



**EQT SGH LaSalle Global Listed  
Property Securities Trust**  
31 March 2012

**SGH**

SG HISCOCK & COMPANY



**FACT SHEET**

<b>Investment objective</b>	Aim is to outperform the UBS Global Investors Index - Hedged to AUD (Net of Withholding Tax) by 2% pa on average over a 3 to 5 year period (before fees and expenses).		
<b>Investments held</b>	Property securities listed on major world stock exchanges including USA, Canada, Western Europe, Asia and Australia which derive the bulk of their income from rental income.		
<b>Investment Manager</b>	SG Hiscock & Company Limited & LaSalle Investment Management (Securities) LP		
<b>APIR</b>	ETL0005AU		
<b>Commencement</b>	31 October 2003		
<b>Management costs<sup>1</sup></b>	1.103% p.a.		
<b>Minimum initial investment</b>	\$50,000	<b>Buy spread</b>	+0.25%
<b>Fund size</b>	\$186.34 million	<b>Sell spread</b>	-0.25%

<b>Unit Prices</b>	<b>Purchase</b>	<b>Net Asset Value</b>	<b>Withdrawal</b>
31 March 2012	\$1.0029	\$1.0004	\$0.9978

<b>Performance as at 31 March 2012<sup>2</sup></b>	<b>1 mth %</b>	<b>3 mths %</b>	<b>6 mths %</b>	<b>1 yr %</b>	<b>2 yrs % p.a.</b>	<b>3 yrs % p.a.</b>	<b>5 yrs % p.a.</b>
Distribution Return	0.00	0.00	0.00	6.81	3.69	2.89	5.96
Growth Return	4.00	10.92	20.74	0.13	10.32	30.03	-13.52
Total Net Return	4.00	10.92	20.74	6.94	14.01	32.92	-7.56
Index Return <sup>3</sup>	4.07	11.72	20.99	7.56	14.19	32.83	-5.03

<b>Top 5 holdings as at 31 March 2012</b>		
<b>Company</b>	<b>Holding %</b>	<b>Country</b>
Simon Property Group	9.09	United States
AvalonBay	5.01	United States
Boston Properties	4.33	United States
Equity Residential	3.98	United States
Vornado Realty Trust	3.70	United States

<b>Income Distributions</b>	
<b>Distribution Period</b>	<b>Cents per Unit</b>
31 Dec 09	NIL
30 Jun 10	NIL
31 Dec 10	NIL
30 Jun 11	6.6094
31 Dec 11	NIL

<b>Asset allocation as at 31 March 2012</b>				
<b>Regions</b>	<b>Countries</b>	<b>Allocations %</b>	<b>Current portfolio %</b>	<b>Benchmark %</b>
Asia Pacific	Australia	11.51	24.06	23.61
	Hong Kong	5.53		
	Japan	3.73		
	Singapore	3.29		
Europe	Continental	9.22	14.18	16.01
	UK	4.96		
North America	Canada	2.08	61.76	60.38
	US	59.68		
<b>TOTAL</b>		<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

1. Includes estimated GST payable, after taking into account reduced input tax credits (RITC).

2. Performance: Distribution Return is the return due to distributions paid by the Fund, Growth Return is the return due to changes in initial capital value of the Fund, Total Net Return is the Fund return after the deduction of ongoing fees and expenses and assumes the reinvestment of all distributions.

3. Index = UBS Global Investors Index - Hedged to AUD (Net of Withholding Tax).

**For more information visit our website [www.eqt.com.au](http://www.eqt.com.au) or telephone EQT Funds Management on 1300 555 378.**

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### COMMENTARY

The public real estate market continued to move ahead in March, with real estate stocks outperforming the broad market in every region and country except Australia. The long-awaited agreement to assist Greece with its debt problems was welcomed by investors in the Eurozone and elsewhere. The UBS Global Investors Index of real estate stocks was up 3.7% in the period; the MSCI World Equity Index of broad-market stocks gained 1.8% (all returns stated in local currencies). Year-to-date REITs are ahead 11.0% and the broad-market index is up 11.3%. Every region and country in the REIT-market index has gained 6% or more this year.

U.S. REITs were up 5.2% this month, ahead of the broad market (+3.2%). Real estate fundamentals continue to improve, with positive absorption and occupancy trends in most sectors and markets. Consumer confidence reached its highest level in March since the beginning of 2008. In addition, applications for jobless claims dropped to their lowest level in almost four years. Job and income growth is providing consumers with the means to withstand higher fuel costs and seems to be helping with car sales and other capital purchases.

Most U.S. property sectors and markets are expected to experience improving fundamental trends and will see good increases in Net Operating Income in 2012. The retail sector is benefitting from strong sales growth, particularly in high-quality assets, and limited new development. These trends should support healthy growth in market rents for high-quality assets. With high occupancy and little new supply, apartments continue to generate strong rental growth. Industrial fundamentals are expected to continue to improve; new development activity remains at a historical low. The economically-sensitive hotel sector should show strong growth as the U.S. economy improves. The office sector's recovery is lagging due to high vacancies and job losses in the government sector as well as likely losses in financial service space users.

Real estate companies in Continental Europe were up 5.3% this month, well ahead of their broad-market index (+0.4%). The most important factor in this month's property stock performance was bondholder approval of the restructuring of the Greek sovereign debt, which reduced concerns about the sovereign debt crisis growing and spreading more widely among capital markets. Interest in the sector also increased as U.S. REIT Simon Properties announced it is purchasing a 29% equity stake in Klepierre for about USD 2 billion.

The Klepierre portfolio includes 271 shopping centres in 13 countries, with about half in France and Belgium, and has a total asset value of more than USD 15 billion. After a slow start this year, debt capital raising became more active in the Continent during March. Unibail raised EUR 750 million for 7 years at a 3% yield, and Mercialis raised EUR 650 million for 7 years at a 4.1% yield.

UK real estate shares were ahead 3.7%, also well ahead of the broad market (-1.2%). The UK is influenced by activity in its largest trading partner, the Eurozone, and this month's performance in REITs is partly attributed to the improved environment there. In addition, operating fundamentals in all UK core property types – office, retail, and industrial – surprised on the upside as fourth quarter results were announced. The government continues to buy financial assets and is also lowering the highest income tax rate on individuals and cutting the corporate rate by 1%. Prime industrial was the sector that showed the best occupancy gains in 2011, and we expect industrial to be strong this year as well. Retail and office fundamentals may be a little weaker this year, but are shielded by a lack of new supply.

Australian property stocks lost 0.7% and the Australian broad-market index was up 1.4%. Government interest rates remain stable with both growth and inflation close to target. Office market fundamentals also remain stable with sub-lease space availability at an extremely low 0.5% of stock. Retail continues to have reasonable growth, with 12-month retail sales up about 2.5% in each of January and February. The housing market remains soft but prices appear to be stabilizing and volumes have improved slightly. Westfield Retail Trust is planning up to USD 300 million of redevelopments a year and a total of USD 1.4 billion or more of mall redevelopment over the next five to seven years.

Japanese real estate companies were up 3.6% and the broad market gained 3.1%. Both indexes were helped by the significant positive revision in Q4 GDP from a decline of 2.3% to a decline of only 0.7% (annualized). The upgrade was driven by stronger than expected capital expenditures by the private sector. Tokyo occupiers continue to trade up to Grade-A buildings with better earthquake protection, and there are good levels of pre-commitment in upcoming new developments. Grade-A office vacancies fell slightly in the last report. Office vacancies are expected to increase in the next two quarters as new buildings come on stream, then slowly recover. The residential market continues to show resilience, with good sales, low inventories, and level prices. The industrial sector continues to see new entrants, including Mitsubishi Estate's partnership with LaSalle Investment Management to develop Japan's largest modern logistics facility.

After a very strong January and February, Hong Kong property investment companies were relatively weak, off 3.4% this month; the broad Hong Kong market index was down 4.5%. This weakness is attributed to moderating economic reports, with fourth-quarter GDP growth slowing to a +3.0% annual rate on weaker exports and lower residential property volume. While we expect office fundamentals to remain stable over the next three years, the strong rental gains seen in the past couple of years are not likely to continue. Financial tenants remain cautious with regards to expansion. If the Chinese economy continues to show reasonable growth, as we expect, retail sales in Hong Kong, which were up more than 20% in 2011, should continue to be very strong.

Real estate stocks in Singapore were up 0.8% this month, a little ahead of the broad Singapore stock market (+0.2%). Growth is slowing in Singapore as well, and several rounds of government cooling have been applied to the residential market, though demand remains strong from Singapore residents. Commercial leasing continues to be relatively quiet, with some expectation of rent concessions. Several hospitality companies are considering creating REITs to hold their properties. M&L Hospitality REIT is in the process of raising capital, and three or four others are reported to be ready to launch.

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