

ASX Announcement

26 August 2010

Distribution for the Year Ended 30 June 2010

Unitholders are aware that the fund is subject to an existing restriction on distributions in accordance with the terms of the most recent debt arrangements with both NAB and the US Noteholders.

For the year ending 30 June 2010, the Australian Education Trust (AET) (ASX:AEU) advises the Fund has taxable income of \$0.9 million. In order to avoid an adverse tax position for Unitholders and to comply with its obligations under its Constitution, AET has received approval from its debt providers to pay a cash distribution of \$0.9m, equivalent to 0.67 cents per ordinary unit for the year to 30 June 2010.

The amount of the distribution should not be considered to be reflective of the annualised underlying earnings of the fund for the year. It represents taxable income only in a year of extraordinary circumstances.

AET is in discussions regarding its debt refinancing and a condition of any debt refinancing arrangement will be the re-commencement of distributions.

The following dates will apply to this distribution:

Record Date	6 September 2010
Ex-distribution Date	31 August 2010
Payment Date	20 September 2010

The breakdown of components for this distribution are available on AET's website at: http://www.educationtrust.com.au/investor_relations/distributions.aspx

An annual tax statement with final components will be sent to unitholders in September.

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