

4 December 2008



Austock Childcare Fund Update

The Austock Childcare Fund (ACF) 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) ("ABC") and a number of its subsidiaries.

The receivers of ABC, McGrathNicol, confirmed that the majority of ABC child care centres will remain open in 2009. They have also advised that a further 386 child care centres were the subject of 'further review' and that an unknown portion of these centres may not stay open beyond 31 December 2008.

Mr Chris Honey, from McGrathNicol, said that a further announcement would be made regarding the future of the centres under review within a week. It was added that not all centres will necessarily close.

Of the 386 centres subject to further review, ACF owns 7 centres, which represent approximately 23% of the properties owned by the Fund. This represents annualised income of approximately \$645,000 p.a. The ACF affected centres are all located in Queensland.

It is expected that the Receiver will make a further announcement regarding its review of the 386 centres within the next few days. ACF's position in relation to the seven centres will then become clearer.

Management will continue discussions with the Receiver to assist in determining an outcome for the centres owned by ACF that are subject to further review. Further discussions will continue with other stakeholders and other childcare operators who have expressed interest in operating childcare centres.

Management will provide further updates post discussions with the Receiver and other stakeholders.

*As at 30 June 2008

ACF Fund Updates will be uploaded on ACF's website and will also be sent via email to those unitholders who have provided their email addresses. We are committed to keeping ACF's investors well informed and update our website as often as possible. I strongly encourage unitholders and advisors who have not provided their email address details to do so by sending your details to liossi@austock.com

ACF is a fixed term unlisted property fund with an end date of June 2015. The Fund's portfolio consists of the freehold interests in 31 childcare centres located in Queensland and South Australia, of which 26 are leased to ABC on long term lease agreements.

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