



## RG198 announcement

### 360 Capital Developments Income Fund ARSN: 103 700 956

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### **360 CAPITAL OFFICE FUND (ARSN: 106 453 196) RECAPITALISATION, RESTRUCTURE, ASX LISTING UPDATE**

360 Capital RE Limited, the responsible entity for the 360 Capital Office Fund (Office Fund), and the Income Fund, has announced the successful completion of the Institutional capital raising component of the Office Fund's fully underwritten \$155.0 million recapitalisation, restructure and ASX listing proposal.

As per the PDS, and in accordance with the liquidity proposal approved by Income Fund Unitholders on 9 January 2014, Income Fund Unitholders will be invited to participate in the Office Fund's \$25.0 million Priority Offer, where they have the right but not the obligation to apply the \$0.60 per Income Fund Unit they would otherwise receive on the winding up of the Income Fund to purchase units in the Office Fund, at effectively a 20% discount to the \$2.00 issue price that Office Fund units are being offered to all other investors under the recapitalisation.

The Priority Offer closes on 11 April 2014 and Office Fund units are expected to begin trading on ASX on 24 April 2014.

Once listed, the Office Fund is expected to be an attractive A-REIT investment, with a diversified portfolio of four quality assets valued at \$235.0 million, a weighted average lease expiry of 4.6 years, occupancy of 99.6%, appropriate gearing of 36.5% and distributions tax deferred at approximately 65% and reflecting a 8.5% distribution yield on the \$2.00 issue price (or a 10.6% distribution yield taking the effective 20% discount into account). Unitholders will then have the flexibility to hold or sell their Office Fund units on the ASX.

Income Fund Unitholders will be able to take up all or some of their entitlement to the Priority Offer, or take up additional units under the General Offer. To the extent Income Fund Unitholders do not wish to receive Office Fund units, they will receive \$0.60 in cash per Income Fund Unit they hold.

As the Office Fund's capital raising is fully underwritten the recapitalisation, restructure and listing of the Office Fund is unaffected by the level of demand for units under the Priority Offer.

An information briefing for Income Fund Unitholders will be held 11am on Monday 7 April 2014 at The Oaks on Collins, 480 Collins St, Melbourne to answer any questions regarding the Priority Offer.

As part of the restructure process, the Income Fund will terminate on 11 April 2014.