

APN | Funds Management

28 September 2009

Ms Julia Kagan
Senior Adviser, Issuers
Australian Stock Exchange Limited
Level 45, South Tower
525 Collins Street
Melbourne, Vic 3000

Dear Julia,

AEZ – Price Query

I refer to your letter dated 25 September 2009. You noted that there has been a significant increase in the price and volume of AEZ securities traded over the course of that day and requested a response to a series of questions.

We respond to your specific queries, as follows:

- 1. Is the Group aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Group**

The Group is not aware of any information which, if known, could explain the recent trading in AEZ securities.

- 2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?**

Not applicable

- 3. Is there a reason to think that there may be a change in the operating profit before abnormal items and income tax so that the figure for the half year ending 31 December 2009 would vary from the previous corresponding period by more than 15%? If so, please provide details as to the extent of the likely variation.**

The Group's financial results for the year ended 30 June 2009 were announced to the market on 26 August 2009. This announcement included considerable advice on the current financial position of the Group and its prospects for the future.

We believe this advice, together with earlier announcements provides the best view we can offer on the future prospects of the Group.

4. Is there any reason to think that the Group may record any material abnormal or extraordinary items for the half year ending 31 December 2009? If so, please provide details

The market is well aware that adjustments to the carrying value of property assets and derivative contracts occur at each reporting period. We believe there is no better guidance on future prospects that we could offer, than the market is able to assess for itself.

5. Is there any other explanation that the Group may have for the price change and increase in volume in the securities of the Group?

None that we are aware of.

6. Please confirm that the Group is in compliance with the listing rules and in particular, listing rule 3.1

We believe the Group is in compliance with all listing rules

Yours sincerely
APN Funds Management Limited

A handwritten signature in black ink, appearing to be 'John Freemantle', written in a cursive style.

John Freemantle
Company Secretary



25 September 2009

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John Freemantle
APN European Retail Property Group
101 Collins Street
Melbourne Vic 3000

By e-mail only

Dear John

PRICE QUERY - APN European Retail Property Group (the "Group")

We have noted a change in the price of the Group's securities from \$0.075 at the close of trade yesterday, 24 September 2009 to \$0.091 at the close of trading today. We have also noted an increase in the volume of securities traded over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Group aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Group?

Please note that as recent trading in the Group's securities could indicate that information has ceased to be confidential, the Group is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any reason to think that there may be a change in the operating loss before abnormal items and income tax so that the figure for the half year ending 31 December 2009 would vary from the previous corresponding period by more than 15%? If so, please provide details as to the extent of the likely variation.
4. Is there any reason to think that the Group may record any material abnormal or extraordinary items for the half year ending 31 December 2009? If so, please provide details.
5. Is there any other explanation that the Group may have for the price change and increase in volume in the securities of the Group?
6. Please confirm that the Group is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by return e-mail or by facsimile on facsimile number (03) 9614 0303. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. Melbourne time) on Monday, 28 September 2009.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Group's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts, we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely

Sent by electronic means without signature

Julia Kagan

Senior Adviser, Issuers (Melbourne)