Birkenhead Point Shopping Centre and Marina Investor Tour

19th November 2010

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Contents

Abacus Property Group

- Abacus is a private equity investor in commercial real estate markets
- We are a core plus, active manager
- The challenging real estate markets does present an environment for opportunities
- Evidence suggests assets are being encouraged to market
- Abacus' strong capital position and third party capital potential illustrates significant acquisition capacity
  - Low gearing of 22%
  - Surplus facility of over $250 million
  - Available liquidity in excess of $125 million
- Abacus' core plus business model and appetite for appropriately risk adjusted opportunities suggests it is perfectly positioned to take advantage of current market dislocations and generate significant securityholder returns
  - Birkenhead Point Shopping Centre and Marina

1. Introduction
2. **Birkenhead Point Shopping Centre and Marina**
3. Key success factors
4. Core plus strategies

Birkenhead Point Shopping Centre

To create Australia's premium outlet centre coupled with a convenience based shopping offer

Birkenhead Point Shopping Centre

Birkenhead Point Shopping Centre

- Abacus settled its 50% interest in November 2010 for $87 million
  - $22.5 million 3 yr interest-free vendor finance
- New strategic alliance with Kirsh Group as acquirer of remaining 50% of property
- Abacus considered a partner for the acquisition and invited Kirsh following their positive interest in asset
- Property consists of substantially refurbished mixed-use shopping centre including traditional retail and factory outlet tenancies and a 187 berth marina
  - $50 million spent over last couple few years to rejuvenate centre
  - 155m frontage to Sydney harbour
  - 5km from Sydney CBD in affluent area
  - 183 tenancies anchored by an expanded 2,850m^2 new format Coles supermarket

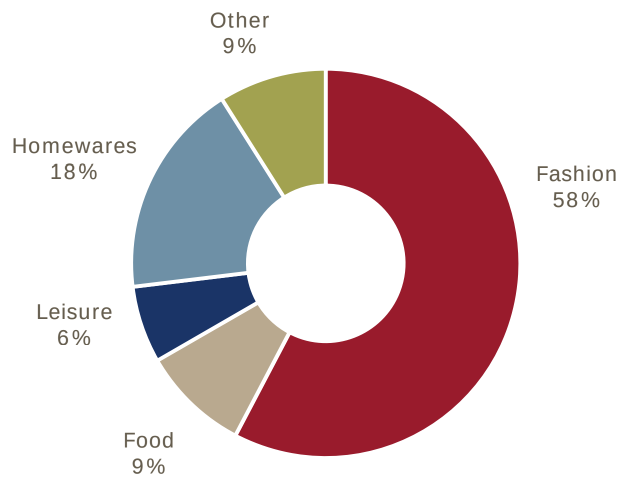
Key metrics	
Acquisition price (50%)	$87m
Valuation (50%)	$87m
Yield on cash invested (Yr1)	11.0%
Effective yield (Yr1)	8.0%
NLA	31,820 m^2
Cap rate	8.0%
Occupancy	82%
WALE (yrs)	4.9

Birkenhead Point Shopping Centre

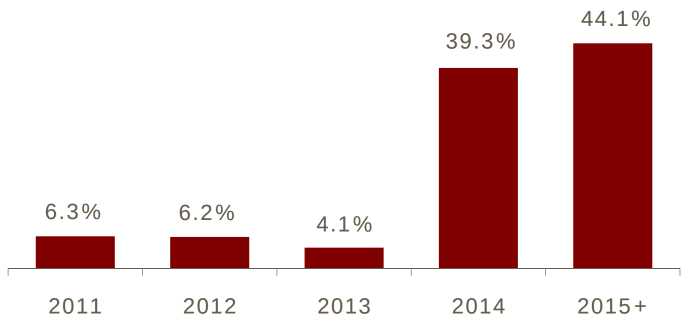
Tenancies

- Tenant offering includes food, fashion, homewares, leisure and general services
- Key Tenants include:
  - High end fashion: Hugo Boss, Oroton, Allanah Hill, Tommy Hilfiger, Polo Ralph Lauren, Calvin Klein and Trelise Cooper
  - Street fashion: Witchery, Charlie Brown, Oxford, French Connection and Bennetton
  - Food: Coles Supermarket, Fresh food providers and a number of restaurants and cafes
  - Homewares: David Jones, Spotlight, Crabtree and Evelyn, Bed Bath n Table, Adairs and Sheridan
  - Leisure: Kathmandu, New Balance, Insport, City Beach and Rip Curl

Tenant diversification



Lease expiry



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3. **Key success factors**
4. Core plus strategies

Key success factors

- Strong representation of branded fashion retailers
- Full convenience retail offer with contemporary fresh food offer
- Quality food catering offer
- Improved functional layout and connectivity with the harbour
- Convenient car parking
- Experienced and competent management team
- Expansion and redevelopment of Marina

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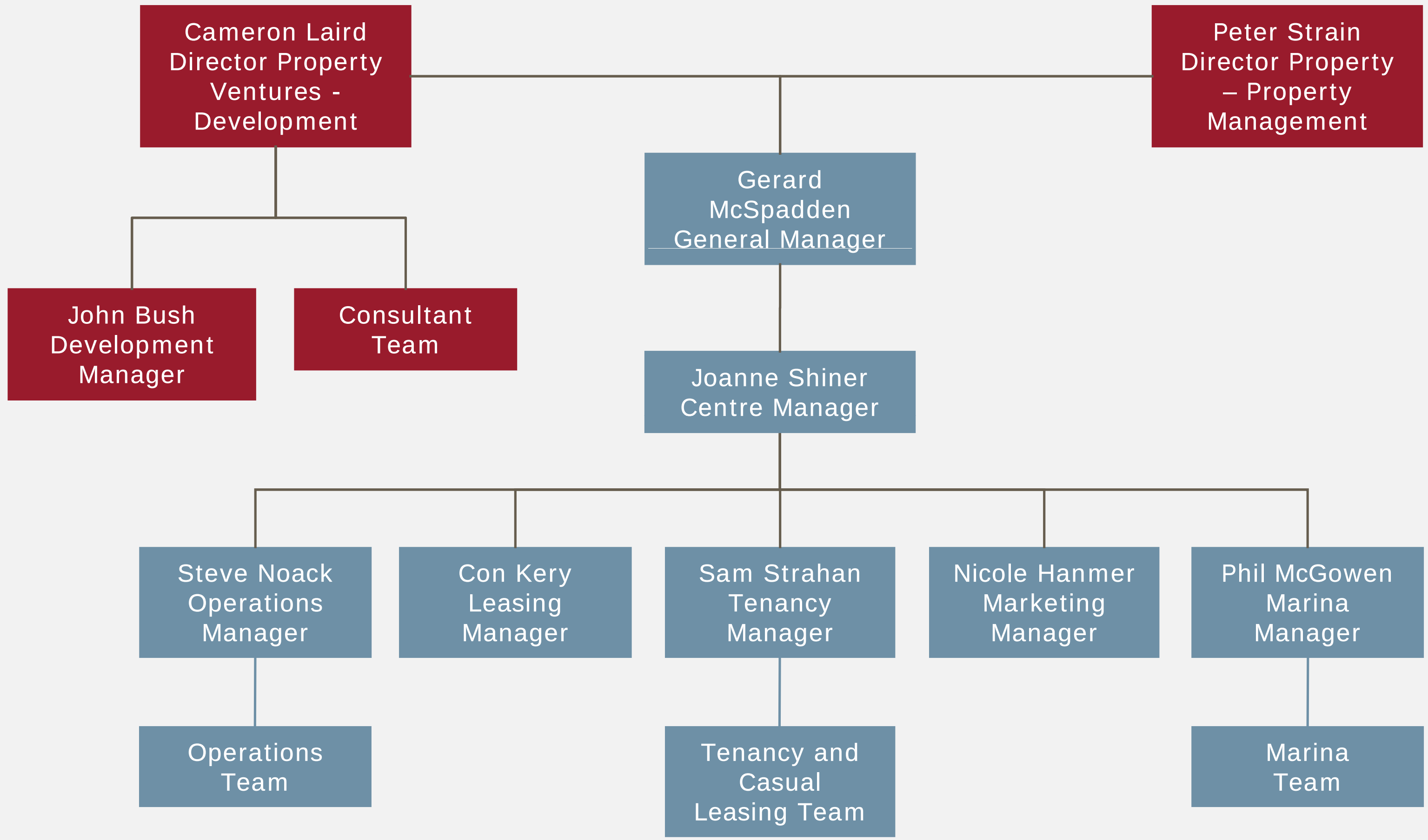
Management

BIRKENHEAD POINT SHOPPING CENTRE AND MARINA



Management

Key focus

- Operating expenses
  - Bring operating expenses into line with industry benchmarks
- Additional income
  - Capture income opportunities from car parking, casual mall leasing
- Turnover growth
  - Through marketing, leasing and management
- Car parking
  - Improve efficiency, functionality and signage of car parking
- Marketing
  - Ensure an appropriate targeting and media strategy with an appropriate budget
  - Ensure visibility of new improved centre and breadth of premium brand offering
  - Engage appropriate media mix and focus at correct trade areas
  - Develop new centre branding and style guide
  - Develop customer relationship and incentive programs

Leasing

- Leasing strategy to be completed to ensure the retail mission is achieved
- Total refurbishment spend of $50 million commenced by previous owner with some areas completed prior to settlement
  - Newly refurbished vacant space in demand

Key focus

- Leasing of existing vacant space
- Improvement of retail mix and precincting
- Drive food offering through addition of further fresh food providers including delicatessen and providores
- Addition of mini-major tenancies
- Strengthen representation of premium fashion brands

Leasing

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Development

- Continue the repositioning of the Centre

Key focus

- Convenience retail offer
  - Coles refurbishment and expansion
  - Addition of services
  - Upmarket fresh food precinct
- Catering
  - Improvement of café, restaurant and food court offer
- Level 3
  - Addition of mini-major anchor and investigate expansion potential
- Connectivity
  - Improve the retail functional layout between levels on the eastern side of the centre
  - Improve the connectivity with the harbour

Development

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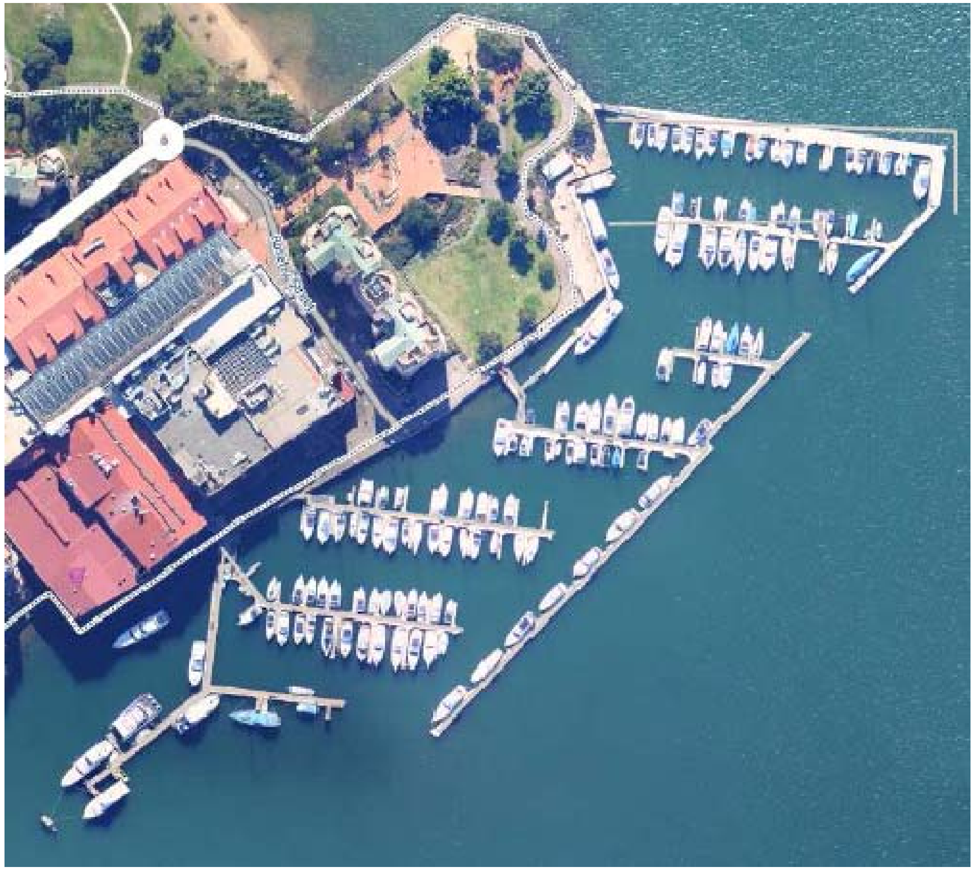
Marina

- Marina valued at $10 million
  - Delivers a 10% yield
- Proposed redevelopment of the Marina will occur in two stages
- Stage One
  - Redevelopment and extension of southern end of the Marina
  - Construction of fuel depot and fuelling berth
- Stage Two
  - Potential expansion of northern end of Marina
  - Potential development of ferry wharf
- Potential future opportunities exist to strata berths and sell on 20 year leaseholds



Development

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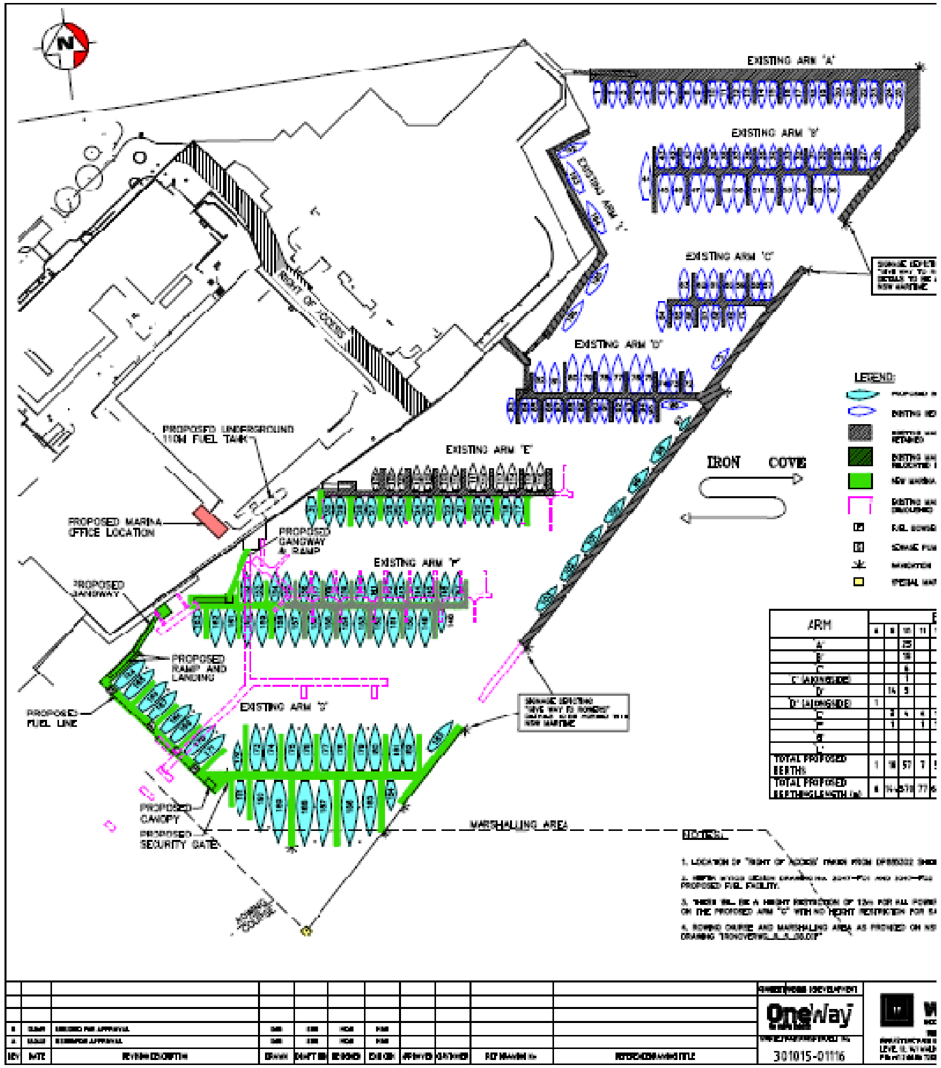
The Marina – Stage One

- Redevelopment of the southern most marina arms F and G reconfigured and extended to increase the marina berths from 187 to 195

- Increases linear meters of the marina from 2,154m to 2,433m in total length
    - Increase of over 279m
    - Provides extra capacity to cater for larger, more prestigious vessels above 20m in length

- Placement of the 110,000 litre split cell underground fuel tank
    - Development of fuelling facilities to provide much needed fuelling options for the marina

- Anticipated capex of approximately \$6m will drive revenue growth of 80-90% of EBITDA over 5 years



Development

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