

# 360 Capital Industrial Fund

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11 April 2013

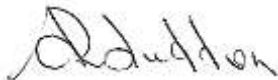
Company Announcements  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

Dear Sir / Madam,

## **360 Capital Industrial Entitlement Offer – Letter to Ineligible Unitholders**

Please find attached the letter dispatched to Ineligible Unitholders today.

Yours sincerely,  
**360 Capital RE Limited**  
as Responsible Entity for 360 Capital Industrial Fund



**Alan Sutton**  
Company Secretary

11 April 2013

Dear Unitholder,

## 360 Capital Industrial Fund Entitlement Offer - Letter to Ineligible Unitholders

On 26 March 2013, 360 Capital RE Limited, as responsible entity of the 360 Capital Industrial Fund ('Fund' or ASX code 'TIX'), announced it was conducting a fully underwritten equity raising consisting of a placement to institutional investors of new fully paid ordinary Units to raise \$12.3 million and a 1-for-1.6 non-renounceable entitlement offer to Eligible Unitholders to raise further gross proceeds of \$51.4 million ('Entitlement Offer'). New Units will be issued at an issue price of AUD\$0.45 per New Unit.

Proceeds from the equity raising will be used to simplify the Fund's balance sheet through the reduction of its borrowings, repaying \$34.4 million of senior debt and fully repaying the \$26.0 million of unsecured notes. As a result of the reduction in borrowings, the Fund's loan to value ratio ('LVR') is expected to reduce from 57.4% as at 31 December 2012 to 47.7% on a pro forma basis, thereby significantly increasing covenant headroom. The equity raising is designed to reduce the Fund's risk profile and, together with the sale of non-core assets and high quality acquisitions, to reposition the Fund and maximise Unitholder returns.

Further information in relation to the Entitlement Offer has been disclosed to the ASX.

360 Capital has determined pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3)(a) of the Corporations Act, that it would be unreasonable to make or extend offers to Unitholders in countries outside of Australia and New Zealand under the Entitlement Offer because of the legal limitations of making or extending an offer of Units in some countries, the relatively small number of Unitholders in those countries, the number and value of Units to which those Unitholders would otherwise be entitled and the potential cost of complying with regulatory requirements in those countries.

Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the Corporations Act, 360 Capital wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for New Units under the Entitlement Offer.

The Entitlement Offer is only open to Eligible Unitholders. Eligible Unitholders are those Existing Unitholders who:

- are registered as Existing Unitholders as at the Record Date being 7.00pm (AEST) on 9 April 2013;
- have a registered address in Australia or New Zealand;
- are not in the United States and are not acting for the account or benefit of a person in the United States; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

As you do not satisfy the above criteria, you are deemed not to be an Eligible Unitholder for the purposes of the Entitlement Offer and the Fund is unfortunately unable to extend to you the opportunity to participate in the Entitlement Offer.

**You are no required to do anything in response to this letter.** This notice is to inform you of the Entitlement Offer. This notice is not an offer to issue New Units to you, nor an invitation for you to apply for New Units. If you have any queries, please contact the 360 Capital Information Line on 1800 182 257 (within Australia) or on +61 2 9290 9600 (from outside Australia) between the hours of 8.30am and 5.00pm Monday to Friday (AEST) (excluding public holidays) during the Entitlement Offer period.

Yours faithfully,



Tony Pitt

**Managing Director, 360 Capital RE Limited**

*This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities. No action has been or will be taken to register, qualify or otherwise permit any public offering of New Units in any jurisdiction outside Australia or New Zealand. In particular, neither the entitlements nor the New Units referred to herein have been, or will be, registered under the U.S. Securities Act 1933 (Securities Act) or the securities laws of any other state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up by, and the New Units may not be offered or sold to, persons in the United States or in any other jurisdiction outside Australia and New Zealand.*