

## Aurora Property Buy-Write Income Trust (ARSN 125 153 648)

### Performance Report

30 April 2008

ASX Code: AUP

www.aurorafunds.com.au

### Trust Summary

- The Net Asset Value of the Trust increased by 2.58% during the month of April.
- The performance of the listed property securities was positive for the month of April
- The next distribution is due to be paid for the six months ending 30 June 08



### Investment Objective

The Aurora Property Buy-Write Income Trust (the Trust) is an ASX listed investment trust that aims to generate income from an active strategy of selling call options over a geared portfolio of Australia's largest ASX listed property securities.

### Investment Strategy

The Trust seeks to capture returns from investing in some of Australia's leading ASX listed property securities, with the objective of increasing the income generated by implementing an active call option selling ('Writing') strategy. Each quarter the Investment Adviser identifies 10 property securities within the Australian property sector that can be expected to:

- provide a higher than average dividend yield over the medium term (including the influence of franking credits, and special dividends and other financial restructuring);
- provide the scope for additional income generation by the Trust systematically writing call options on these securities and;
- the Trust seeks to reduce capital risk by holding put options against each security in the portfolio.

### Net Asset Value - incl. franking

Inception	July 07	Aug 07	Sep 07	Oct 07
	\$9.71	\$9.43	\$9.69	\$9.70
				\$9.62
Nov 07	Dec 07	Jan 08	Feb 08	Mar 08
	\$8.88	\$7.98	\$6.69	\$6.62
				\$6.59
Apr 08				
	\$6.76			

### Investment Adviser

Barclays Capital is the Investment Adviser to the Trust with responsibility to advise on the Trust's investment strategy. Barclays Capital is the investment banking division of Barclays Bank PLC which has a AA long-term credit rating and a balance sheet of over US\$2.3 trillion. Barclays Capital advises on over US\$2 billion in buy-write strategies globally.

### Trust Features

Trust Inception	26 July 2007
Minimum Investment	\$2,000
Unit Pricing	Monthly
Distribution Frequency	Half yearly
Distribution Reinvestment Plan	Available
Applications	Available to investors through the current PDS or on market by buying on the ASX
Redemptions	On-market by selling on the ASX or off-market at the Net Asset Value set at the end of each month

### Summary of the Trust

Market Capitalisation	\$27,479,920
Net Asset Value (NAV), incl. franking	\$31,215,804
Units on Issue	4,618,474
Net Asset Value per Unit	\$6.76
Net Asset Value per Unit, incl. franking	\$6.76
NAV plus distribution paid	\$7.15

### Trust Distributions (per Unit)

Period	Cash	Franking Credits	Total
31 Dec 07	\$0.4670	\$0.000	\$0.4670
Total	\$0.4670	\$0.000	\$0.4670

## Portfolio Commentary

April was a good month for the Australian share market. The benchmark S&P/ASX 200 index rose 4.5% while the S&P/ASX 200 Property Trust Index rose 4.3%. The Trust rose 2.58% in terms of its Net Asset Value (NAV) to close at \$6.76 per Unit.

Positive influences on the Fund's overall performance in April were:

Macquarie Country Wide (ASX Code: MCW) – up 27% after it sold two shopping centres at auction for a total \$8.8 million, one in Plympton South Australia, and the other in Georgetown in Tasmania at a gain of \$2.2 million on the original cost base of the properties.

Valad Property Group (ASX Code:VPG) – up 9.7% after selling two of its Victorian development projects for a profit of \$5.5 million. The projects are the 65-hectare development of Craigieburn TownCentre in outer Melbourne, and a Shepparton bulky goods centre.

Goodman Group (ASX Code: GMG) – up 7.1% after announcing that it had agreed to the sale of its wholly owned subsidiary Goodman Property Investors and Goodman's associated investments in GPI managed funds to Aberdeen Asset Management PLC for approximately £109 million (A\$230 million).

Negative influence on the Fund's performance during April was:

CFX (ASX Code: CFX) – down 1.75% despite construction starting on three of its most important redevelopments: Myer Melbourne, Chatswood Chase and Northland Shopping Centre and the completion of the Australian Film, Television and Radio School development at The Entertainment Quarter in Sydney.

### Portfolio Activity

There were no changes to the portfolio. The portfolio will not be rebalanced again until the end of June 2008.

### Market Outlook

With the S&P/ASX Property 200 Accumulation Index decreasing by -17.9% for the March 2008 quarter, investors in the Australian REITS market are now demanding higher disclosure of debt, maturity profiles and bank covenant information from the Australian REITS.

Although market volatility has abated substantially in the Australian REIT sector, it will not be immune to any further market volatility going forward, particularly if global equity markets deteriorate again this year. Although rental, vacancy and acquisition capital rate data suggests that the Australian property market continues to be strong, the property market is certainly not immune to any slowdown in the global property market.

## Sector Performance - March 08 Quarter

	Performance for the March quarter (%)
Perennial Aus Listed Property	-14.9%
Resolution Capital Enhanced	-15.1%
MLC Property Securities Fund	-15.8%
United Property	-15.9%
Resolution Capital Core	-16.3%
Aurora Property Buy Write Income	-16.7%
S&P ASX 200 A-REIT Accum. Index	-19.3%
Phoenix Portfolios Listed Property	-21.5%
Legg Mason Property Composite	-22.2%
SG Hiscock Standard Plus	-22.7%
SG Hiscock Listed Property Trust	-23.7%
GSJBW Asset Management	-25.0%

Source: Mercers

The table above shows the Top-5 and Bottom-5 performing LPT managed funds (sourced from Mercers) plus the performance of the Index and the Trust over the March quarter.

## Portfolio Holdings

	ASX Stock Code	Forecast Quarterly Yield (%) *
Abacus Property Group	ABP	2.64
CFS Retail Property Trust	CFX	2.68
Commonwealth Property Office Fund	CPA	3.37
Dexus Property Group	DXS	3.64
Goodman Group	GMG	2.01
ING Industrial Fund	IIF	2.24
Macquarie Countrywide	MCW	7.16
Mirvac Group	MGR	2.09
Stockland Group	SGP	3.31
Valad Property Group	VPG	7.18
Average forecast yield for June 08 quarter		3.63%

Source: Barclays Capital

\*Based upon closing share prices as at 27/03/08

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