

## APPENDIX 4E

### Convenience Retail REIT Full-Year Report Year ended 30 June 2018

#### Note on Stapling Arrangements

Convenience Retail REIT is a stapled entity that was established on 27 July 2017 which comprises the following three entities (collectively the 'Group'):

- Convenience Retail REIT No. 1 (previously APN Property Plus Portfolio) (ARSN 101 227 614);
- Convenience Retail REIT No. 2 (deemed parent) (previously APN Retail Property Fund) (ARSN 619 527 829); and
- Convenience Retail REIT No. 3 (ARSN 619 527 856).

The following information is based on the consolidated financial statements of Convenience Retail REIT No. 2 (Convenience Retail REIT) which comprise the results of Convenience Retail REIT No. 2 for the period 1 July 2017 to 26 July 2017 and the Group from 27 July 2017 to 30 June 2018. Prior period comparative information represents the results of Convenience Retail REIT No. 2 for the period 16 December 2016 to 30 June 2017.

#### Results for announcement to the market

	<b>Convenience Retail REIT</b>	
	<b>\$'000</b>	
Revenues from ordinary activities	up 416.57% to 26,438	
Profit from ordinary activities after tax attributable to members	up 434.96% to 15,867	
Net profit for the period attributable to members	up 434.96% to 15,867	
Funds from operations (FFO) <sup>1</sup>	14,608	
Net tangible assets per unit <sup>2</sup>	<b>30 June 2018</b> \$2.87	<b>30 June 2017</b> \$0.89

<sup>1</sup> Funds from Operations (FFO) for the year has been calculated based on the results for the period since the establishment of the stapled entity Convenience Retail REIT (i.e. 27 July 2017 to 30 June 2018). A reconciliation of FFO to the net profit attributable to members for this same period is presented on the following page. For a reconciliation of the pre and post Convenience Retail REIT establishment statutory result for the year ended 30 June 2018, please refer to the directors' report accompanying the consolidated financial statements.

<sup>2</sup> Net tangible assets per unit as at 30 June 2017 represents Convenience Retail REIT No. 2 as a standalone entity before a restructure of securities on issue and subsequent stapling with Convenience Retail REIT No. 1 and Convenience Retail REIT No. 3 resulting in the establishment of the stapled entity Convenience Retail REIT.

	<b>Convenience Retail REIT</b>
	<b>27 July 2017 to 30 June 2018 \$'000</b>
Net profit attributable to securityholders	15,437
Adjusted for:	
- Straight line lease revenue recognition	(4,612)
- Net (gain)/loss on change in fair value of:	
Investment properties	(951)
Derivatives	142
- IPO and liquidity offer transaction costs expensed	4,017
- Amortisation borrowing costs	540
- Amortisation leasing costs and incentives	35
<b>Funds from Operations</b>	<b>14,608</b>

<b>Distributions</b>	<b>Amount per unit (cents)</b>	<b>\$'000</b>
Pre-stapling distributions 1 Jul 2017 to 26 Jul 2017 (69,462,753 units on issue)	0.612	425
Quarter ended 30 Sep 2017 (78,920,051 units on issue)	3.250	2,565
Quarter ended 31 Dec 2017 (78,920,051 units on issue)	4.880	3,852
Quarter ended 31 Mar 2018 (78,920,051 units on issue)	5.000	3,946
Quarter ended 30 Jun 2018 (78,920,051 units on issue)	5.000	3,946
<b>Total</b>	<b>18.742</b>	<b>14,734</b>
Previous corresponding period <sup>3</sup>	<b>4.042</b>	<b>2,807</b>
Record date for determining entitlements to the distribution	29 June 2018	
Details of any distribution reinvestment plan in operation	N/A	
Last date for receipt of an election notice for participation in any distribution reinvestment plan	N/A	

Note: Franked amount per unit is not applicable

<sup>3</sup> Reflects distributions paid to predecessor fund investors and as such is not comparable to the distributions paid for the period 27 July 2017 to 30 June 2018 since the establishment of the stapled entity Convenience Retail REIT.

	<b>27 July 2017 to 30 June 2018 \$'000</b>
<b>Other information</b>	
Distribution declared (\$'000)	14,309
DPS (cents per security)	18.13
FFO payout ratio	98%

**For further details, please refer to the following documents:**

- Full-year Results Announcement (separate ASX release)
- Directors' Report and Financial Statements (separate ASX release)
- Investor presentation (separate ASX release)



Chantal Churchill  
Company Secretary

21 August 2018