

Folkestone

ASX ANNOUNCEMENT

28 September 2012

FOLKESTONE COMPLETES ACQUISITION OF AUSTOCK PROPERTY FUNDS MANAGEMENT

Folkestone (ASX:FLK) is pleased to announce that it has completed the acquisition of Austock Group Limited's (ASX:ACK) property funds management business (Austock Property). Folkestone has purchased 65.0 per cent of the business for \$7.15 million with the remaining 35.0 per cent to settle for \$3.85 million on 30 September 2013 unless settlement is accelerated.

Austock Property manages four funds - the ASX listed Australian Education Trust (ASX:AEU), The Australian Social Infrastructure Fund (ASX:AZF), the unlisted Austock Childcare Fund (to be renamed Folkestone Childcare Fund) and the unlisted wholesale CIB Fund, with gross assets of approximately \$555.0 million. The Austock Property team is joining Folkestone and the funds will continue to be run on a "business as usual" basis.

Mr Greg Paramor, Managing Director of Folkestone said, "the acquisition of Austock Property provides an excellent base for Folkestone to look at other opportunities in the growing social infrastructure space. We look forward to working with Nick Anagnostou and his team in continuing their good work in enhancing unit holder value for each of the funds."

For further information regarding this announcement please contact:

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About Folkestone

Folkestone (ASX:FLK) is an ASX listed real estate investment, development and funds management company. Folkestone's on balance sheet activities focus on value-add and opportunistic real estate investments and its funds management platform, with approximately \$600 million under management, offers listed and unlisted funds to private clients, high net worth individuals and institutional investors.

About Australian Education Trust

Australian Education Trust ("AET") is the largest Australian listed property trust (ASX:AEU) investing in early learning properties within Australia and New Zealand. At 30 June 2012 the Trust had total assets under management of \$358 million and 327 properties in its portfolio.

About The Australian Social Infrastructure Fund

The Australian Social Infrastructure Fund (“ASIF”) is an ASX listed property trust (ASX:AZF) that primarily invests in social infrastructure assets. Its direct property portfolio includes early learning properties, a medical centre and a self storage facility. In addition, ASIF has investments in property securities. As at 30 June 2012, ASIF had total assets of \$103 million and 51 properties in its portfolio.

About Folkestone Childcare Fund (formerly the Austock Childcare Fund)

Folkestone Childcare Fund (“FCF”) is a fixed term unlisted property fund. The Fund's portfolio consists of the freehold interests in 24 early learning properties located in Queensland and South Australia. At 30 June 2012 ACF had total assets of \$26 million.

About CIB Fund

CIB Fund is a closed wholesale unit trust established in June 2001. The Fund was primarily set up to enable a group of investors to acquire a portfolio of police and law court buildings. The Fund's current portfolio includes nine 24-hour police stations and two law court complexes. At 30 June 2012 the Fund had total assets under management of \$68 million.