

KAPLAN FUNDS MANAGEMENT PTY LIMITED

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ASX and Media Announcement

17 May 2010

Unitholders Approve Acquisition of Kaplan Equity Limited

Kaplan Funds Management Pty Limited (KFM), manager of the KFM Diversified Infrastructure and Logistics Fund (Fund) today announces that unitholders overwhelmingly supported the acquisition of Kaplan Equity Limited (KEL) by the Fund with both resolutions passed unanimously on a show of hands. Over 98% of eligible proxies received were in favour of the resolutions. It is expected that the acquisition will be completed shortly.

Following the formal completion of the acquisition, the Fund will change its name to Qube Logistics (Qube) and the changes to the investment mandate as advised in the Fund's ASX announcement of 14 April 2010 will come into effect.

On completion, Qube is expected to have gross assets of almost \$460 million and a market capitalisation approaching \$400 million.

Business Update

Provided below is an update on progress within the three operating divisions of the Fund.

Landside Logistics

P&O Trans Australia (POTA) continues to achieve solid results and is trading in line with expectations.

POTA is close to finalising the acquisition of South Spur Rail (South Spur) and expects, subject to completion of final documentation, to complete this acquisition within the next week. The acquisition of South Spur will substantially increase the scale and diversity of POTA's existing rail business.

POTA remains very committed to the development of its port shuttle and bulk rail business and expects to undertake significant investment in rolling stock and facilities to support further growth and customer requirements.

POTA continues to work closely with its customers, port authorities and Government to progress the common objective of increasing rail's modal share. We believe this is an essential requirement for the transport network to effectively cope with the long term growth in trade in an economically and environmentally sustainable manner.

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Automotive and General Stevedoring

The volume of vehicle imports remains strong which is beneficial for POAGS (formerly P&O Automotive and General Stevedoring), Australian Amalgamated Terminals (AAT) and to a lesser extent Prixcar Services (Prixcar). Prixcar has also started to see some improvement in vehicle storage levels from the very low levels seen in the early months of the calendar year. The businesses are also benefiting from continued strength in volumes of mineral commodities and a significant improvement in steel, project cargo and other break bulk volumes as the Australian economy improves.

POAGS has recently signed a lease agreement with the Port Hedland Port Authority under which POAGS will operate Stockyard 1 at the new Utah Point facility. POAGS will invest over \$50 million on new equipment to service its customers' requirements at this facility. POAGS expects to commence operations at the new facility in late 2010.

As previously advised, K-AATerminals has entered into binding documentation for a transaction that will have the effect of increasing K-AATerminals' shareholding in AAT to 50%. The Fund will invest an additional \$46.6 million in K-AATerminals. This will increase the Fund's shareholding in K-AATerminals to approximately 77.2%, thereby giving the Fund an effective 38.6% interest in AAT (inclusive of KEL's existing shareholding). This transaction is expected to be completed by the end of May 2010.

The Automotive and General Stevedoring division (AGS) is also currently trading in line with expectations and is achieving revenue and earnings that are significantly higher than the prior year.

Moorebank

We were pleased with the Federal budget announcement last week that approximately \$71 million would be allocated towards the development of comprehensive business cases, designs, approvals and an implementation strategy for an intermodal transport hub at Moorebank.

This tangible demonstration of the Federal Government's commitment is an important step in the development of the site which we expect will become the largest inland Intermodal terminal in Australia and an essential component of the State Government's strategy to increase rail's modal share in New South Wales to 40% of freight movements. This modal shift is necessary to avoid increasing congestion on the roads that will inevitably occur as container volumes through the port continue to grow.

Outlook

The outlook for all divisions remains positive and provided the global and domestic economic recovery continues the businesses are well positioned to continue to grow revenue and earnings. We continue to review new investment opportunities for these businesses as well as for the Fund and will advise unitholders of any material developments.

Qube is in a strong position to focus on emerging logistics opportunities in its area of expertise with a highly experienced management team and a conservative balance sheet.

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