

ASX Announcement

21 November 2008

Market Update – Australian Education Trust

Australian Education Trust (AET) (ASX:AEU) provides the following update to its announcement of 6 November 2008, in relation to its exposure to ABC Learning Centres Limited (Administrators Appointed) (Receivers and Managers Appointed) and a number of its subsidiaries (ABC).

Australian Education Trust's current credit exposure to ABC is approximately AU\$2.02 million and relates to:

1. AU\$1.8 million in unpaid monies relating to development sites in Australia
2. NZ\$0.25 million in unpaid monies relating to development sites in New Zealand

The exposure relates to holding charges for development sites that are payable together with non performance on the purchase of real estate, which has subsequently been retained by the trust.

AET is in discussions with ABC's Receivers with respect to the leases between AET and ABC, as well as other matters relevant to the development sites. At this stage, the Receiver has not been able to provide any guidance with respect to the future of the development sites or leases.

Any potential exposures or claims that may arise from property leasing arrangements with ABC are dependant upon the outcome of discussions with the Receiver.

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The Australian Education Trust is a Listed Property Trust that independently invests to the benefit of its unitholders in childcare and other assets. As at 30 June 2008, it owned 437 childcare centre properties across Australia and New Zealand; of which approximately 95% are leased on the basis of long term triple net leases to ABC. The Trust has assets of \$467m with properties geographically diversified across Australian and New Zealand, with a primary concentration across the Australian east coast.

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