



ING MANAGEMENT LIMITED

IHF Unitholder Meeting – 10 August 2011 Chairman's Presentation

SECTION 1: CHAIRMAN'S WELCOME

Title slide

Good morning ladies and gentlemen and welcome to this unitholder meeting for ING Real Estate Healthcare Fund.

My name is Michael Coleman. I am Chairman of ING Management Limited, the responsible entity of ING Real Estate Healthcare Fund or "IHF". I have been appointed by ING Management Limited as chairman of this meeting and I now table my letter of appointment.

It is now just past 10.00am, the nominated time for the meeting. I have been informed by Link Market Services, IHF's unit registry, that a quorum is present, so I am pleased to declare the meeting of ING Real Estate Healthcare Fund open.

Slide 1: Agenda

Firstly, I would like to provide remarks on the background to the Proposal in relation to ING Real Estate Healthcare Fund and clarify the purpose for the meeting today.

We will then progress to the formal business of the meeting where the resolution provided in the Notice of Meeting and Explanatory Memorandum dated 12 July 2011 will be put to a vote. We will allow ample time for questions and answers regarding the Proposal before proceeding to a vote.

At the conclusion of the meeting, you are all invited to join us for morning tea in the foyer outside this room.



ING MANAGEMENT LIMITED

Slide 2: Chairman's welcome

I would now like to introduce you to the Board of Directors of ING Management Limited (IML)

To my left are:

- Philip Clark – an Independent Director who is also Chairman of the Audit Committee;
- Michael Easson – an Independent Director who is also an Audit Committee member and Chairman of the Compliance Committee;

Mr Hein Brand, a Non-Independent Director who is a senior executive with ING Group based in The Hague, is not able to be present today and sends his apologies.

I am also joined by IHF management:

- Miles Wentworth – IHF Chief Executive Officer, who is sitting next to Phillip Clark and Chris Adams – Director Acquisitions and Developments, who is in the audience today.

Given the matter for consideration today includes replacing IML, the current responsible entity of IHF, with APN Funds Management Limited, we have in attendance the Independent Director of APN Funds Management, Geoff Brunsdon, and David Blight, Group Managing Director of APN Property Group and Director of APN Funds management.

We also have present today Peter Barnikel from the Fund's external auditors, Ernst & Young.



Slide 3: Purpose of the meeting

At this meeting, we will consider the resolution put forward in the Notice of Meeting and Explanatory Memorandum dated 12 July 2011, relating to the replacement of IML as responsible entity of IHF, with APN Funds Management Limited or “APNFM”.

The resolution must be approved by greater than 50% of votes cast by IHF unitholders in order for the Proposal to be implemented.

Slide 4: Background to the Proposal

Before I turn to the formal part of today’s meeting, I would like to provide background to the Proposal in the context of the broader strategic review of the ING Real Estate Investment Management or “REIM” platform and IHF. I will also discuss the rationale for the IML Independent Directors’ unanimous recommendation to vote in favour of the Proposal.

Against the backdrop of the global financial crisis which severely disrupted capital markets worldwide and fundamentally changed the landscape in which global financial institutions operate, ING Group announced it was conducting a strategic evaluation of its global real estate investment management platform, REIM, which at that time included five ASX-listed Real Estate Investment Trusts managed by ING’s Australian Real Estate Investment Management business or “REIMA”.

In February 2011, ING announced that as result of the review, it would undertake a phased withdrawal from the REIMA business in a timely and controlled manner.

In addition to ING’s strategic evaluation, REIMA and the Board of IML independently explored various options for IHF to maximise value for the Fund’s unitholders. Recognising the potential for conflicts to arise, the Board of IML established an Independent Board Committee or “IBC”, and adopted protocols and procedures to ensure any potential conflict of interest between REIM and IML was appropriately and transparently managed. The IBC comprised only directors who are independent of ING and was supported by an independent financial adviser and legal counsel.



Slide 5: Alternatives considered

REIMA and IML have explored various options for IHF. These options included:

A merger with another entity:

- In June 2010, IHF announced that it was in exclusive due diligence on the potential merger with Essential Healthcare Trust. However, in July 2010 IHF announced that key conditions for the potential merger to proceed had not been fulfilled and the exclusivity period had lapsed and the Proposal did not proceed.
- Scrip based proposals from unlisted entities with higher fee structures or assets inconsistent with IHF's portfolio strategy were not considered to be attractive. Ultimately, terms proposed by other parties were not deemed in the best interest of unitholders and consequently discussions were unsuccessful.

Cash offers for the units of IHF:

- A proposal from Canadian healthcare property operator, Northwest Value Partners or "Northwest", to acquire all of the units in IHF was first announced on 23 November 2010. This proposal was subsequently withdrawn by Northwest on 18 January 2011.
- A proposal from US real estate group, Reit Management & Research LLC or "RMR" to acquire all of the units in IHF was announced on 20 December 2010. IML announced on 15 February 2011 that the transaction with RMR would not be pursued because, in the opinion of IML, the changes proposed by RMR to its original proposal made it unattractive to unitholders.

Both proposals were withdrawn by the bidders and no other cash proposals have been received.



Internalising the management of IHF:

- The internalisation of management would require the Fund to support the cost base of all activities undertaken by IHF including employing all staff and paying all outgoings.

The IBC determined that IHF did not have sufficient scale to support the internal cost base that would be required to operate it on a standalone basis, and as such, it was determined not to be in the best interests of unitholders.

Change of responsible entity:

- Discussions were held with various parties in relation to a proposed change of responsible entity. The IBC has determined that, in the absence of a compelling merger or takeover proposal, a change of responsible entity to an entity with a track record in real estate funds management and a substantial co-investment in IHF would remove the uncertainty surrounding ING's phased withdrawal and put in place a manager aligned with unitholders.

Following consideration of all available options and after consultation with its independent advisers, the IBC has concluded that the Proposal is in the best interests of unitholders and as such unanimously recommends the Proposal to unitholders.

Slide 6: The Proposal

On 6 July 2011, it was announced that IML had entered into an implementation agreement with APN Property Group Limited or "APN" which, subject to approval of IHF unitholders, will result in the change of responsible entity of IHF from IML to APN's wholly-owned subsidiary, APNFM.

The IBC carefully considered the Proposal with regard to the available alternatives and believes the Proposal secures the best outcome available for the future of the Fund.



ING MANAGEMENT LIMITED

The IML Independent Directors' unanimously recommend that IHF unitholders vote in favour of the resolution

Slide 7: Proposal benefits

I would like to take a moment to talk about why the Independent Directors of IML arrived at the unanimous decision to recommend that IHF unitholders vote in favour of the Proposal, as set out in the Explanatory Memorandum.

The reasons the Independent Directors of IML support voting in favour of the resolution include the following:

- APNFM is a suitable party to be appointed responsible entity of IHF
 - APN is an Australian real estate investment management business founded in 1996 and listed on the ASX under the code APD. APN has \$2.3 billion of funds under management, as at 31 December 2010, across 18 actively managed real estate funds. APN and its associates are currently IHF's largest unitholders controlling 11.8% of IHF's units.
- Management continuity should ensure a smooth transition for all of IHF's stakeholders
 - The Independent Directors of IML believe the change of responsible entity will be a smooth management transition, given the senior management of IHF will remain unchanged and APN will acquire a majority shareholding interest in IHF's manager, ING Healthcare Pty Limited.
- APN has confirmed to IML that it will maintain the current strategic direction of IHF.
- APN has committed to procure for the Fund a \$5 million equity issue and/or underwriting prior to 30 June 2012



ING MANAGEMENT LIMITED

- This commitment could include a \$5 million equity issue and/or underwriting prior to 30 June 2012, which could include an underwriting of the Distribution Reinvestment Plan for the distribution periods ending 31 December 2011 and 30 June 2012. This commitment could assist IHF in funding its future capital requirements and may assist in reducing the gearing levels within the Fund.

Slide 8: Proposal benefits (continued)

- IHF will face no material adverse financial effects arising from the change of responsible entity to APNFM
 - All relevant consents for the change of responsible entity have been obtained;
 - No adverse tax consequences for IHF or unitholders arise from the appointment of APNFM as responsible entity of IHF; and
 - Management fees payable by IHF unitholders to the responsible entity will remain unchanged.
- The Proposal eliminates approximately \$5 million in deferred management and termination fees that would be payable upon the removal of IML.
- The Proposal removes uncertainty for unitholders surrounding possible management options of IHF given ING's announced phased withdrawal from the real estate funds management market in Australia.

The reasons an individual may choose to vote against the Proposal are outlined in Section 4.7 of the Explanatory Memorandum and include the following:

- unitholders may disagree with the conclusions of the Independent Directors;
or
- unitholders may consider IML better placed as the responsible entity of IHF.



ING MANAGEMENT LIMITED

SECTION 2: FORMAL BUSINESS OF THE MEETING

Slide 9: Formal business of the meeting

Ladies and gentlemen, we will now progress to the formal business of today's meeting.

Slide 10: Admission Cards

I now exercise my power as Chairman to declare that a poll be conducted for the resolution.

I would like to take a moment to remind unitholders that only those with a yellow voting card as provided at registration are entitled to vote.

Those in possession of either a yellow voting card or a red non-voting card are welcome to ask questions while those with a blue visitor card are kindly requested to only observe during this next part of the meeting. If you believe you have not received the correct card, please go to the registration desk where a Link Market Services representative will assist you.

Voting today will be by way of a poll supervised by Link Market Services. In terms of process, IHF unitholders will be asked to consider the resolution contained on page 13 of the Notice of Meeting and Explanatory Memorandum dated 12 July 2011.

Shortly, I will explain the resolution and provide an opportunity for unitholders to ask



ING MANAGEMENT LIMITED

After the unitholder questions have been completed, I will disclose the status of the proxy votes in relation to the resolution before proceeding to vote.

Where a proxy form has appointed the Chairman of the meeting as proxy but does not specify how the relevant votes are to be cast, I will cast the votes in favour of the resolution.

Should you need to leave before the conclusion of the meeting, you may provide a Link Market Services representative with your completed voting card as you leave.

Slide 11: Unitholder resolution

The business of today's meeting is to consider and, if thought fit, to pass the following resolution:

“That upon the retirement of ING Management Limited in accordance with section 601FL of the Corporations Act 2001 (Cth), APN Funds Management Limited be appointed as the new responsible entity of ING Real Estate Healthcare Fund.”

This resolution is an ordinary resolution and therefore requires more than 50% of votes cast by unitholders, whether in person or by proxy, to be in favour in order for the resolution to pass.

I would like to remind unitholders that if passed this resolution will come into effect.

If you have any questions or comments on the resolution or the overall Proposal, please proceed to the microphone and identify yourself before asking your question.

Slide 12: Resolution – proxy votes

As there are no further questions, we will proceed to disclosing the outcome of the proxy votes. A summary of the proxy votes is now displayed on the screen.



ING MANAGEMENT LIMITED

We will now conduct the voting poll.

I ask that you complete your yellow voting card for the resolution in accordance with your voting preference.

To cast your vote for, against or abstain from voting on the resolution, place a mark in the corresponding box on your ballot paper. If you place a mark in more than one box in relation to a resolution, your vote for that resolution will be invalid. If you are voting in more than one capacity, for example as a unitholder and proxy holder, you will have received two separate yellow voting cards enabling you to vote in each capacity.

May I ask that you ensure you have completed your yellow voting cards - Link Market Services staff will now collect the cards.

If you have not lodged your yellow voting cards, please do so now as I am about to close the polls.

Thank you I now declare the polls for the meeting closed.

Slide 13: Next steps

The final results of the voting poll will be announced to the ASX and later today will be placed on the IHF website, as displayed on screen. Please take a moment to note this down.

In terms of timing, should the Proposal be approved by unitholders, a lodgement to this effect will be made with ASIC today and the change of responsible entity will become effective upon ASIC registering the change. This is expected to occur on Friday 12 August 2011.



ING MANAGEMENT LIMITED

Ladies and gentlemen that concludes the formalities and I now declare the meeting closed. I thank you kindly for your attendance and contribution today and invite you all to stay for morning tea. Refreshments will be served in the foyer area outside this room where a number of representatives from ING and APN will be available to answer any further questions you may have. Thank you.

Slide 14: Close of meeting

ING Real Estate Healthcare Fund

Unitholders' Meeting

AUSTRALIA

10 August 2011

Frankston Private, Frankston, VIC

REAL ESTATE INVESTMENT MANAGEMENT

www.ingrealestate.com.au

ING 

Agenda

Chairman's welcome

Purpose of the meeting

Formal business of the meeting

Chairman's Welcome

IML Board of Directors

Michael Coleman

Independent Chairman

Michael Easson

Independent Director

Philip Clark

Independent Director

Hein Brand

Non-Independent Director

IHF Management

Miles Wentworth

IHF Chief Executive Officer

Chris Adams

Director Acquisitions and Developments

Purpose of the Meeting

The Proposal

- This meeting is to consider the resolution to replace ING Management Limited (IML), as responsible entity of IHF, with APN Funds Management Limited (APNFM)
- The resolution must be approved by greater than 50% of IHF unitholders attending in person or by proxy in order for the Proposal to be implemented

Background to the Proposal

June 2010

- ING Group announced it was conducting a strategic review of its global Real Estate Investment Management (REIM) platform
- The Australian real estate investment management operation (REIMA) was included in this review

February 2011

- ING announced that as a result of review it would undertake a phased withdrawal from the REIMA business in a timely and controlled manner

In parallel

- REIMA and IML independently explored various options for IHF
- Established an Independent Board Committee (IBC) to ensure any potential conflict of interest between ING and IML was appropriately managed

Alternatives Considered

Merger with another entity



- Received two indicative, non-binding and incomplete proposals
- Both proposals were withdrawn by bidders
- No other cash proposals have been received

- Scale of the Fund makes an internalisation uneconomical

- Change of RE to an entity with a track record in funds management will allow the Fund to continue with its strategic plan
- Removes the uncertainty surrounding ING's phased withdrawal

The Proposal

The Proposal involves replacing the responsible entity of IHF with APNFM, an entity wholly owned by APN Property Group

.....

Proposal Benefits

Reasons the Independent Directors of IML support voting in favour of the resolution:

- APNFM is considered a suitable party to be appointed responsible entity of IHF
 - APN is a fully integrated Australian real estate investment manager with a 15 year history
 - The Board of APNFM is majority independent with an independent chairman
 - APN is a long-time supporter of IHF and its largest investor, owning 11.8% of IHF's units
- Management continuity should ensure a smooth transition for all of IHF's stakeholders
- APN has committed to maintain the current strategic direction of IHF
- APN has committed to procure for the Fund a \$5 million equity issue and/or underwriting prior to 30 June 2012

Proposal Benefits (cont'd)

- IHF will face no material adverse financial effects arising from the change of responsible entity to APNFM
 - All relevant consents for the change of responsible entity have been obtained
 - No adverse tax consequences for IHF or unitholders arise from the appointment of APNFM as responsible entity of IHF
 - Management fees payable by IHF unitholders to the responsible entity will remain unchanged
- The Proposal eliminates approximately \$5 million of deferred management and termination fees payable by IHF upon removal of IML as responsible entity
- The Proposal removes uncertainty for unitholders given ING's announced phased withdrawal from the real estate funds management market in Australia

Reasons why unitholders may vote against the proposal include:

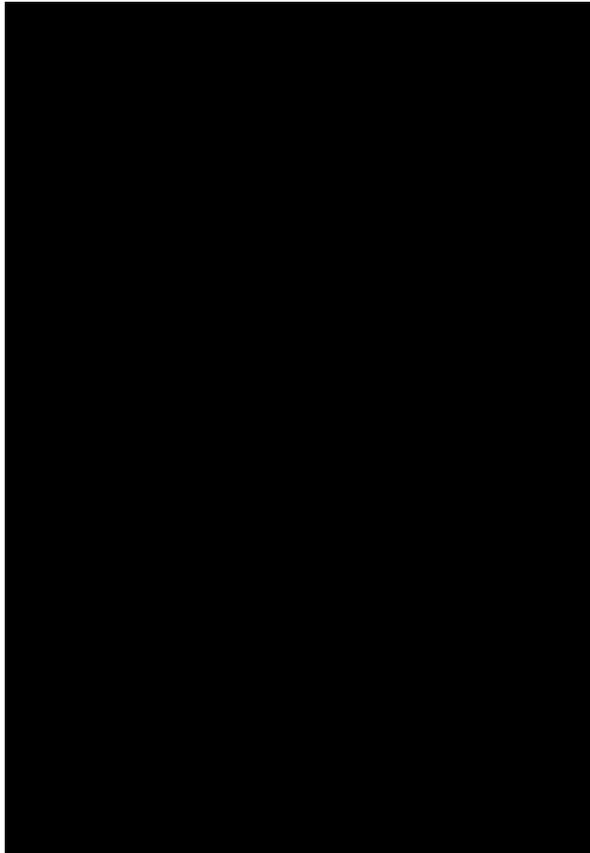
- Unitholders may disagree with the conclusions of the Independent Directors
- Unitholders may consider IML better placed as the responsible entity of IHF

Formal Business of the Meeting



Admission Cards

Voting Card



Non-Voting Cards



Unitholder Resolution

To consider and, if thought fit, to pass the following as an ordinary resolution:

“That upon the retirement of ING Management Limited (ABN 15 006 065 032) in accordance with section 601FL of the Corporations Act 2006 (Cth), APN Funds Management Limited (ABN 60 080 674 479) be appointed as the new responsible entity of ING Real Estate Health Fund (ARSN 118 712 584)”

Proxy Votes

As at Proxy Form submission close - 10.00am, Monday 8 August 2011
(48 hours prior to the Unitholder Meeting):

		For	Open	Against	Total votes	% of Issued Capital
Resolution	No. of Votes	22,623,942	5,043,744	819,151	28,486,837	39.7%
<i>Appointment of new responsible entity for IHF</i>	Percentage of votes cast	79.4%	17.7%	2.9%		

Next Steps

- Results of the vote will be lodged with the ASX later today and available on the website below:
www.ingrealestate.com.au
- If the Proposal is approved, a lodgement to this effect will be made today with ASIC and the change of RE will become effective upon ASIC registering the change - expected to occur on Friday 12 August 2011

Close of Meeting



Pacific Private, Gold Coast, QLD

REAL ESTATE INVESTMENT MANAGEMENT

www.ingrealestate.com.au



Disclaimer

This presentation was prepared by ING Management Limited (ABN 15 006 065 032) (the “Responsible Entity”) in respect of ING Real Estate Healthcare Fund (ARSN 118 712 584) (“IHF”). Information contained in this presentation is current as at 10 August 2011 and where it relates to APN and APNFM has been provided on the basis of information provided to IML by APN and APNFM. This presentation is provided for information purposes only and has been prepared without taking account of any particular reader's financial situation, objectives or needs. Nothing contained in this presentation constitutes investment, legal, tax or other advice. Accordingly, readers should, before acting on any information in this presentation, consider its appropriateness, having regard to their objectives, financial situation and needs, and seek the assistance of their financial or other licensed professional adviser before making any investment decision. This presentation does not constitute an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security, nor does it form the basis of any contract or commitment.

Except as required by law, no representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions, or as to the reasonableness of any assumption, contained in this presentation. By reading this presentation and to the extent permitted by law, the reader releases the Responsible Entity and its affiliates, and any of their respective directors, officers, employees, representatives or advisers from any liability (including, without limitation, in respect of direct, indirect or consequential loss or damage or loss or damage arising by negligence) arising in relation to any reader relying on anything contained in or omitted from this presentation.

The forward looking statements included in this presentation involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to the Responsible Entity. In particular, they speak only as of the date of these materials any they are subject to significant regulatory, business, competitive and economic uncertainties and risks. Actual future events may vary materially from forward looking statements and the assumptions on which those statements are based. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements. The Responsible Entity, or persons associated with it, may have an interest in the securities mentioned in this presentation, and may earn fees as a result of transactions described in this presentation.