



**AUSTRALIAN EDUCATION TRUST
AND CONTROLLED ENTITY**

ARSN: 102 955 939
ASX Code: AEU
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**Half-Year Financial Report
31 December 2010**

AUSTRALIAN EDUCATION TRUST

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The Directors of Austock Property Management Limited (the Responsible Entity), the Responsible Entity of the Australian Education Trust and its controlled entity ("the Trust"), present their report together with the financial report of the Trust for the half-year ended 31 December 2010.

Directors of the Responsibility Entity

The Directors of the Responsibility Entity during the period and to the date of this report comprise:

Victor David Cottren (Chairman)
Michael Francis Johnstone
Nicholas James Anagnostou

Principal Activities

The Trust is a specialist education property owner which as at 31 December 2010 owns a total of 335 childcare properties (340 properties as at 30 June 2010) in locations around Australia and New Zealand. The Trust's properties are categorised as follows:

	No of Properties	Carrying Value \$000's	Current Rent (pa) \$000's
Operating Properties			
GoodStart	193	219,288	21,247
ABC New Zealand (not in administration) ¹	56	40,776	3,345
Other	77	82,455	8,483
	326	342,519	33,075
Development Sites – Available for Sale			
Australia	3	1,545	-
New Zealand	1	121	-
Closed Properties			
Available for Sale/Lease	4	1,910	-
Operating Properties			
Contracted/Settled subsequent to 31 December 2010	1	1,010	-
Total Properties as at 31 December 2010	335	347,105	33,075

1. New Zealand dollar values are translated using the 31 December 2010 exchange rate of 1.32.

Closed Properties

As at 31 December 2010, there are 4 properties remaining on the sales and leasing campaign with a carrying value of \$1.9 million. The proceeds of sale from these properties will be used to pay down debt.

Development Sites

As at 31 December 2010, there are 3 Australian properties and 1 New Zealand property remaining on the sales campaign with a carrying value of \$1.7 million. The proceeds of sale from these properties will be used to pay down debt.

Review and Results of Operations

The result for the half year to 31 December 2010, was a loss of \$1.6 million, equivalent to a loss of 1.2 cents per unit ("cpu"). Excluding the impact of non-recurring and non-cash amounts, AET produced operating income of \$4.2 million or earnings per unit of 3.1 cents. For the corresponding period in 2009, AET produced operating profit of \$2.5 million, equivalent to 1.9 cents per unit.

Half year ending 31 December (\$m's)	2010	2009
Revenue		
Lease income	16.5	16.6
Property outgoings recoverable	2.5	2.2
Other income	0.4	0.3
	19.4	19.1
Expenses		
Finance costs	9.9	10.3
Property expenses	3.8	3.5
Responsible entity's remuneration	0.9	1.2
Legal expenses	0.1	1.0
Other expenses	0.5	0.6
	15.2	16.6
Operating Income	4.2	2.5
Amortisation of lease incentive asset & liability (lease income)	(0.2)	0.8
Change in fair value of forward exchange contracts	-	(4.9)
Net revaluation decrement of investment properties	(1.4)	(6.1)
Realised gains / (losses) on sale of investment properties	(0.2)	(0.4)
Realised foreign exchange gain / (losses)	(2.7)	1.7
Realised losses on early termination of derivative contracts	(1.5)	(5.5)
Straight line rental adjustments (lease income)	0.2	0.2
Unrealised foreign exchange gain / (losses)	-	9.4
Waiver / Consent Fee on Debt Refinancing (finance costs)	-	(2.6)
Other	-	(0.1)
Net profit/(loss) attributable to Unitholders	(1.6)	(5.0)

Distribution

Under the Trust's new banking arrangements, distributions are to recommence for the quarter ending 30 March 2011 to be paid quarterly, one month in arrears.

Distribution Reinvestment Plan

The Distribution Reinvestment Plan ("DRP") was suspended on 17 December 2004.

Funding

As at 31 December 2010 the total assets of the Trust were \$353.5 million, borrowings were \$171.0 million (excluding transaction costs) and net assets were \$180.8 million. The NTA per unit is \$1.34 (30 June 2010: \$1.36) and gearing (Borrowings / Investment Properties) is 49.3%.

The Trust has 134,973,383 units on issue as at 31 December 2010. No units have been issued in this period.

The Trust entered into a new syndicated debt facility with National Australia Bank (NAB) and Australia and New Zealand Bank (ANZ). The new facility replaces the previous facility with the National Australia Bank (NAB) and the US Senior Secured Notes (Noteholders) which were due to mature on 31 July 2011.

The key commercial terms of the syndicated facility are as follows:

1. Facility Limit	\$180 million
2. Drawn Amount	\$171 million as at 31 December 2010
3. Facility Term	3 Years
4. Financiers	NAB & ANZ (50% equal share)
5. Security Trustee / Facility Agent	NAB
6. Security	First ranking mortgages over each freehold property
7. Margins	Scale of margins dependant upon the Trust's LVR position
8. Maximum Loan to Value Ratio	55% of Freehold & 50% of Leasehold Interests
9. Financial Charges Ratio	Not to be less than 1.4x for FY11 and 1.6x for FY12 and beyond measured on a six monthly basis
10. Alternate Use Ratio	Debt is not to exceed 100% of Alternate Use Values for portfolio
11. Interest Rate Hedging	Requirement to enter into interest rate hedging arrangements with the Lenders for a minimum 70% of facility limit by 28 February 2011

The terms of the facility are consistent with existing conditions prevailing in the market place and typical of a three year facility of this type. Key advantages include:

1. Significant cost reduction of debt funding
2. No amortisation targets
3. Removal of non-cash foreign currency adjustments in financial statements
4. Lenders familiar with childcare sector
5. The facility expires in December 2013 unless renewed or extended prior to expiry date

Subsequent Events

Impact of Recent Floods

The Trust owns approximately 250 properties across Victoria, New South Wales and Queensland with a wide geographic spread across each. Only one site, being a site in Queensland, has been identified as being severely affected by the floods. The site will remain closed until rectification works are complete. In addition, a small number of sites have been identified as having some water damage which is relatively minor in nature.

The Trust holds appropriate insurance cover for the effect of floods on its properties, although like all insurance policies, it is limited to a finite amount per property. At this point, it cannot be established if the damage to the one site severely affected by flooding will fall within the policy limit.

Rounding of Amounts

The Trust is an entity of a kind referred to in Class order 98/100 (as amended) issued by the Australian Securities and Investments Commission relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.



Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 370C of the Corporations Act 2001 is set out on page 5 for the half year ended 31 December 2010.

Signed in accordance with a resolution of the Board of Directors of the Responsibility Entity.

A handwritten signature in black ink, appearing to read 'V. Cottren', written over a horizontal line.

Victor David Cottren
Chairman
Austock Property Management Limited
Melbourne, 17 February 2011

Pricewaterhouse Coopers
ABN 52 780 433 757

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2 Southbank Boulevard
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Auditor's Independence Declaration

As lead auditor for the review of the Australian Education Trust for the half year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of the Australian Education Trust and the entities it controlled during the period.



Charles Christie
Partner
PricewaterhouseCoopers

17 Melbourne
February 2011

AUSTRALIAN EDUCATION TRUST
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2010



	Consolidated Group	
	31 Dec 2010 \$'000	31 Dec 2009 \$'000
Revenue		
Lease income	16,533	17,648
Property outgoing recoveries	2,463	2,184
Interest income	245	302
Unrealised foreign exchange gains	-	9,414
Realised foreign exchange gains	-	1,673
Other income	141	-
Total revenue	19,382	31,221
Expenses		
Finance costs	9,885	12,853
Legal expenses	93	1,047
Other expenses	471	648
Property outgoing	3,272	2,887
Rent on leasehold properties	581	576
Responsible entity's remuneration	894	1,187
Change in fair value of forward exchange contracts	-	4,927
Loss on sale of investment properties	165	395
Net property revaluation decrement	1,369	6,135
Realised losses on early termination of derivative contracts	1,493	5,533
Realised foreign exchange losses	2,690	-
Unrealised foreign exchange losses	88	-
Total expenses	21,001	36,188
Net loss attributable to Unitholders	(1,619)	(4,967)
Other comprehensive income	-	-
Total comprehensive loss	(1,619)	(4,967)
Earnings per unit	Cents	Cents
Basic earnings per unit	(1.20)	(3.68)
Diluted earnings per unit	(1.20)	(3.68)

The Consolidated Statement of Comprehensive Income is to be read in conjunction with the accompanying notes

AUSTRALIAN EDUCATION TRUST
CONSOLIDATED BALANCE SHEET
AS AT HALF YEAR ENDED 31 DECEMBER 2010



	Note	Consolidated Group 31 Dec 2010 \$'000	30 Jun 2010 \$'000
Current assets			
Cash and cash equivalents		4,327	13,829
Trade and other receivables		338	703
Other current assets	2	5,786	7,263
Derivative financial Instruments – forward exchange contract		-	55
Total current assets		10,451	21,850
Non-current assets			
Investment properties	3	340,629	344,217
Investment properties – Straight line rental asset	3	2,460	2,292
Derivative financial instruments – forward exchange contract		-	670
Total non-current assets		343,089	347,179
Total assets		353,540	369,029
Current liabilities			
Trade and other payables		3,654	9,749
Distribution payable		2	14
Borrowings	4(a)	-	9,000
Other current liabilities		654	2,692
Total current liabilities		4,310	21,455
Non-current liabilities			
Borrowings	4(b)	168,412	164,233
Total non-current liabilities		168,412	164,233
Total liabilities		172,722	185,688
Net assets		180,818	183,341
Equity			
Contributed equity	5	166,314	166,314
Undistributed profit		14,504	17,027
Total equity		180,818	183,341

The Consolidated Balance Sheet is to be read in conjunction with the accompanying notes

AUSTRALIAN EDUCATION TRUST
CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2010



	Consolidated Group	
	31 Dec 2010 \$'000	31 Dec 2009 \$'000
Cash flows from operating activities		
Lease income received (inclusive of GST)	19,000	21,179
Cash payments in the course of operations (inclusive of GST)	(9,060)	(11,048)
Interest received	245	302
Net cash inflow/(outflow) from operating activities	10,185	10,433
Cash flows from investing activities		
Proceeds from sale of investment properties	3,945	16,943
Payments for construction costs of investment properties	-	(36)
(Payments)/proceeds from early termination of derivative instruments	(768)	8,675
Net cash inflow/(outflow) from investing activities	3,177	25,582
Cash flows from financing activities		
Finance costs paid	(15,912)	(10,386)
Proceeds from borrowings	171,000	-
Repayment of borrowings	(177,036)	(45,300)
Distributions paid	(916)	(4)
Net cash inflow/(outflow) from financing activities	(22,864)	(55,690)
Net increase/(decrease) in cash held	(9,502)	(19,675)
Cash at beginning of the half-year	13,829	28,731
Cash at the end of the half-year	4,327	9,056

The Consolidated Cash Flow is to be read in conjunction with the accompanying notes

AUSTRALIAN EDUCATION TRUST
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2010



	Units on issue	Consolidated Group Undistributed Profit	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2009	166,314	13,393	179,707
(Loss) attributable to Unitholders	-	(4,967)	(4,967)
Distribution paid or provided for	-	-	-
Balance at 31 December 2009	166,314	8,426	174,740
Balance at 1 July 2010	166,314	17,027	183,341
(Loss) attributable to Unitholders	-	(1,619)	(1,619)
Distribution paid or provided for	-	(904)	(904)
Balance at 31 December 2010	166,314	14,504	180,818

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes

1. Statement of significant accounting policies

This general purpose interim financial report for the half-year reporting period ended 31 December 2010 has been prepared in accordance with the Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2010 and any public announcements made by the Trust during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Impact of standards issued but not yet applied by the Trust

In December 2009, the AASB issued AASB9 *Financial Instruments* which addresses the classification and measurement of financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not traded. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss. The Trust does not expect that any adjustments will be necessary as a result of applying the revised rules.

Correction of error in measurement of straight line rental accounting in previous half-year

For the half year ending 31 December 2009, the measurement of leases with fixed rent reviews was incorrectly calculated. The error has been corrected by restating each of the affected financial statement line items for the previous half year as described below.

Balance Sheet as at	31 December 2009	Adjustments	31 December 2009 (Restated)
\$'000			
Non-Current Assets			
Investment Properties	330,828	(2,083)	328,745
Straight line rental asset	-	2,083	2,083
	<u>330,828</u>	<u>-</u>	<u>330,828</u>

Statement of Comprehensive Income	31 December 2009	Adjustments	31 December 2009 (Restated)
For the year ended			
\$'000			
Revenue			
Lease Income	17,439	209	17,648
Expenses			
Net property revaluation decrement	5,926	209	6,135

At the year ending 30 June 2010, the measurement of leases with fixed rent reviews were correctly calculated.

	Consolidated Group	
	31 Dec	30 Jun
	2010	2010
	\$'000	\$'000
Deposits	-	17
Lease incentive asset	880	1,068
Prepayments	890	342
Investment properties to be sold within 12 months	4,016	5,836
	<u>5,786</u>	<u>7,263</u>

2. Other current assets

	Consolidated Group	
	31 Dec	30 Jun
	2010	2010
	\$'000	\$'000
3. Investment properties		
Movement in investment properties:		
Balance at the beginning of the period	346,509	375,482
Disposal of properties	(4,039)	(54,972)
Movement in straight line rental account	168	418
Investment properties to be sold in 12 months	1,820	26,416
Net revaluation decrement	(1,369)	(835)
Carrying amount at the end of period	343,089	346,509
Comprising:		
Investment properties	340,629	344,217
Investment properties – straight line rental account	2,460	2,292
Total investment properties	343,089	346,509

(a) Investment properties are carried at fair value. The determination of fair value is based on independent valuations where appropriate. This includes the original acquisition costs together with capital expenditure since acquisition and either the latest full independent valuation or latest independent update. Total acquisition costs include incidental costs of acquisition such as stamp duty and legal fees.

(b) A full independent valuation of a property is carried out at least once every three years. Independent valuations are prepared using both the capitalisation of net income method and the discounting of future net cash flows to their present value. Capital expenditure since valuation includes purchases of sundry properties (and associated expenses such as stamp duty, legal fees etc) and capital expenditure in respect of completed projects which has taken place since or was not included in the latest valuation of the properties.

(c) Independent valuations for 6 Australian properties and 14 New Zealand properties were undertaken during the half year ending 31 December 2010. The independent valuations were prepared using both the capitalisation of net income and direct comparison method which are consistent with the requirements of the relevant Accounting Standards. The net result of the valuations was a decrement of \$1.2 million or 7.0% in the carrying costs of the properties valued. Market yields adopted by the valuers ranged between 7.35% and 12.0%. Net revaluation decrements also includes a decrement due to straight line rental adjustments of \$0.2 million.

Based on the recent revaluations AET has revalued approximately 97% of its portfolio since 30 June 2009. As a result, the fair value of the operating investment property portfolio as at 31 December 2010 is entirely based on the most recent independent valuation.

	Consolidated Group	
	31 Dec 2010 \$'000	30 Jun 2010 \$'000
4 (a). Borrowings – Current		
Bank loans - secured	-	3,880
Senior Secured Notes at face value	-	5,120
	-	9,000
4 (b). Borrowings – Non-Current		
Bank loans - secured	171,000	72,286
Senior Secured Notes at face value	-	99,217
Less: unrealised foreign exchange gain on Notes	-	(6,180)
Less: up front transaction costs	(2,588)	(3,402)
Plus: amortised up front transaction costs	-	2,312
	168,412	164,233

AET entered into a new \$180 million debt syndicated debt facility with NAB and ANZ. The new banking facility replaces the previous facility with the National Australia Bank (NAB) and the US Senior Secured Notes (Noteholders) which were due to mature on 31 July 2011.

The key commercial terms of the syndicated facility are as follows:

1. Facility Limit	\$180 million
2. Drawn Amount	\$171 million as at 31 December 2010
3. Facility Term	3 Years
4. Financiers	NAB & ANZ (50% equal share)
5. Security Trustee / Facility Agent	NAB
6. Security	First ranking mortgages over each freehold property
7. Margins	Scale of margins dependant upon the Trust's LVR position
8. Maximum Loan to Value Ratio	55% of Freehold & 50% of Leasehold Interests
9. Financial Charges Ratio	Not to be less than 1.4x for FY11 and 1.6x for FY12 and beyond measured on a six monthly basis
10. Alternate Use Ratio	Debt is not to exceed 100% of Alternate Use Values for portfolio
11. Interest Rate Hedging	Requirement to enter into interest rate hedging arrangements with the Lenders for a minimum 70% of facility limit by 28 February 2011

As at the 31 December 2010, the Fund complied with all of its debt covenant ratios and obligations.



	Consolidated Group	
	Units on issue	Units on issue
	No '000	\$'000
5. Contributed Equity		
Balance at 1 July 2009	134,974	166,314
Units issued	-	-
Balance at 31 December 2009	134,974	166,314
Balance at 1 July 2010	134,974	166,314
Units issued	-	-
Balance at 31 December 2010	134,974	166,314

6. Segment information

The Trust operates as one business segment being the investment in childcare properties, in one geographic segment being Asia Pacific. The Trust's segment is based on reports used by both management and directors in making key decisions.

7. Capital and lease commitments

(a) Capital commitments

The Trust had no capital commitments at reporting date (Nil at 30 June 2010).

(b) Lease revenue commitments

Details of non-cancellable operating leases contracted but not capitalised in the financial statements are shown below:

The property leases are non-cancellable with a fifteen year term and rent is reviewed annually in accordance with CPI movements. Further, two five year options exist to renew the leases for further terms.

	Consolidated Group	
	31 Dec	31 Dec
	2010	2009
	\$'000	\$'000
Receivable:		
not later than 1 year	33,075	35,349
later than 1 year but no later than 5 years	144,519	150,535
later than 5 years	213,358	258,928
	390,952	444,812

(c) Leasehold property commitments

Details of non-cancellable property leases contracted for but not capitalised in the financial statements are shown below:

The property leases are non-cancellable leases with a twenty year term, with rent payable quarterly or monthly in advance. Contingent rental provisions within the lease agreements require the minimum lease payments shall be increased by the minimum of CPI to a maximum of 5% per annum. A right or option exists to renew the leases for a further term. The lease allows for subletting of all lease areas.

	Consolidated Group	
	31 Dec 2009 \$'000	31 Dec 2009 \$'000
Payable:		
not later than 1 year	1,047	1,006
later than 1 year but no later than 5 years	4,429	4,426
later than 5 years	14,898	16,124
	20,374	21,556

8. Contingent liabilities

No contingent liabilities to the Trust exist of which the Responsible Entity is aware (nil at 30 June 2010).

9. Subsequent events

Impact of Recent Floods

The Trust owns approximately 250 properties across Victoria, New South Wales and Queensland with a wide geographic spread across each. Only one site, being a site in Queensland, has been identified as being severely affected by the floods. The site will remain closed until rectification works are complete. In addition, a small number of sites have been identified as having some water damage which is relatively minor in nature.

The Trust holds appropriate insurance cover for the effect of floods on its properties, although like all insurance policies, it is limited to a finite amount per property. At this point, it cannot be established if the damage to the one site severely affected by flooding will fall within the policy limit.

No other matter or circumstance has arisen since 31 December 2010 that has significantly affected, or may significantly affect:

- (a) the Trust's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Trust's state of affairs in future years.

**AUSTRALIAN EDUCATION TRUST
DIRECTORS DECLARATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2010**



In the opinion of the directors of Austock Property Management Limited, the responsible entity of Australian Education Trust and its controlled entity ("The Trust"):

- (a) the financial statements and notes, set out on pages 6 to 14 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Trust's financial position as at 31 December 2010 and of its performance for the half-year ended on that date.
- (b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.
- (c) The Trust has operated during the half year ended 31 December 2010 in accordance with the provisions of the Trust Constitution dated 8 July 2002 (as amended).

This declaration is made in accordance with a resolution of the directors.

Dated at Melbourne this 17th day of February 2011.

A handwritten signature in black ink, appearing to read 'V. Cottren', written over a horizontal line.

Victor David Cottren
Chairman
Austock Property Management Limited

Independent auditor's review report to the unitholders of Australian Education Trust

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial statements of the Australian Education Trust, which comprise the balance sheet as at 31 December 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the Australian Education Trust Group (the consolidated entity). The consolidated entity comprises both Australian Education Trust (the Trust) and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of Austock Property Management Limited (the Responsible Entity of the trust) are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Australian Education Trust, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

**Independent auditor's review report to the unitholders of
Australian Education Trust (continued)**

Matters relating to the electronic presentation of the reviewed financial report

This review report relates to the financial report of the Trust for the half-year ended 31 December 2010 included on the Trusts web site. The Trust's directors are responsible for the integrity of the Trusts web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Australian Education Trust is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



PricewaterhouseCoopers



Charles Christie
Partner

Melbourne
17 February 2011



Responsible Entity and principal place of business of the Trust	Austock Property Management Limited Level 12 15 William Street Melbourne VIC 3000
Directors of the Responsible Entity	Victor David Cottren (Chairman) Michael Francis Johnstone Nicholas James Anagnostou
Solicitors	Macrossans Lawyers Level 23 AMP Place 10 Eagle Street Brisbane Qld 4000
Auditor/Tax Advisors	PricewaterhouseCoopers Freshwater Place 2 Southbank Boulevard Southbank Vic 3006
Banks	National Australia Bank Level 20, 100 Creek Street Brisbane QLD 4000
	Australia & New Zealand Banking Corporation Limited Level 29 100 Queen Street Melbourne Vic 3000
Custodian	The Trust Company Limited 213-217 St Pauls Terrace Spring Hill Qld 4006
Secretary of the Responsible Entity	Amanda Jane Gawne/Adrian Seamus Hill Level 12 15 William Street Melbourne VIC 3000
Share Registry	Registries Limited Level 7 207 Kent Street Sydney NSW 2000
Investor Relations	Lula Lioffi Austock Property Management Limited Level 12 15 William Street Melbourne VIC 3000 Ph: (03) 8601 2000