

## 360 Capital Industrial Fund

8 February 2013

### **INTEREST RATE MANAGEMENT INITIATIVES REDUCE FUND BORROWING COSTS**

360 Capital Industrial Fund ("Fund" or ASX code "TIX") is pleased make the following announcement regarding the Fund's on-going capital management.

At the time of the Fund's recent listing on the ASX, the expiry date of the Fund's debt facility was extended to December 2015. Under the debt facility, the Fund is required to maintain interest rate hedging over a portion of its drawn borrowings for a term at least equal to that of the term of the debt facility.

The Fund had previously hedged \$155.0m of senior debt through a single interest rate swap at 5.0% p.a. plus margin until June 2014. The Fund has now re-hedged the \$155.0m of senior debt by entering into a new interest rate swap at 3.0% p.a. plus margin until March 2016. The cost of breaking and re-setting the interest rate swap was in line with the accrued liability in the Fund's balance sheet and was funded from borrowings. As such, re-setting the swap has had no impact on the NTA of the Fund.

By re-setting the Fund's interest rate over a large portion of the Fund's borrowings, the Fund will save approximately \$2.8m p.a. in borrowing costs or approximately 1.5 cents per unit p.a.

As previously announced, the Fund is expected to release financial results for the six months ending 31 December 2012 to the market on 12 February 2013, where earnings guidance for FY2013 will also be provided. The Fund's forecast FY2013 distribution is expected to be maintained at the previously communicated level of 4.50 cents per unit.

Regards,



**Alan Sutton**

Company Secretary  
360 Capital RE Limited  
Responsible Entity for 360 Capital Industrial Fund

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**About 360 Capital**

360 Capital is a property investment and funds management group concentrating on strategic investment and active investment management of property assets. The company was formed in 2006 and has been actively investing in direct property assets, property securities and various corporate real estate acquisitions within Australian real estate markets on a private equity basis. The company's 15 full time staff located in Sydney have significant property, funds and investment management experience. As at 30 June 2012, 360 Capital managed 11 investment vehicles holding assets valued at more than \$865 million on behalf of over 9,000 investors