



RG198 announcement

Becton Industrial Fund
ARSN: 009 680 252

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**Becton Investment
Management Ltd**

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AFS License No 226739

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Century Proposal

Becton Property Group Limited (“**Becton**” or “**the Group**”) has become aware of a proposal to replace Becton Investment Management Limited with Century Funds Management (“**Century**”) as the Responsible Entity (“**RE**”) of the Becton Office Fund No.2. Century has also foreshadowed similar proposals with respect to the Becton Diversified Direct Property Fund, the Becton Retail Fund, the Becton Industrial Fund and the Becton Office Fund.

Although Becton has had no formal contact with Century Funds Management, nor has it received formal notification of a meeting, we have seen a copy of the meeting material prepared by Century Funds Management and **we do not believe the Century proposal is in the best interests of investors.**

In the next few days we will provide a detailed response to the matters raised by Century. We will also provide an update on the proposed recapitalisation of the Group and the managed funds.

Becton has a long and successful track record in managing property funds and trusts, with 17 funds and trusts valued at \$1.3 billion currently under management on behalf of more than 12,000 investors. Becton has made considerable progress in the past six months in addressing the capital structure of its funds. In that time, Becton has:

- secured leasing agreements valued at \$18.2 million in gross annual rent
- achieved portfolio occupancy of 97 per cent
- reduced the debt position of the funds by \$108 million
- renegotiated key service agreements, saving the funds \$1.03 million per year, and
- continued to refrain from taking exit and management fees. For example, it has not taken management fees from the Becton Office Fund since July 2008.

We ask that investors vote against the Century proposals or at a minimum delay their decisions until they have had an opportunity to consider our response to the matters raised by Century.

In the meantime we continue to progress a number of strategic options to return the funds to a sustainable footing and will put a detailed proposal to investors shortly.