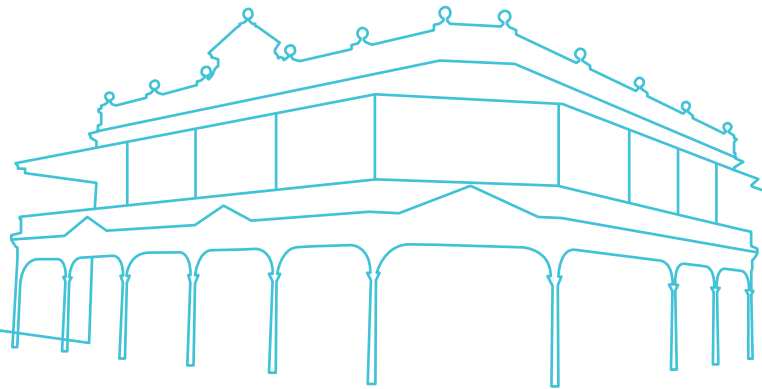


When you look at a pub property, what do you see?



We
see

FRONT COVER
Sail & Anchor Hotel, Fremantle WA

value quality location scale

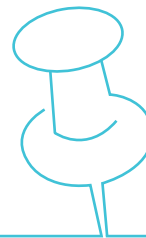
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We see value

ALE's portfolio of 87 quality pub properties has an average value of \$9 million and significant long term value through both the large land holdings and long term inflation indexed rental arrangements, which are next reviewed to market in 2018 and 2028*. Some of ALE's pubs have been continuously trading for over 100 years.

* 81 of 87 pub properties are next reviewed in 2018 and 2028.



BREAKFAST CREEK HOTEL

Albion, Brisbane

Built in 1889, it has been serving the Brisbane community for over 120 years and is arguably one of Brisbane's and Australia's best known and most popular pubs; it was recently valued by ALE at \$14.3 million.



Highlights

Over
\$500m

ALE's market capitalisation has increased by more than 52% (or \$179 million) to \$519 million during the year ended 30 June 2013. This increase is attributable to \$72 million of equity capital raisings and around \$107 million of security market price increases.

3.83% p.a.

In December 2012, ALE hedged its long term base debt interest rate for 10 years at 3.83% p.a. This is close to the 100+ year low in the Australian long term interest rate markets.

5 years

The average term until the next market rent review on the properties as well as the weighted average term on the debt facilities is currently just over five years.

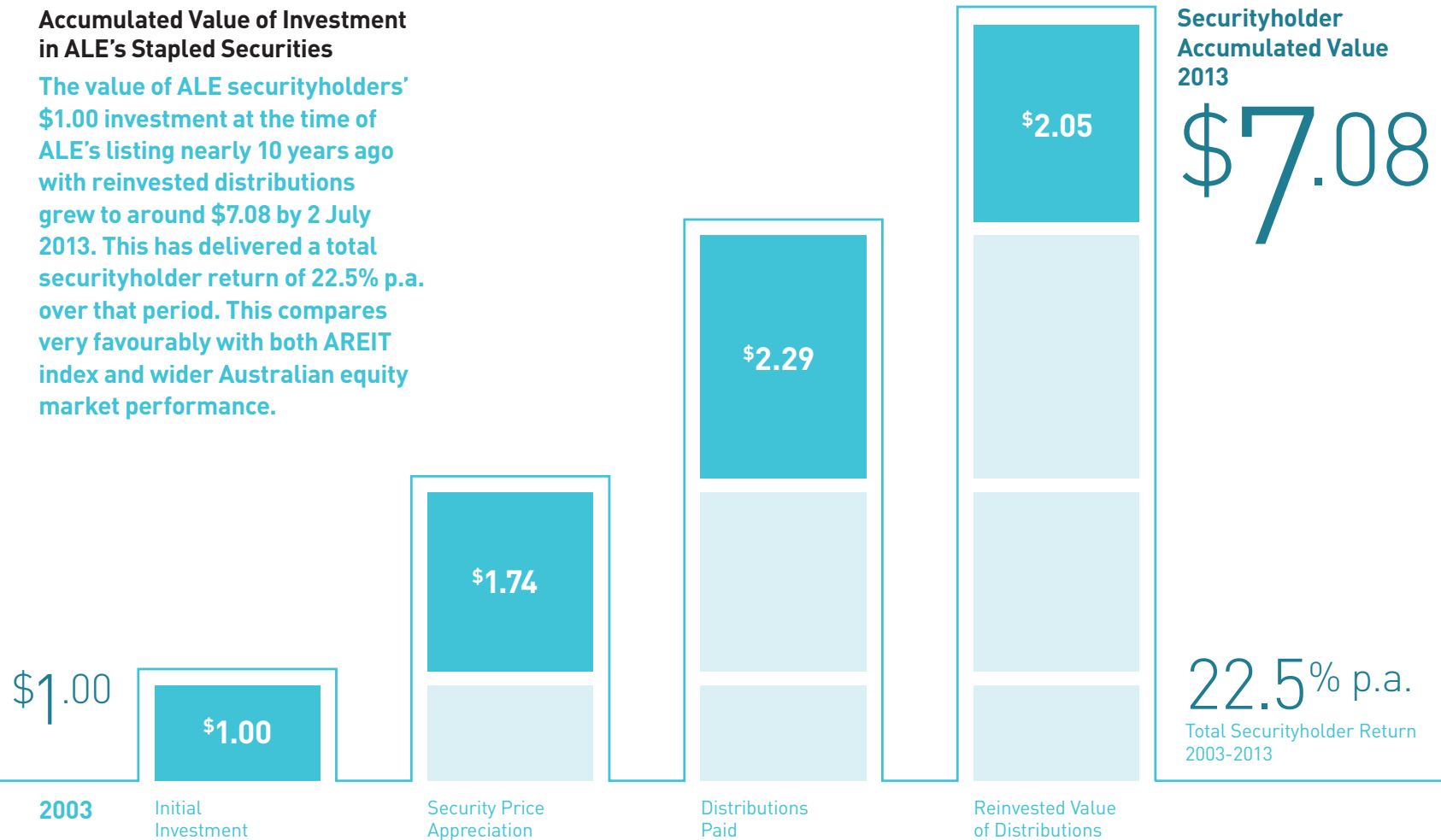
About ALE and ALH

A few simple facts about ALE and ALH

- ALE was listed on the ASX in November 2003
- ALE acquired 105 pubs from Foster's in 2003
- ALE has since disposed of a net 18 pubs
- Today ALE leases all 87 pubs to ALH
- ALH is 75% owned by Woolworths Limited
- ALH is 25% owned by the Mathieson Group
- For the majority of ALE's property leases
 - the remaining initial term is around 15 years
 - ALH has options to extend for up to 40 years
 - fixed dollar rents increase annually by CPI
 - land tax is paid by ALH except in QLD
 - the lease is triple net (favourable to ALE)
 - the next market review is in 2018
- ALH owns the liquor and gaming licences
- ALH is the leading pub operator in Australia
- ALH has certain property development rights
- ALE's FY13 distribution is 16.0 cents per security
- ALE's FY13 distribution is around 35% tax deferred

Accumulated Value of Investment in ALE's Stapled Securities

The value of ALE securityholders' \$1.00 investment at the time of ALE's listing nearly 10 years ago with reinvested distributions grew to around \$7.08 by 2 July 2013. This has delivered a total securityholder return of 22.5% p.a. over that period. This compares very favourably with both AREIT index and wider Australian equity market performance.



CHAIRMAN

Discussion with Peter Warne



Another solid financial result for the ALE Property Group for the year ended 30 June 2013. The final full year distributable profit for FY13 exceeded guidance by around 2%.

In late 2012, ALE successfully completed equity and debt raisings totalling \$107 million to fund the hedge restructure and provide additional working capital. The Board was particularly pleased to see ALE's longstanding institutional and retail investors participate so enthusiastically.

What were ALE's financial highlights in FY13?

ALE reported an increased distributable profit for the 2013 financial year. This pleasing outcome exceeded the guidance provided both before and after the capital raising and interest rate hedging restructure successfully completed late in calendar 2012. As a matter of prudence, the Board has decided to declare a full year distribution of 16.00 cents per security (expected to be around 35% tax deferred), in line with that guidance.

What were the notable developments in the property and capital markets over the past year?

While the worst potential effects of economic and financial distress in the international markets during the year were not realised, a significant level of concern continues. However, the US economy and its debt and equity capital markets have shown some recent recovery. In particular, the continuing expansive stance of US monetary policy to stimulate economic growth is starting to show results.

Over the past year, demand has increased from both debt and equity investors for securities with an attractive and secure yield. This demand has been accompanied by a closer focus on those investments that can demonstrate sustained earnings growth.

Over the year, A-REITs, or ASX-listed owners of property portfolios, that deliver a high level of earnings certainty, have gained favour, with the UBS Commercial Property Accumulation Index up by 24% as their anticipated yields became increasingly attractive relative to bonds and other alternative investments.

Positive momentum in both the Australian and several other global equity markets was evident during ALE's capital raisings in the final quarter of calendar 2012. At around that time the A-REIT market for initial public offerings reopened after being effectively closed for many years.

After a significant rally in government bond rates in FY11 and FY12, FY13 saw those levels hold and, more recently, move higher from base rates at generational lows. However, the costs of credit (or margins) reduced significantly during the year, particularly for investment grade issuers.

Investor demand for high quality, well leased, prime commercial property in Australia remains robust. Yields or capitalisation rates are yet to fall in line with lower bond yields and thereby demonstrate widespread property price rises. The lower risk profile of quality commercial property investment also continues to enjoy support from both the commercial banking and debt capital market communities.

What are ALE's continuing strategic priorities?

The Board has a number of strategic priorities that it keeps under continual review to ensure that securityholder value is maximised:

- delivering predictable distributions that increase reliably over time (distributions consistently in line with guidance);
- continuing to review our portfolio to ensure ALE properties are well maintained and that asset values are protected or enhanced;
- maintaining our operating costs below those of our peers;
- ensuring an optimal capital management position;
- closely managing risk to preserve value for all stapled securityholders;
- undertaking acquisitions or disposals where value-accretive to do so; and
- adopting and executing high standards of regulatory and compliance practices, ensuring all our obligations under the law, ASX Listing Rules and regulatory and lease obligations are met.

What perspective does the Board have on ALE's capital management achievements?

Since 2009, ALE has simplified and deleveraged its capital structure including both its debt funding and interest rate hedging arrangements. Today the capital structure consists of a diverse source of medium to long term funding instruments. Wholesale investors are supportive of our secured bond instruments while both institutional and retail investors are supportive of our ASX listed unsecured debt instruments. I am encouraged that a large number of those investors have been supportive of ALE since 2003 when we first accessed the debt capital markets. At the same time we have continued to enjoy solid and longstanding relationships with Australian banks.

During FY13, ALE completed a comprehensive review and implementation of a greatly simplified interest rate hedging arrangement. The outcome was attractive due to the enhanced risk profile provided by the new hedge as well as the long tenor and low base interest rate that ALE will enjoy over the next 10 years. While there was a break cost associated with the restructure, locked in future interest savings will recover this cost over time.

In late 2012, ALE successfully completed equity and debt raisings totalling \$107 million to fund the hedge restructure and provide additional working capital. The Board was particularly pleased to see ALE's longstanding institutional and retail investors participate so enthusiastically.

What is ALE's capital management strategy in the current market?

With solid capital foundations in place, ALE will continue to focus on opportunities to grow securityholder value. While previous falls in base

interest rates have started to reverse, market conditions continue to offer an attractive opportunity for acquisitions to be considered. As always, our disciplined focus will remain on opportunities to secure accretive acquisitions of higher quality long term leased properties. The Board recognises the very high quality of our existing portfolio and is determined not to allow any acquisitions that would dilute that quality.

While ALE has demonstrable funding experience in a number of the domestic capital markets, management will continue to explore other options in the domestic and offshore capital markets where term, covenants, pricing, liquidity and risk profiles are comparatively attractive.

What do you consider to have been management's major achievements during FY13?

Andrew Wilkinson and his dedicated management team accomplished a range of strategic, operational and risk management tasks over the past year. In particular, the successful completion of the capital raising and hedging restructure finishes a complex repositioning of ALE's capital structure, which will deliver improved securityholder value benefits over the long term.

Corporate governance

Again this year a large number of Board, and Audit, Compliance and Risk Management Committee, meetings were required. I again thank my Board and Committee colleagues for their dedication to these tasks.

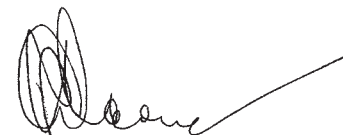
As previously announced, as part of the Group's staged process of Board renewal, we expect to nominate a further director to the Board in the near term. Securityholders will of course be given the opportunity to elect all nominees to the Board at the subsequent AGM.

As always, our disciplined focus will remain on opportunities to secure accretive acquisitions of higher quality long term leased properties.

This year's Annual General Meeting will be held at the Sofitel Sydney Wentworth Hotel in Sydney on Tuesday, 12 November 2013. I am looking forward to meeting many of ALE's securityholders at that time.

The Notice of Meeting, Explanatory Memorandum and proxy forms will be sent to securityholders in late September 2013 and I encourage all shareholders to participate in the AGM votes either via the proxy form or by attending the AGM.

The continuing support of ALE's stapled securityholders over the past 10 years since our listing is greatly appreciated by the Board. Thank you.



Peter Warne
Chairman

We see quality

ALE's portfolio of 87 pub properties includes a number of Australia's best known venues across the major capital cities, with properties such as the Young & Jackson, Melbourne, New Brighton Hotel, Sydney, Breakfast Creek, Brisbane and Sail & Anchor, Fremantle. Along with many premium suburban venues ALE's portfolio is unmatched in terms of quality. ALE's tenant covenant is one of the strongest with Australian Leisure and Hospitality Group Pty Ltd, 75% owned by Woolworths and 25% owned by the Bruce Mathieson Group. ALH is arguably Australia's leading and most profitable pub operator.

CROWS NEST HOTEL

Crows Nest, Sydney

The "Crowie" has been an institution on the north shore of Sydney for over 85 years and is renowned as a live band and entertainment venue.





MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Discussion with Andrew Wilkinson



During 2013, ALE completed both a capital raising and hedging restructure that locked in its long term base debt interest rates for the next 10 years at levels close to the lows of the past 100+ years.

What were the significant influences on this year's distributable profit?

While rentals increased by around 2.7%, the most notable influence on distributable profit was a decrease in our borrowing costs. As expected, borrowing expenses decreased by around 23% on the prior year as a result of the hedging restructure completed in December 2012.

What is the link between ALH's performance and ALE's future rent?

From data lodged with ASX and ASIC by Woolworths, we understand that ALH is performing well. ALH is Australia's largest and most profitable pub and retail liquor operator. ALH has delivered earnings growth significantly higher than CPI over the past decade.

ALH now operates more than 320 licensed venues and over 460 retail liquor outlets, including BWS and Dan Murphy's. Its expanded operations in both WA and NSW are generating additional profitability. For the year ended 30 June 2012, ALH reported earnings (EBITDAR) of \$538.4 million, an increase of around 7% on the prior period. The lease terms not only protect ALE as landlord but also capture benefits arising from ALH taking steps to make its operations at ALE's properties even more profitable. Subject to valuation principles and market conditions at the time, this should have a positive impact on market rent reviews in 2018 and beyond.

In particular, ALH has funded significant amounts of capital improvements at ALE's properties including the addition of 20 Dan Murphy's stores and a large number of refurbishments. It is expected that this

capital expenditure and the recent Victorian gaming regulation changes should be positive influences on the growth in ALH's EBITDAR. Any further ALH development of ALE's properties may also enhance ALH's profitability.

On 81 of the 87 leases, rent is reviewed to market in 2018 (10% cap and collar) and at each 10 yearly review that follows (open or uncapped and not collared). As the 2018 review is just over five years away and the 2028 review is growing closer, it is timely to again remind ALE's securityholders of the opportunity those reviews may provide.

What are the factors that have impacted ALE's property valuations over this past year?

The latest property valuations demonstrate the high quality of ALE's portfolio. They reflect the tenant's strength and to some extent the unique leasing arrangements. The focus on quality and yield in property and wider markets remains as economic and market volatility continues.

The independent valuations conducted by Urbis and CBRE in June 2013 were used to assess the total individual property values at \$786.0 million, a 1.9% increase, mostly reflecting the CPI based rent increases.

The June 2013 independent valuations included a discounted cash flow analysis which all contemplated a 10% increase in 2018 but attributed little if any value to the uncapped and uncollared market rent reviews which are determined on average 15 years from now for most of the leases.

Is there anything to update on ALE's capital structure?

As mentioned in the Highlights, ALE's market capitalisation increased by around 50% to more than \$500 million this year. This resulted from \$72 million of equity capital raisings through a placement, SPP and DRP as well as \$107 million arising from security price increases.

ALE's funding structure continues to be characterised by diverse sources of funding instruments with maturity dates averaging 5.2 years. The next scheduled maturity is the ALE Notes 2 in August 2014. ALE is entitled to elect to extend the maturity date by one or two years by paying additional redemption premiums.

At 30 June 2013, net covenant gearing had reduced 1.0% to 50.9%. ALE continues to maintain appropriate headroom to all debt covenants equivalent to an average 25% fall in property values.

How is ALE protecting securityholders against market risks?

ALE has consistently sought to protect investors from inflation and interest rate risk and continues to have long term hedging in place to achieve this objective.

ALE undertook a detailed review of its hedging arrangements. The outcome of that review was a Board decision to terminate the existing CPI hedge at the break date and enter into a simpler and lower cost nominal hedge for a term of 10 years.

The interest rate for the new hedge was set at a low 3.83% p.a. close to the lowest level available since 1908 when the long term bond market was first established in Australia.

The hedge restructure also removed the risk of a large CPI escalated payment at the end of the hedge term. With the new nominal hedge there is no escalated amount payable. Finally, the bank counterparty is unable to exercise any discretionary rights to break the hedge before the end of the 10 year term.

At 30 June 2013, interest rates had moved to higher levels and accordingly the new hedge was around \$8 million in the money.

What is the outlook for the 2014 financial year?

ALE has continued to both preserve the quality of the existing property portfolio and explore the opportunity to further diversify its funding sources.

In FY14 and beyond, the Board's objective is to grow distributions (from 16.0cps in FY13) by at least CPI until the next refinancing. This guidance assumes an unchanged portfolio, hedging and capital structure.

Future years' tax deferred components are expected to be higher than in FY13 due to the additional tax deductions the hedge restructure has generated.

ALE's distribution guidance includes benefits from in the money counter hedges which will be fully amortised by the time of the next refinancing. A materially reduced gearing position provides the opportunity to maintain a stable distribution profile past the full amortisation of the counter hedge benefits.

As credit markets improve, ALE will take advantage of opportunities to complete debt refinancings at lower ongoing costs, longer tenor, or both.

Specifically, in the coming year we will review opportunities to refinance our 2016 debt maturities early if this is valuable for securityholders.

Any closing remarks?

I would like to take this opportunity to again thank my management colleagues for their support and hard work. I also thank the Board for their wisdom and guidance, particularly as we navigated the range of options for the hedging restructure completed last year.



Andrew Wilkinson

Managing Director and Chief Executive Officer

FURTHER NOTES

ALE has a policy of only paying distributions from free cash flow, subject to the minimum requirement to distribute taxable income of the trust under the Trust Deed. Distributable Profit is a non-IFRS measure that shows how free cash flow is calculated by ALE and hence how distributions are determined. Distributable Profit excludes items such as unrealised fair value (increments)/decrements arising from the effect of revaluing derivatives and investment property, non-cash expenses and non-cash financing costs. The reconciliation between Operating Profit before Tax and Distributable Profit has not been audited or reviewed by KPMG.

Net gearing = (Net Finance Debt – Cash) / (Total Assets – Cash – Derivatives Assets) as per ALE Notes 2 covenant. This ratio is considered, in the opinion of the Directors, most relevant to securityholders as it is the debt covenant used for assessing the headroom available.

Board of Directors



LEFT TO RIGHT FROM TOP

Peter H Warne
Andrew Wilkinson
John Henderson
Helen Wright
James McNally

PETER H WARNE

BA, FAICD

Chairman and Non-executive Director

Peter was appointed as Chairman and a Non-executive Director of the Company in September 2003. Peter began his career with the NSW Government Actuary's Office and the NSW Superannuation Board before joining Bankers Trust Australia Limited (BTAL) in 1981. Peter held senior positions in the Fixed Income Department, the Capital Markets Division and the Financial Markets Group of BTAL and acted as a consultant to assist with integration issues when the investment banking business of BTAL was acquired by Macquarie Bank Limited in 1999. Peter is also a board member of three other listed entities, being ASX Limited, Macquarie Group Limited and WHK Group Limited. He is also on the board of NSW Treasury Corporation and Securities Industry Research Centre for Asia Pacific (SIRCA) and is a member of the Advisory Board for the Australian Office of Financial Management.

Peter graduated from Macquarie University with a Bachelor of Arts, majoring in Actuarial Studies. He qualified as an associate of, and received a Certificate of Finance and Investment from, the Institute of Actuaries, London.

ANDREW WILKINSON

BBus, CFTP, MAICD

Managing Director

Andrew was appointed Managing Director of the Company in November 2004. He joined ALE as Chief Executive Officer at the time of its listing in November 2003. Andrew has over 30 years' experience in banking, corporate finance and funds management. He was previously a corporate finance partner with PricewaterhouseCoopers and spent 15 years in finance and investment banking with organisations including ANZ Capel Court and Schroders.

JOHN HENDERSON

BBldg, MRICS, AAPI

Non-executive Director

John was appointed as a Non-executive Director of the Company in August 2003. John has been a director of Marks Henderson Pty Ltd since 2001 and is actively involved in the acquisition of investment property.

Previously an International Director at Jones Lang LaSalle and Managing Director of the Sales and Investment Division, he was responsible for overseeing the larger property sales across Australasia, liaising with institutional and private investors, and coordinating international investment activities. John graduated from the University of Melbourne and is a member of the Royal Institution of Chartered Surveyors, is an associate of the Australian Property Institute and is a licensed real estate agent.

HELEN WRIGHT

LL.B, MAICD, Harvard – AMP
Non-executive Director

Helen was appointed as a Non-executive Director of the Company in September 2003. Helen was a partner of Freehills, a leading Australian firm of lawyers, from 1986 to 2003. She practised as a commercial lawyer specialising in real estate projects, including development and financing and related taxation and stamp duties.

Helen is the Chair of Screen NSW (formerly Film & Television Office), and is the Statutory and Other Offices Remuneration Tribunal and the Local Government Remuneration Tribunal for NSW. Prior appointments include the Boards of several State, university, commercial and charitable entities. Helen has a Bachelor of Laws from the University of NSW, and in 1994 completed the Advanced Management Program at the Harvard Graduate School of Business.

JAMES McNALLY

BBus (Land Economy), DipLaw
Executive Director

James was appointed as an executive and founding Director of the Group in June 2003. James has over 19 years' experience in the funds management industry, having worked in both property trust administration and compliance roles for Perpetual Trustees Australia Limited and MIA Services Pty Limited, a company that specialises in compliance services to the funds management industry. James' qualifications include a Bachelor of Business in land economy (Hawkesbury Agricultural College) and a Diploma of Law (Legal Practitioners Admission Board). James is also a registered valuer and licensed real estate agent.

DAVID LAWLER

BBus, CPA
Independent member of the Audit, Compliance
and Risk Management Committee (ACRMC)

David was appointed to ALE's ACRMC on 9 December 2005 and has over 25 years' experience in internal auditing in the banking and finance industry. He was the Chief Audit Executive for Citibank in the Philippines, Italy, Switzerland, Mexico, Brazil, Australia and Hong Kong. He was Group Auditor for the Commonwealth Bank of Australia. David is the Chair of the Australian Trade Commission Audit and Risk Committee and is an audit committee member of the Australian Office of Financial Management, the Defence Materiel Organisation, the Australian Sports Anti-Doping Authority, the Australian Agency for International Development, the National Mental Health Commission and National ICT Australia. David is a director of Australian Settlements Limited and chairman of its audit committee. David has a Bachelor of Business Studies from Manchester Metropolitan University in the UK. He is a Fellow of CPA Australia and a past President of the Institute of Internal Auditors – Australia.

GRAEME MacLAREN

BBus, CPA, MBA, MAICD, F Fin
Non-executive Director,
ALE Finance Company Pty Limited

Graeme was appointed as a Non-executive Director of ALE Finance Company in September 2003. Graeme's qualifications include a Bachelor of Business, Postgraduate Diploma in Banking Management and a Masters of Business Administration from Macquarie Graduate School of Management. Graeme is a member of the Australian Society of Certified Practising Accountants, Australian Institute of Company Directors and a Fellow of the Financial Services Institute of Australasia.

Graeme has over 20 years' experience in banking and financial services and has occupied numerous senior positions within the Commonwealth Bank of Australia involving audit, property investment, finance, operations and compliance. Graeme also specialises in providing advice to the funds management industry. He acts as an independent director and executive director for a number of companies, as an external member on a number of compliance committees and compliance manager for managed investments.

BRENDAN HOWELL

BEc, GDipAppFin (Sec Inst)
Company Secretary

Brendan was appointed to the position of Company Secretary in April 2007, having previously held the position from September 2003 to September 2006. Brendan has a Bachelor of Economics from the University of Sydney and a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia, and over 23 years' experience in the funds management industry. He was formerly an associate member of both the Securities Institute of Australia and the Institute of Chartered Accountants in Australia.

Brendan has a property and accounting background and has previously held senior positions with a leading Australian trustee company administering listed and unlisted property trusts.

For over 13 years Brendan has been directly involved with MIA Services Pty Limited, a company which specialises in funds management compliance, and acts as an independent consultant and external compliance committee member for a number of property, equity and infrastructure funds managers. Brendan also acts as an independent director for several unlisted public companies, some of which act as responsible entities.

Management Team



ANDREW WILKINSON

BBus, CFTP, MAICD

Managing Director and Chief Executive Officer

Andrew was appointed Managing Director of the Company in November 2004. He joined ALE as Chief Executive Officer at the time of its listing in November 2003. Andrew has over 30 years' experience in banking, corporate finance and funds management. He was previously a corporate finance partner with PricewaterhouseCoopers and spent 15 years in finance and investment banking with organisations including ANZ Capel Court and Schroders.



ANDREW SLADE

BEc (Actuarial Studies)

Capital Manager

Andrew joined ALE in July 2005. He has more than 20 years' experience in investment banking and structured finance. Andrew spent 10 years with Oxley Corporate Finance, where he was involved with a range of structured, project and property finance transactions, the latter involving major Australian companies and listed property trusts.

Andrew has also acted as principal of Slade Financial Consulting, where he has provided advice on structured property and asset based financing arrangements for public and private sector projects. Andrew has a Bachelor of Economics degree, majoring in Actuarial Studies, from Macquarie University.



DON SHIPWAY

BCom (Prop Econ), MCom (Prop Dev), AAPI (CAM)

Asset Manager

Don joined ALE in September 2010 as Asset Manager. Don has a Bachelor of Commerce (Property Economics) from the University of Western Sydney and a Master of Commerce (Property Development) from Sydney Graduate School of Management.

Don has over 13 years' experience in the corporate real estate sector, holding national management roles with Retail Adventures and Metcash Limited, specialising in property, lease and asset management. Don is an Associate member of the Australian Property Institute and Certified Asset Manager (CAM).


MICHAEL CLARKE

BCom, MMan, CA, ACIS

Finance Manager and Assistant Company Secretary

Finance Manager and Assistant Company Secretary Michael joined ALE in October 2006. Michael has over 27 years' experience in accounting, taxation and financial management. Michael previously held senior financial positions with subsidiaries of listed public companies and spent 12 years working for Grant Thornton.

He has also owned and managed his own accounting practice. Michael has a Bachelor of Commerce degree from the University of New South Wales and a Master of Management from Macquarie Graduate School of Management, and is an associate member of the Institute of Chartered Secretaries and Administrators.


BRENDAN HOWELL

BEd, GDipAppFin

Company Secretary and Compliance Officer

Brendan was appointed to the position of company secretary in April 2007, having previously held the position from September 2003 to September 2006. Brendan has a Bachelor of Economics from the University of Sydney and a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia, and over 23 years' experience in the funds management industry.

He was formerly an associate member of both the Securities Institute of Australia and the Institute of Chartered Accountants in Australia. Brendan has a property and accounting background and has previously held senior positions with a leading Australian trustee company administering listed

and unlisted property trusts. For over 13 years Brendan has been directly involved with MIA Services Pty Limited, a company which specialises in funds management compliance; and acts as an independent consultant and external compliance committee member for a number of property, equity and infrastructure fund managers. Brendan also acts as an independent director for several unlisted public companies, some of which act as responsible entities.

We see **location**

ALE's 87 quality pub properties are mostly located in the more densely populated metropolitan areas of Australia's major capital cities. They have been trading in their current locations, with an average density of more than 1,300 people per square kilometre, for an average of more than 60 years.



NEW BRIGHTON HOTEL

Manly, Sydney

Operating since the 1880s, this pub is located at Sydney's world famous Manly Beach and was completely renovated and rebuilt in 2011 by ALH.



Victoria

ALE's 34 Victorian pub properties are strategically located within densely populated growth corridors and include seven Dan Murphy's stores that have been constructed over the last five years.

34

The Victorian portfolio of 34 pub properties is strategically located on major arterial roads throughout metropolitan Melbourne and surrounding commercial and residential destinations. They are mostly in areas with a population density of over 1,300 people per square kilometre.

\$11.3m

The average property value of ALE's 34 Victorian pub properties is currently \$11.3 million.

\$384.4m

Total current value of ALE's Victorian property portfolio.

14,186m²

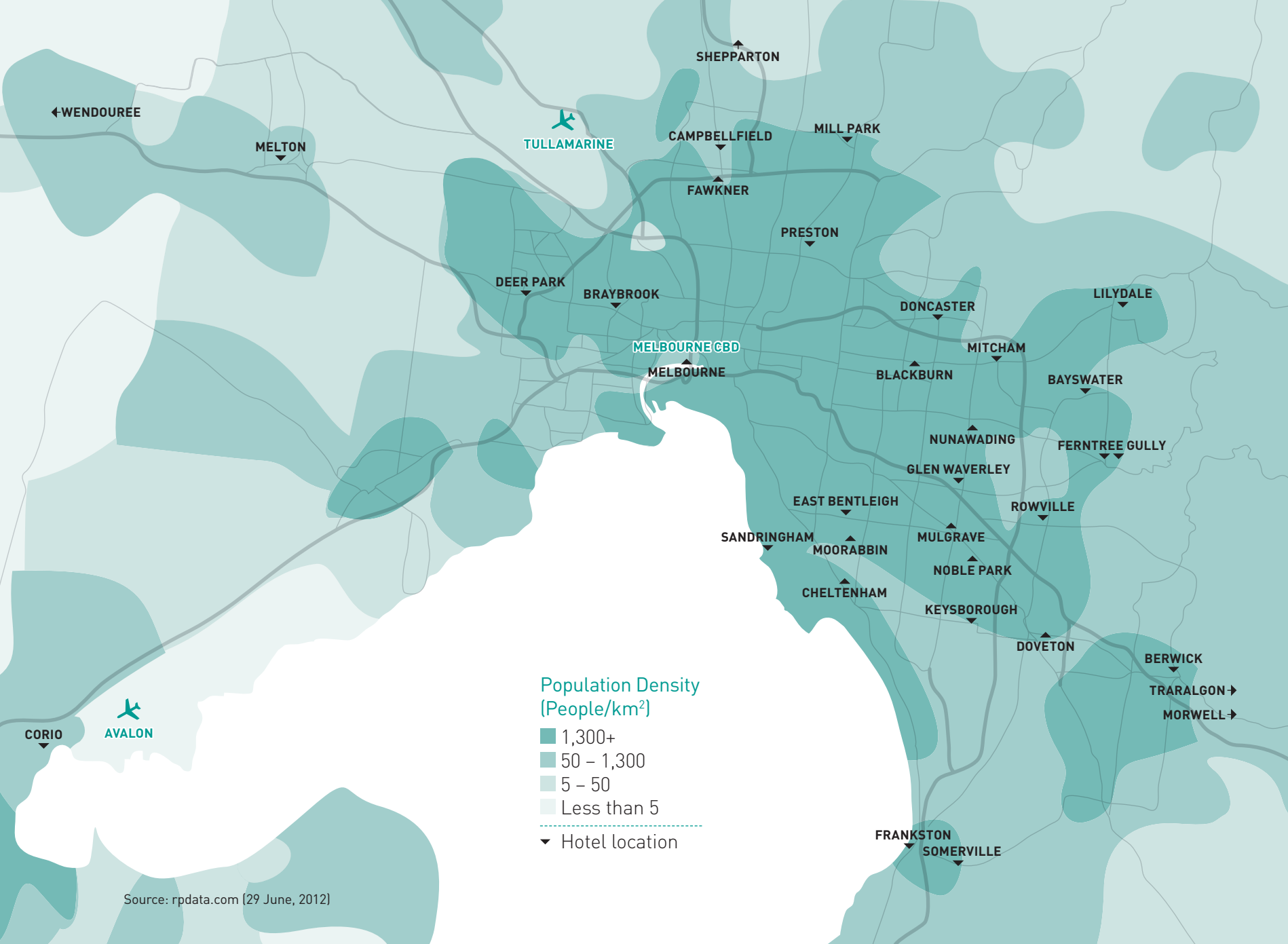
The average land area of ALE's 34 Victorian pub properties is 14,186m² which is equivalent to over 11 Olympic swimming pools.

482,330m²

Total land area represents approximately 69 rugby football fields in total and a very significant landholding across Melbourne.

Properties

Ashley Hotel, Braybrook / Bayswater Hotel, Bayswater / Berwick Inn, Berwick / Blackburn Hotel, Blackburn / Blue Bell Hotel, Wendouree / Boundary Hotel, East Bentleigh / Burvale Hotel, Nunawading / Club Hotel, Ferntree Gully / Cramers Hotel, Preston / Deer Park Hotel, Deer Park / Doncaster Inn Hotel, Doncaster / Ferntree Gully Hotel & Motel, Ferntree Gully / Gateway Hotel, Corio / Keysborough Hotel, Keysborough / Mac's Hotel, Melton / Meadow Inn Hotel, Fawkner / Mitcham Hotel, Mitcham / Morwell Hotel, Morwell / Olinda Creek Hotel, Lilydale / Pier Hotel, Frankston / Plough Hotel, Mill Park / Prince Mark Hotel, Doveton / Royal Exchange Hotel, Traralgon / Sandbelt Hotel, Moorabbin / Sandown Park Hotel, Noble Park / Sandringham Hotel, Sandringham / Somerville Hotel, Somerville / Stamford Inn Hotel, Rowville / Sylvania Hotel, Campbellfield / Tudor Inn Hotel, Cheltenham / The Vale Hotel, Mulgrave / Victoria Hotel, Shepparton / Village Green Hotel, Glen Waverley / Young & Jackson Hotel, Melbourne CBD



Queensland

The Queensland portfolio of 32 pub properties is well located on major arterial roads throughout Brisbane's major metropolitan area and in the growth centres of the Gold Coast, Sunshine Coast and North Queensland. Ten Dan Murphy stores have been constructed on ALE's Queensland properties over the last five years.

32

Most of ALE's 32 Queensland pub properties are located within Brisbane's and the Gold Coast's established and population growth areas.

\$7.3m

The average property value of ALE's 32 Queensland pub properties is currently \$7.3 million.

\$232.6m

Total current value of ALE's Queensland property portfolio.

10,621m²

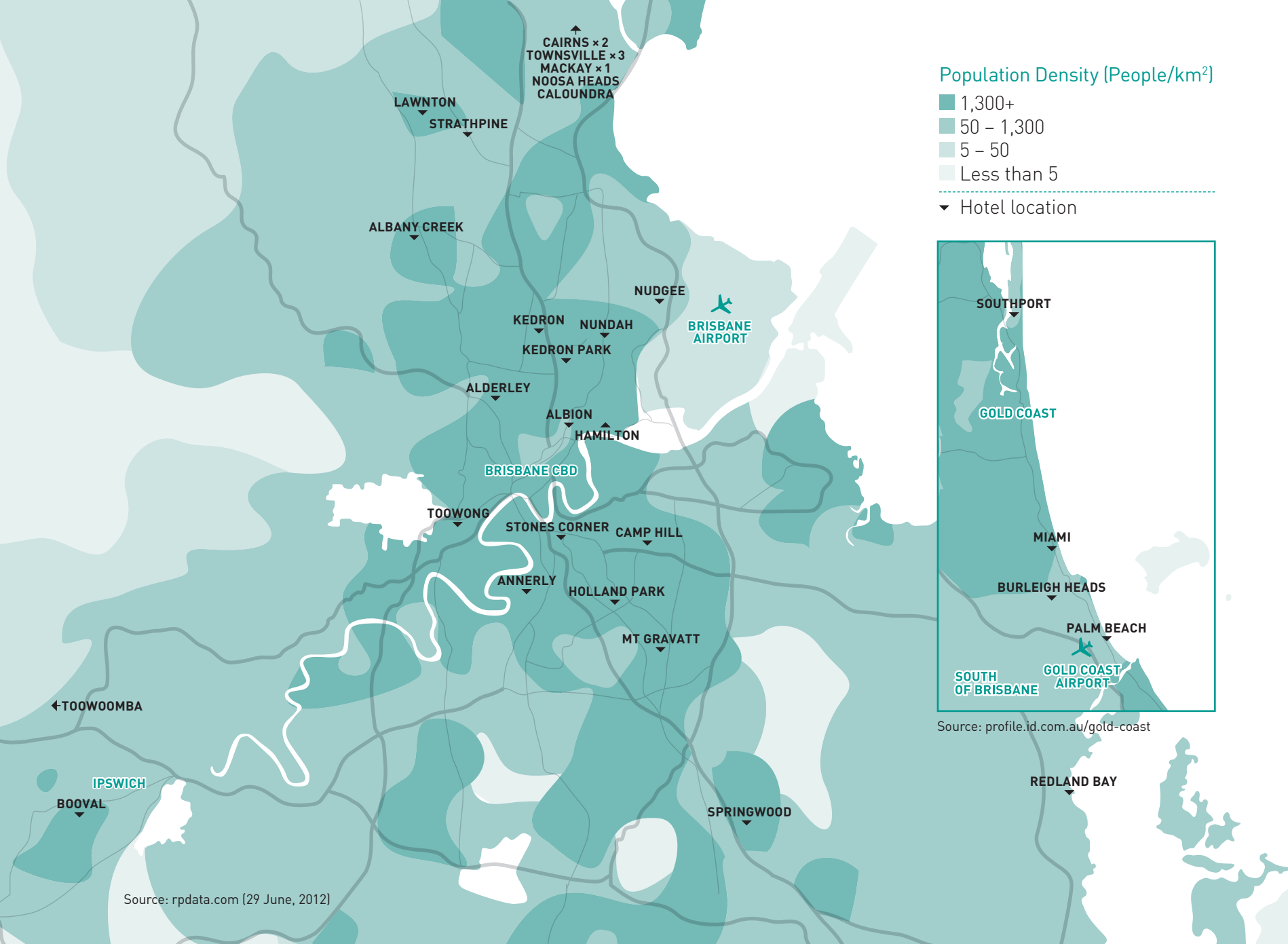
The average land area of ALE's 32 Queensland pub properties is 10,621m². This is equivalent to nearly nine Olympic swimming pools.

339,880m²

This represents a very significant landholding mostly across Brisbane, the Gold Coast as well as other significant cities on the Queensland Coast.

Properties

Albany Creek Tavern, Albany Creek / Alderley Arms Hotel, Alderley / Anglers Arms Hotel, Southport / Balaclava Hotel, Cairns / Breakfast Creek Hotel, Albion / Burleigh Heads Hotel, Burleigh Heads / Camp Hill Hotel, Camp Hill / Chardons Corner Hotel, Annerly / Dalrymple Hotel, Townsville / Edge Hill Tavern, Cairns / Edinburgh Castle Hotel, Kedron / Four Mile Creek Hotel, Strathpine / Hamilton Hotel, Hamilton / Holland Park Hotel, Holland Park / Kedron Park Hotel, Kedron Park / Kirwan Tavern, Townsville / Lawnton Tavern, Lawnton / Miami Tavern, Miami / Mt Gravatt Hotel, Mt Gravatt / Mount Pleasant Tavern, Mackay / Noosa Reef Hotel, Noosa Heads / Nudgee Beach Hotel, Nudgee / Palm Beach Hotel, Palm Beach / Pelican Waters, Caloundra / Prince of Wales Hotel, Nundah / Racehorse Hotel, Booval / Redland Bay Hotel, Redland Bay / Royal Exchange Hotel, Toowong / Springwood Hotel, Springwood / Stones Corner Hotel, Stones Corner / The Vale Hotel and Aitkenvale Motel, Townsville / Wilsonton Hotel, Toowoomba



Source: rpdata.com (29 June, 2012)

Source: profile.id.com.au/gold-coast

New South Wales

ALE's 10 New South Wales pub properties are well located within areas that have a population density of over 1,300 people per square kilometre on Sydney's northern beaches and in the western suburbs. Three Dan Murphy stores have been constructed on ALE's properties in New South Wales.

10

The New South Wales portfolio of pub properties is strategically located along major road corridors within Sydney.

\$11.1m

The average property value of ALE's 10 New South Wales pub properties is currently \$11.1 million.

\$110.6m

Total value of New South Wales property portfolio.

7,192m²

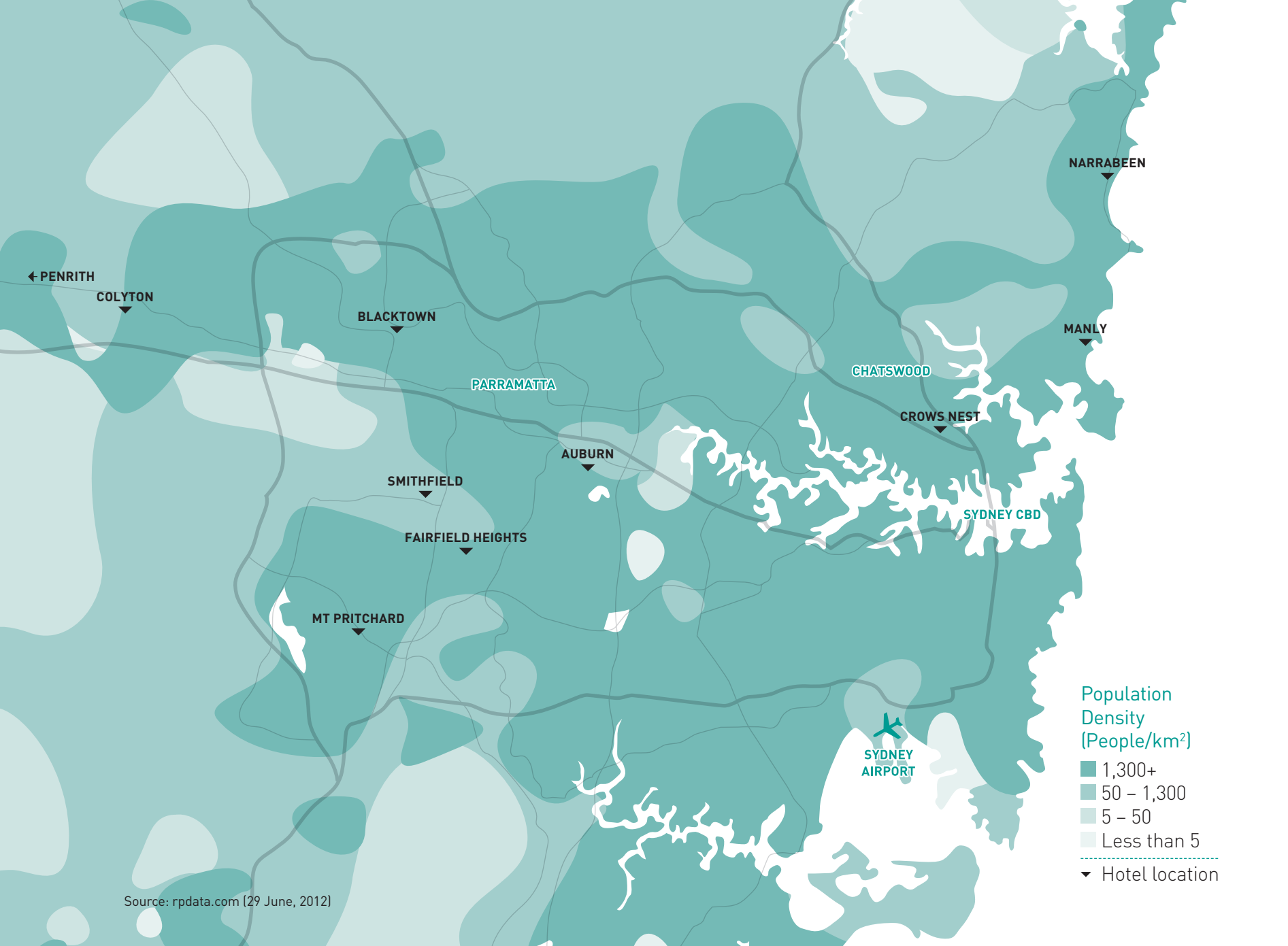
The average site area of ALE's 10 New South Wales pubs is 7,192m² and is equivalent to nearly six Olympic swimming pools.

71,922m²

ALE owns a significant landholding which ALH has certain rights to develop.

Properties

Blacktown Inn Hotel, Blacktown / Brown Jug Hotel, Fairfield Heights / Colyton Hotel, Colyton / Crows Nest Hotel, Crows Nest / Melton Hotel, Auburn / Narrabeen Sands Hotel, Narrabeen / New Brighton Hotel, Manly / Pioneer Tavern, Penrith / Pritchard's Hotel, Mt Pritchard / Smithfield Hotel, Smithfield



South Australia

ALE's seven South Australian hotels are located in the growth areas of Adelaide's northern suburbs and the Adelaide Hills.

\$4.6m

Average value of ALE's seven assets is currently \$4.6 million.

\$32.1m

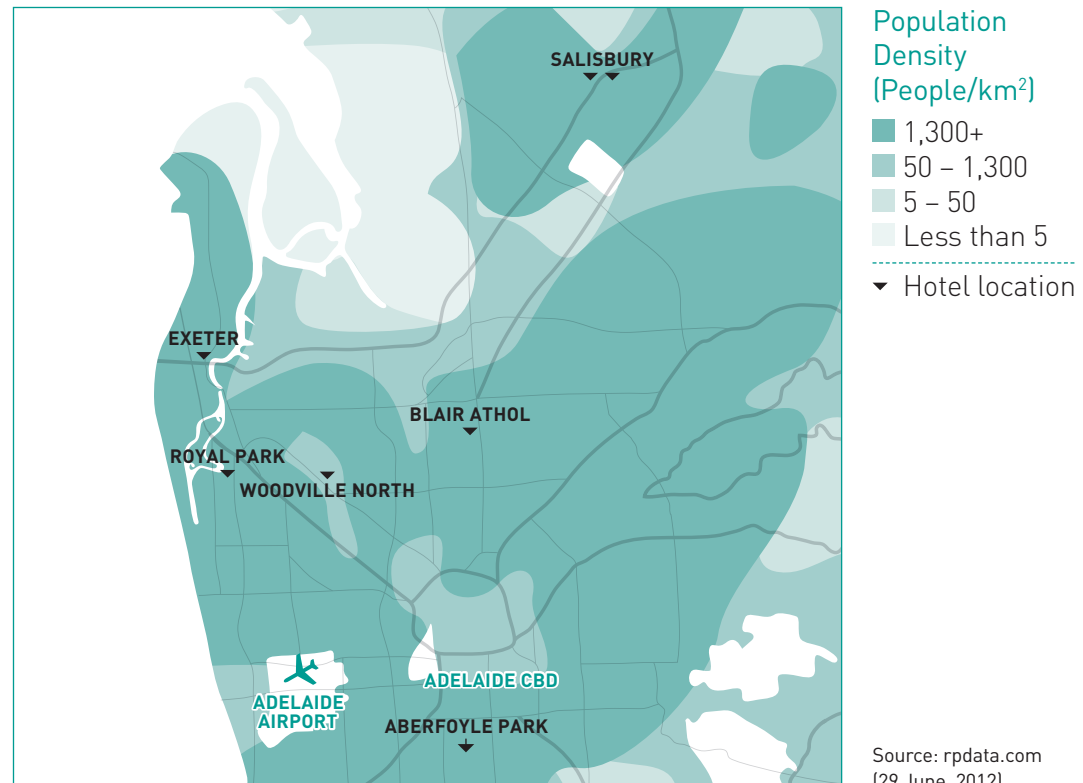
Total current value ALE's South Australian property portfolio.

8,207m²

Average land area of the South Australian properties is 8,207m².

Properties

Aberfoyle Hub Tavern, Aberfoyle Park / Eureka Hotel, Salisbury / Exeter Hotel, Exeter / Finsbury Hotel, Woodville North / Gepps Cross Hotel, Blair Athol / Hendon Hotel, Royal Park / Stockade Tavern, Salisbury



Source: rpdata.com
(29 June, 2012)

Western Australia

ALE's four historic Western Australian hotels are located within Perth and Fremantle CBDs' popular entertainment and shopping districts with a thriving café and pub culture.

\$6.6m

Average value of ALE's four assets is currently \$6.6 million.

\$26.3m

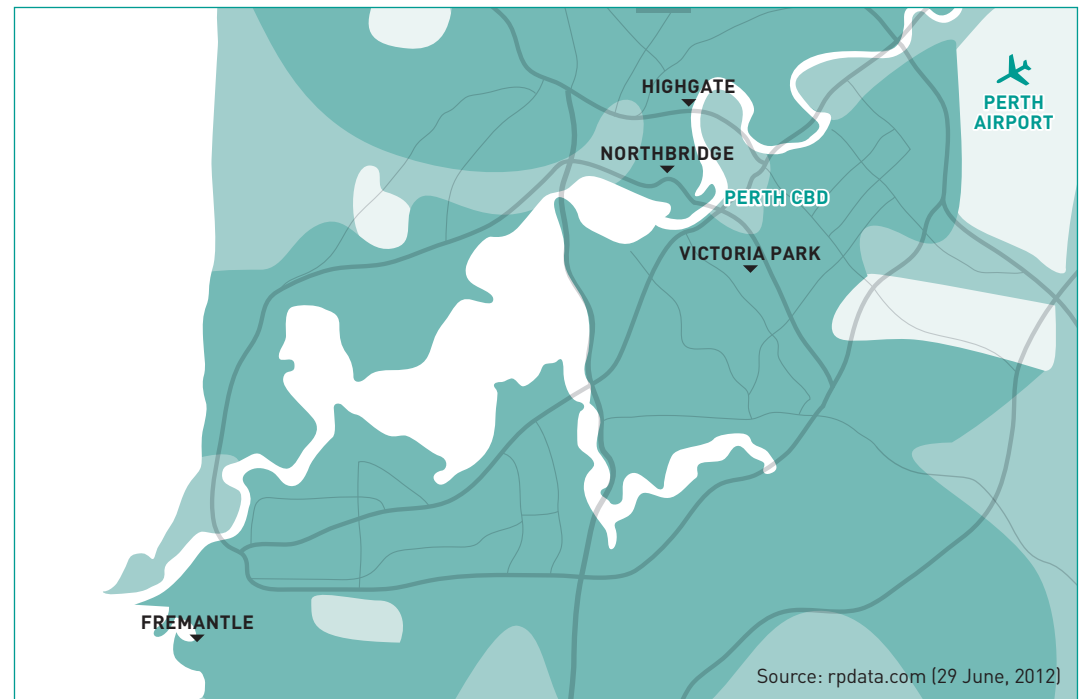
Total current value of ALE's Western Australian property portfolio.

1,623m²

Average land area of these historic sites.

Properties

Balmoral Hotel, Victoria Park / Queens Tavern,
Highgate / Sail & Anchor Hotel, Fremantle /
The Brass Monkey Hotel, Northbridge



Population Density (People/km²)

■ 1,300+ ■ 50 – 1,300 ■ 5 – 50 ■ Less than 5 ▾ Hotel location

We see scale

ALE's total landholding across its 87 pub properties is nearly ONE SQUARE KILOMETRE which is equivalent to either Sydney's core CBD or over half of Melbourne's CBD*. This large landholding is dispersed throughout Australia's major capitals with the average land size being 11,012m². This represents a significant landholding which ALH has certain rights to develop.

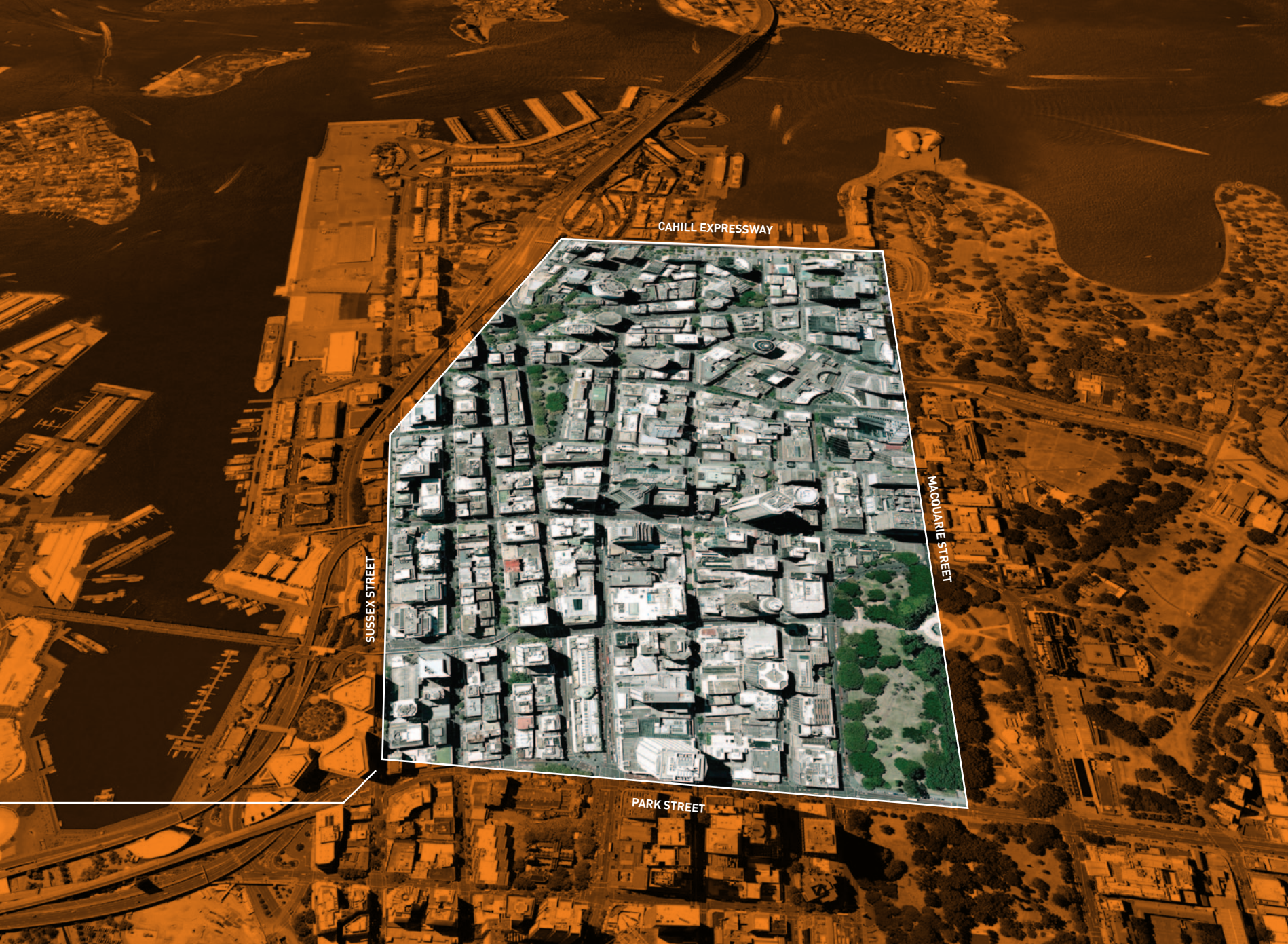
* Melbourne CBD is bordered by Flinders, Spring, Latrobe and Spencer Streets.

SYDNEY CORE CBD

Sydney, NSW

Sydney's core CBD is bordered by Macquarie Street, Cahill Expressway, Sussex Street and Park Street.





CAHILL EXPRESSWAY

SUSSEX STREET

MACQUARIE STREET

PARK STREET

Building to Land Area Utilisation

Total Land Area

958,071m²

Average Utilisation*

22%

- Land Area
- Building to Land Area Utilisation (%)*

* All land areas and utilisation percentages are approximate and exclude Dan Murphy's and other additions.

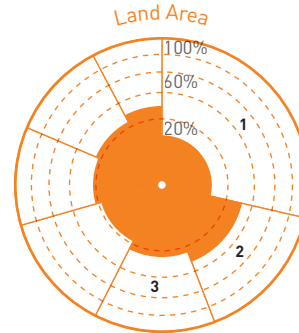
6,490m²



Largest Three Properties

1. Balmoral Hotel 33%
2. Queens Tavern 26%
3. Sail & Anchor Pub Brewery 100%

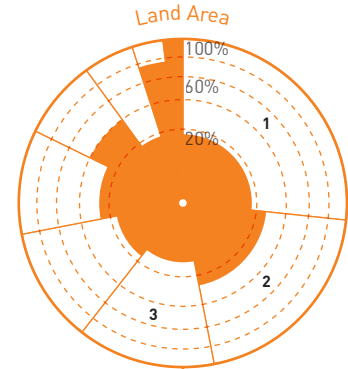
57,448m²



Largest Three Properties

1. Gepps Cross Hotel 12%
2. Finsbury Hotel 32%
3. Eureka Hotel 24%

71,922m²



Largest Three Properties

1. Colyton Hotel 18%
2. Blacktown Inn Hotel 26%
3. Pritchards Hotel 13%

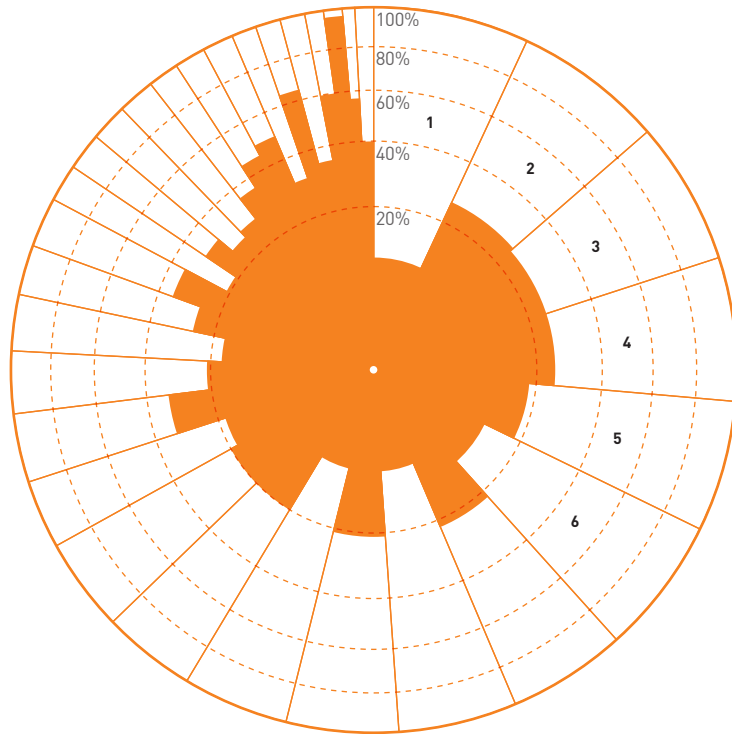
WA / 4 Properties

SA / 7 Properties

NSW / 10 Properties

339,880m²

Land Area



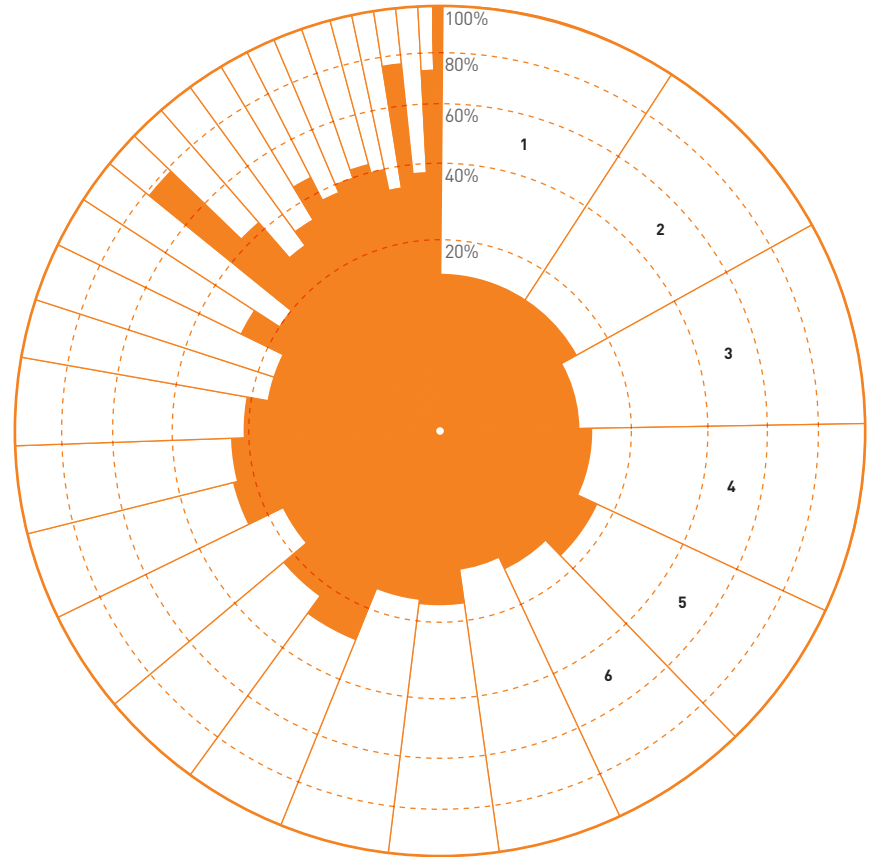
Largest Six Properties

1. Nudgee Beach Hotel 9%
2. Springwood Tavern 26%
3. Vale Hotel 25%
4. Dalrymple Hotel 25%
5. Kirwan Tavern 19%
6. Albany Creek Tavern 12%

QLD / 32 Properties

482,330m²

Land Area



Largest Six Properties

1. Burvale Hotel 14%
2. Village Green Hotel 14%
3. Sandown Park Hotel 12%
4. Stamford Inn Hotel 13%
5. Gateway Hotel 17%
6. Bayswater Hotel 13%

VIC / 34 Properties

Securityholder Information

The securityholder information as set out was applicable as at 5 July 2013.

A. Distribution of Equity Securities

Analysis of number of equity securityholders by size of holding:

Range	Total holders	Units	% of issued capital
1 – 1,000	486	186,300	0.10
1,001 – 5,000	1,113	3,494,057	1.80
5,001 – 10,000	950	7,440,754	3.83
10,001 – 100,000	2,040	52,047,529	26.80
100,001 – 999,999,999	123	131,069,438	67.48
Rounding			-0.01
Total	4,712	194,238,078	100.00

The stapled securities are listed on the ASX and each stapled security is comprised of one share in Australian Leisure and Entertainment Property Management Limited (Company) and one unit in Australian Leisure and Entertainment Property Trust (Trust). The NIVUS have been issued by the Trust to the Company. The number of shareholders holding less than a marketable parcel of stapled securities is 194.

B. Top 20 Equity Securityholders

The names of the 20 largest holders of stapled securities are as listed below:

Rank	Name	Securities	% of securities
1.	UBS Nominees Pty Ltd (PB SEG Account)	18,781,538	9.67
2.	Woolworths Limited	17,076,936	8.79
3.	HSBC Custody Nominees (Australia) Limited	13,497,352	6.95
4.	UBS Nominees Pty Ltd	13,059,219	6.72
5.	Citicorp Nominees Pty Limited	10,196,834	5.25
6.	National Nominees Limited	9,937,890	5.12
7.	J P Morgan Nominees Australia Limited	8,784,077	4.52
8.	ABN AMRO Clearing Sydney Nominees Pty Ltd (Custodian Account)	3,656,245	1.88
9.	Mr Edward Furnival Griffin and Mr Alastair Charles Griffin (EST Jean Falconer Griffin Account)	2,795,751	1.44
10.	RBC Investor Services Australia Nominees Pty Limited (APN Account)	2,702,520	1.39
11.	UBS Wealth Management Australia Nominees Pty Ltd	2,321,157	1.20
12.	Manderrah Pty Ltd (GJJ Family Account)	2,115,777	1.09
13.	HSBC Custody Nominees (Australia) Limited (GSCO ECA)	1,690,355	0.87
14.	Neasham Holdings Pty Ltd (The Neasham Account)	1,275,000	0.66
15.	Merlor Holdings Pty Ltd (Basserabie Family Sett Account)	1,174,363	0.60
16.	Melic Pty Limited (The Melic Unit Account)	1,165,538	0.60
17.	Mr John George Whiting and Mrs Diana Patricia Whiting (The Whiting Investment Account)	774,250	0.40
18.	BT Portfolio Services Limited (Caergwrle Invest P/L Account)	745,787	0.38
19.	BT Portfolio Services Limited (James Investment Account)	600,939	0.31
20.	BT Portfolio Services Limited (Maxwell Family Account)	600,939	0.31
Top 20 holders of STAPLED SECURITIES (TOTAL)		112,952,467	58.15
Total remaining holders balance		81,285,611	41.85

C. Substantial Holders

Substantial holders of ALE (as per notices received as at 5 July 2013) are set out below:

Stapled securityholder	Number held	Percentage of voting rights %
Caledonia (Private) Investments Pty Ltd	17,612,586	19.36
Allan Gray Australia (formerly Orbis)	20,743,121	13.01
Woolworths Limited	17,076,936	8.79

D. Voting Rights

The voting rights attaching to each class of equity securities are set out below:

(a) Stapled securities

On a show of hands every stapled securityholder present at a meeting in person or by proxy shall be entitled to have one vote and upon a poll each stapled security will have one vote.

(b) NIVUS

Each NIVUS entitles the Company to one vote at a meeting of the Trust. 9,080,000 NIVUS have been issued by the Trust to the Company and 194,238,078 units have been issued by the Trust to stapled securityholders.

The NIVUS therefore represent 4.67% of the voting rights of the Trust.

E. Equity Research Coverage of ALE

The following equity research analysts currently cover ALE's stapled securities:

- Paul Checchin and Rob Freeman – Macquarie Securities
- Rob Stanton and Scott Molloy – JP Morgan Securities
- Adrian Atkins – Morningstar
- James Carlisle and Jason Prowd – Intelligent Investor

Investor Information

The information is provided as a short summary of investor information. Please view our website at www.alegroup.com.au for all investor information.

Major Australian Securities Exchange (ASX) Announcements

2013

30 Jul	Full Year results, Annual Review and Property Compendium released
30 Jul	Property valuations increased by 1.9%
18 Jun	Caledonia increases substantial holding to 19.36%
17 Jun	Full Year distribution of 16.00 cents declared
6 Jun	Caledonia increases substantial holding to 17.31%
7 May	Caledonia increases substantial holding to 16.09%
2 May	Allan Gray increases substantial holding to 13.01%
5 Mar	Half Year distribution payment date
13 Feb	Half Year results released

2012

24 Dec	Allan Gray reduces holding to 12.00%
20 Dec	Half year distribution of 8.00 cents declared
19 Dec	Property valuations increased
7 Dec	ALE finalises new hedge and locks in low interest rates
5 Dec	Completion of \$27 million Security Purchase Plan
26 Nov	Caledonia increases substantial holding to 14.97%
30 Oct	Annual General Meeting
26 Oct	Completion of \$80 million capital raising
30 Sep	Annual Report released
10 Sep	ALE completes Ferny Grove Tavern resumption
7 Aug	ALE launches Property Book
31 Jul	Full year results and Annual Review released

Stock Exchange Listing

The ALE Property Group (ALE) is listed on the Australian Securities Exchange (ASX). Its stapled securities are listed under ASX code: LEP; stapled security distributions may be paid twice yearly, normally in March and September; and its ALE Notes 2 are listed under ASX code: LEPHC.

Distribution Reinvestment Plan

ALE has established a distribution reinvestment plan. Details are available on ALE's website.

Electronic Payment of Distributions

Securityholders may nominate a bank, building society or credit union account for payment of distributions by direct credit. Payments are electronically credited on the payment dates and confirmed by mailed advice. Securityholders wishing to take advantage of payment by direct credit should contact the registry for more details and to obtain an application form.

Website

The ALE website, www.alegroup.com.au, is a useful source of information for stapled securityholders. It includes details of ALE's property portfolio, current activities and future prospects. ASX announcements are also included on the site on a regular basis.

Distributions

Stapled security distributions are paid twice yearly, normally in March and September.

Securityholder Enquiries

Please contact the registry if you have any questions about your holding or payments.

Annual Tax Statement

Accompanying the final stapled security distribution payment, normally in September each year, will be an annual tax statement which details the taxable, tax concessional and deferred tax components of the year's distribution.

Publications

The Annual Review, Annual Report and Property Compendium are the main sources of information for stapled securityholders. In August each year, the Annual Review, Annual Report and Full Year Financial Report, and in February each year, the Half Year Financial Report, are released to the ASX and posted on the ALE website. The Annual Review is mailed to stapled securityholders unless we are requested not to do so. The Annual Report is only mailed on request. Periodically, ALE may also send releases to the ASX covering matters of relevance to investors. These releases are also posted on the ALE website and may be distributed by email to stapled securityholders if they register on ALE's website. The election by holders to receive communications electronically is encouraged by ALE.

Registered Office

Level 10, Norwich House, 6 O'Connell Street, Sydney NSW 2000, Tel: +61 2 8231 8588

Company Secretary

Mr Brendan Howell, Level 10, Norwich House, 6 O'Connell Street, Sydney NSW 2000
Tel: +61 2 8231 8588

Auditor

KPMG, 10 Shelley Street, Sydney NSW 2000

Lawyers

Allens Linklaters, Level 28, Deutsche Bank Place, Corner Hunter and Phillip Streets, Sydney NSW 2000

Custodian (of Australian Leisure and Entertainment Property Trust)

The Trust Company Limited,
Level 15, 20 Bond Street, Sydney NSW 2000

Trustee (of ALE Direct Property Trust)

The Trust Company (Australia) Limited,
Level 15, 20 Bond Street, Sydney NSW 2000

Registry

Computershare Investor Services Pty Ltd,
Reply Paid GPO Box 7115, Sydney NSW 2000
Level 3, 60 Carrington Street, Sydney NSW 2000
Tel: 1300 302 429 Fax: (02) 8235 8150
www.computershare.com.au

For emailed updates, visit the ALE website and join "Email Alerts" at www.alegroup.com.au.



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