002, Abacus listed the Group on the ASX. Since listing, Abacus has continued to expand its business to become one of Australia's larger listed Real Estate Investment Trusts.

Currently Abacus Property Group has a market capitalisation of approx. \$750m and is included in the S&P/ASX200 Index.

Financial Highlights

Abacus Property Group has produced the following key results for the full year to 30 June 2010:

- Underlying profit of \$64.9 million (in accordance with the AICD / Finsia principles)
- Underlying earnings per security of 3.9 cents
- AIFRS statutory profit attributed to securityholders of \$25.4 million
- FY10 distribution of 3.15 cents per security
- Group Gearing 22.2%

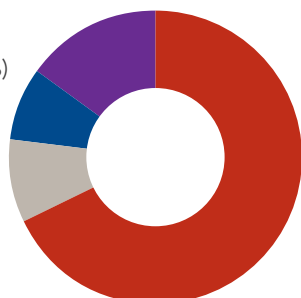
The following is summary of Abacus' Profit and Loss and Balance Sheet as at 30 June 2010.

Summary Profit & Loss	June 10	Summary Balance Sheet	June 10
Total Income	\$124.9m	Total Assets	\$1,505.3m
AIFRS statutory profit	\$25.4m	Interest Bearing Liabilities	\$351.1m
Underlying profit	\$64.9m	Other Liabilities	\$51.3m
Underlying earnings per security	3.90c	Net Assets	\$1,102.9m
Distributions per security	3.15c	NTA per security	\$0.58
Interest cover ratio	3.3x	Group Gearing ¹	22.2%
		Covenant Gearing ²	27.6%

¹Group gearing calculated as net debt divided by total assets minus cash. If joint venture assets and debt are consolidated proportionately with Abacus', "look through" gearing would be 25.8% at 30 June 2010. ²Covenant gearing calculated as Total Liabilities/ Total Tangible Assets.

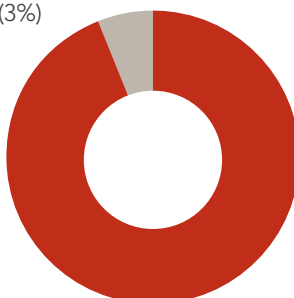
EBITDA by Business¹

- Property Income (69%)
- Finance (12%)
- Funds Management (15%)
- Project & Investments (4%)



EBITDA by Earning Type¹

- Recurring (97%)
- Transactional (3%)



¹Excludes fair value gains and losses



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Abacus Group Holdings Limited
ACN 080 604 619

Abacus Group Projects Limited
ACN 104 066 104

Abacus Funds Management Limited
ACN 007 415 590

Abacus Funds Management Limited
ACN 050739 001

Abacus Storage Funds Management Limited
ACN 109 324 834

Board of Directors

John Thame AIBF, FCPA
Chairman (Non-Executive)

Frank Wolf Phd, BA Hons
Managing Director

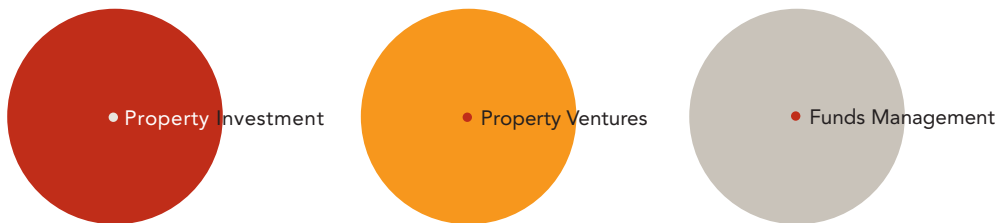
Bill Bartlett FCA CPA, FCMA, CA(SA)
Non-executive director

David Bastian CPA
Non-executive Director

Malcolm Irving AM, FCPA, SF Fin, BCom, Hon DLitt
Non-executive Director

Diversified Business Model

Abacus property group is a core plus property investor focused on commercial property assets and projects throughout Australia. Abacus has three integrated property businesses based on our core expertise in accessing properties and projects and actively managing them to realise their full value. Our flat corporate structure and business model support strong synergies across the businesses and help contribute to the overall success of the businesses and the Group. In total, Abacus has over \$2.1 billion of assets under management.



Property Investment

Abacus holds a substantial core plus portfolio of properties diversified across sector and geography that provides a significant and secure level of recurring income while also exhibiting real value add opportunities for capital growth through active management. Abacus' property portfolio is primarily situated in eastern seaboard locations ideally positioned to benefit as markets recover from the lows of 2008 and 2009.

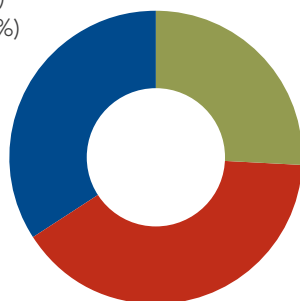
As at 30 June 2010, Abacus had a total of \$849 million in principal property investments across 61 assets. The portfolio has a weighted average capitalisation rate of 8.5% while exhibits strong operating metrics, including occupancy of 95% and a weighted average lease expiry of over 4.3 years.

In a clear validation of Abacus' core plus strategy was Abacus' recently announced sale of 343 George Street for \$78 million. This asset was originally acquired in July 2009 and settled in October 2009 for \$55 million, delivering an equity IRR in excess of 68%.

Abacus has also recently announced the \$87 million acquisition of a 50% interest in Birkenhead Point Shopping Centre and Marina. Birkenhead Point is another clear example of Abacus' core plus acquisition strategy of targeting larger scale assets that provide attractive ongoing rental income and embedded capital growth opportunities. The centre provides potential to improve occupancy through the leasing of refurbished vacant sites including the recently improved food court and an improved retail offer through the addition of mini-major retailers. In addition, the centre provides scope for a new council approved restaurant precinct, while the marina offers redevelopment opportunities including the addition of a fuel depot.

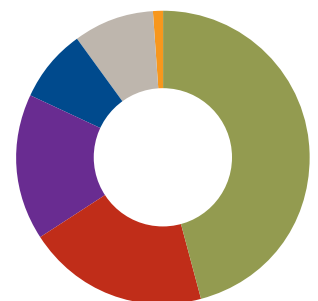
Sector Diversity

- Industrial and other (24%)
- Office & Commercial (39%)
- Retail (32%)



Geographic Diversity

- NSW (48%)
- QLD (17%)
- VIC (15%)
- SA (8%)
- ACT (8%)
- Other (4%)



Property Ventures

Abacus participates in a range of ventures that has typically used a mixture of mezzanine finance and preferred equity to take priority positions in property ventures with well experienced local developers by matching our capital and property expertise with the regional or sector specific expertise of our business partners. Abacus' current portfolio of projects includes:

- residential land subdivision in Hunter Valley, Werrington and Ingleburn NSW;
- Industrial land subdivision in Dandenong, VIC;
- shopping centre developments in Brighton and Pakenham, VIC;
- residential developments in Hampton and Pakenham, VIC;
- development of retirement accommodation in Brighton and Mornington, VIC.

Abacus also offers renounceable sales contracts to assist developers with pre-sale funding requirements.

Funds Management

Abacus Funds Management Limited has provided innovative solutions to financial planners through a range of investment opportunities since 1996. It has successfully delivered attractive returns throughout this period and has established its place as one of Australia's leading property investors.

Abacus has offered a wide range of high quality investment solutions designed to meet the needs of different styles of investors. Investment options have included:

- **Core funds** - Funds that are positioned to provide clients with regular, tax-advantaged income and offer the prospects to participate in long-term capital growth. They provide access to sectors generally unavailable to individual investors with the backing of Abacus' financial strength, experience and its active management skills to add value over time.

Abacus Hospitality Fund

Abacus Storage Fund

Abacus Diversified
Income Fund II

- **Syndications** - Abacus selectively offers opportunities for investors to co-invest with Abacus in single property closed-end funds.

Our investment philosophy

Abacus has a core plus, asset-centric business model where it is not the quantity of assets that is important, but rather the nature of each asset we control and the opportunities they present. Abacus' disciplined property selection process maintains a firm focus on fundamental real estate value.

Our experience has shown that strict adherence to our fundamental investment criteria enables Abacus to acquire assets well and provide opportunities for outperformance while minimising downside risk to equity.

Our investment objective is to provide our investors with reliable and increasing returns. In particular, we seek property assets that provide:

- sound recurring rental income; and
- prospects to enhance returns through active management.

Abacus is first and foremost a property investor seeking to extract value through active management. We seek properties with short-term imperfections in their underlying real estate fundamentals that allow us to acquire the assets at a discount. We then apply our asset management skills to rectify the imperfections and, when the asset is mature, we seek to crystallise the value created by our management of the asset.

The diagram below depicts the investment process that Abacus undertakes:



Consider an investment with Abacus

Abacus is a proven specialist property investment manager, with a significant property portfolio that it manages both on its own balance sheet, and on behalf of investors in its managed funds offered by wholly owned subsidiaries Abacus Funds Management Ltd and Abacus Storage Funds Management Limited.

Contact us to discuss how we can assist with your property investment needs on 1800 253 860

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The information in this document is general only. Before a person makes an investment decision on the basis of this information, they should determine for themselves or obtain professional advice as to whether this information is appropriate for their particular needs, investment objectives and financial situation. An offer document for Abacus Diversified Income Fund II (ADIFII) dated 24 December 2009 is available from www.abacusproperty.com.au. Anyone considering an investment in ADIFII should consider the offer document in deciding whether to acquire ADIFII securities. Applications can only be accepted for ADIFII on the application form attached to the offer document. Issuer: Abacus Funds Management Limited ACN 007 415 590; AFSL: 227819.