

31.05.17

Investa Office Fund (ASX:IOF)
Unitholder Meeting

Dear Sir/Madam,

Enclosed is the address to be given by the Chairman along with the Unitholder presentation for Investa Office Fund to be presented to Unitholders today.

The Unitholder Meeting will be available via webcast at 10am at <http://webcast.openbriefing.com/3738/>.

Yours faithfully,

Andrew Murray
Company Secretary
Investa Listed Funds Management Limited

Investa Office Fund (ASX:IOF)

Unitholder Meeting of Investa Office Fund

Chairman's address

Good morning ladies and gentlemen and thank you all for coming along today. My name is Richard Longes and I welcome you to the Investa Office Fund Unitholder Meeting held by the Responsible Entity, Investa Listed Funds Management Limited. I have been appointed by the Responsible Entity as Chairman of this unitholder meeting in accordance with section 252S of the Corporations Act and I now table my letter of appointment.

It is now 10am, the nominated time for the meeting. I have been informed by Link Market Services, IOF's unit registry, that a quorum is present, so I am pleased to declare that the concurrent meetings of the unitholders of the Armstrong Jones Office Fund and the Prime Credit Property Trust, the two entities comprising the Investa Office Fund, are now open. Before we commence may I ask everyone to please turn off your mobile phone or ensure it is switched to silent.

I will begin by introducing you to John Fast, Geoff Kleemann and Bob Seidler, who, along with myself, are the Independent Directors of Investa Listed Funds Management Limited. Also with us today are Penny Ransom, IOF's Fund Manager and Andrew Murray, Company Secretary of Investa Listed Funds Management Limited.

Today's unitholder meeting was convened to ask unitholders to vote on the proposed acquisition of a 50% shareholding on a joint venture basis in Investa Office Management Pty Limited, a specialist office management platform managing over \$10 billion of high quality Australian office real estate, including the assets of IOF. A Notice of Meeting dated 8 May 2017 has been distributed to all unitholders. I take the Notice of Meeting as read.

I will now outline the conduct of today's meeting.

Firstly, I will present a short address on the proposal being considered at today's meeting before going through some procedural matters. We will then move on to the formal business of the meeting, being the vote on the acquisition of a 50% shareholding on a joint venture basis in Investa Office Management Pty Limited.

The meeting will then be closed and you are invited to join the Board for refreshments in the foyer outside this room.

The option to acquire 50% of the Investa Office Management Platform had its genesis in March 2011, when the management rights of IOF were acquired by Investa Property Group (then controlled by Morgan Stanley) from ING Real Estate. It was at this point that IOF was granted a path to future internalisation with a right to acquire 50% of the Management Platform when the gross value of IOF's commercial office assets exceeded \$3.5 billion.

In March 2016, Investa Property Group, now comprising ICPF and ICPF Holdings Limited, acquired the Management Platform from Morgan Stanley. IOF's right to acquire 50% of the Management Platform was preserved in that transaction.

In August 2016, the value of IOF's commercial office assets exceeded \$3.5 billion and ICPF offered the 50% interest in the Management Platform to IOF for \$45 million plus other agreed adjustments.

During the first quarter of 2017 an operational and governance review was undertaken by the Independent Directors to assess how IOF works with the Management Platform, with a view to optimising the benefits for IOF unitholders.

It was concluded that:

- 1) IOF is strongly identified in the market and by its tenants with Investa Property Group and the Management Platform.
- 2) The association with Investa Office Management has benefited IOF, with IOF achieving superior performance on a cost effective basis under Investa Office Management.
- 3) From a governance perspective, the joint venture provides an opportunity to ensure independence of the board of Investa Listed Funds Management Limited and its ability to set and implement the strategic direction for IOF with the Management Platform.

The Independent Directors believe that a true joint venture with the usual protection of 50% shareholding interests will facilitate greater alignment of the Management Platform with IOF's strategic objectives, while securing an economic half-interest in the Management Platform for the benefit of IOF unitholders.

Although the purchase price is not material in the context of the size of IOF, the acquisition of 50% of the Management Platform is also expected to be accretive to FY17 pro forma funds from operations and is expected to provide enhanced growth opportunities.

You will know from previous announcements that IOF has received from Cromwell Property Group two non-binding, indicative and incomplete proposals seeking due diligence which might lead to an offer to acquire all the units in IOF.

The Independent Directors granted due diligence to Cromwell to assist its efforts to put forward a proposal capable of consideration. However, at this stage, there is still nothing to put before IOF unitholders. The Independent Directors therefore believe it was in the best interests of IOF unitholders that the Management Platform joint venture be progressed. There is nothing in the joint venture proposal being put to IOF unitholders which would preclude Cromwell or any other party putting forward a proposal in relation to the acquisition of all of the units in IOF for consideration.

Full details of the arrangements for the Management Platform joint venture were included in a Notice of Meeting and Explanatory Memorandum as sent to unitholders. This document also included an Independent Expert report stating that the purchase price of the proposed acquisition is fair and reasonable to IOF unitholders that are not associated with Investa Office Management, and is on arm's length terms.

After careful consideration, your Independent Directors have unanimously recommended that unitholders vote in favour of the proposal for IOF to acquire a 50% interest in the Management Platform. The Independent Directors have determined that a restructure which facilitates greater alignment of the Management Platform with IOF's strategic objectives and secures the Management Platform is in the interests of IOF unitholders.

At this point, on behalf of my fellow Independent Directors, I would like to acknowledge the high level of service and commitment at all times from Penny Ransom, IOF's Fund Manager and Nicole Quagliata, IOF's Assistant Fund Manager and the broader Investa Office management team. Their dedication and commitment to IOF has been key to IOF's ongoing success and their efforts are greatly appreciated.

-ENDS-

About Investa Office Fund

Investa Office Fund (ASX code: IOF) is an ASX-listed real estate investment trust (A-REIT) and is included in the S&P/ASX100 index. IOF is a leading owner of investment grade office buildings and receives rental income from a tenant register comprised predominately of Government and blue chip tenants. As at 30 April 2017, IOF had total assets under management of AU\$3.8 billion with 20 investments located in CBD markets throughout Australia. IOF's focus is on delivering attractive risk-adjusted returns to its unitholders from a portfolio of high quality assets located in the key CBD office markets of Australia.

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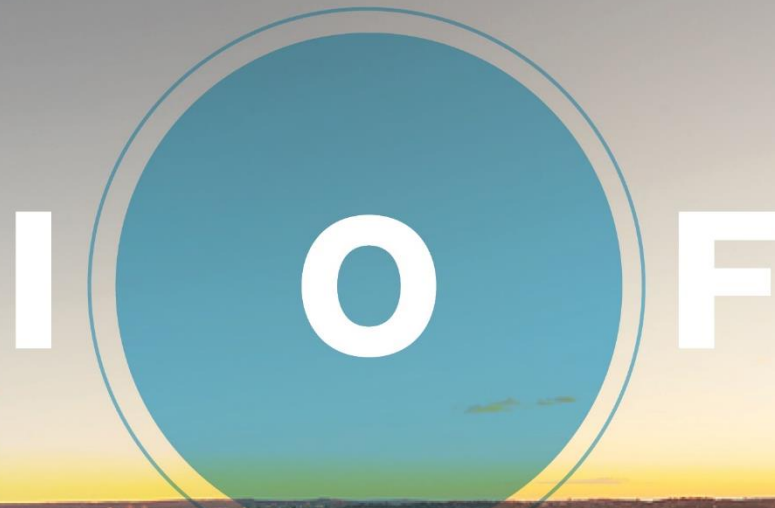
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31 MAY 2017

INVESTA OFFICE FUND UNITHOLDER MEETING

PROPOSAL TO ACQUIRE 50% OF INVESTA OFFICE MANAGEMENT



INVESTA 

Right to acquire 50% of IOM

- In March 2011, the management rights of IOF were acquired by Investa Property Group, then controlled by Morgan Stanley Real Estate Investing (Morgan Stanley), from ING Real Estate Investment Management.
- At that point IOF was granted a path to future internalisation with a right to acquire a 50% interest in the Management Platform upon the gross value of IOF's commercial office assets exceeding \$3.5 billion.
- In March 2016, Investa Property Group, now comprising ICPF and ICPF Holdings Limited (ICPF), then acquired the Management Platform from Morgan Stanley. IOF's right to acquire 50% of the Management Platform was preserved.
- In August 2016, the value of IOF's commercial office assets exceeded \$3.5 billion and ICPF offered a 50% interest in the Management Platform for \$45 million plus other agreed adjustments.

Operational and governance review

- During first quarter of 2017 an operational and governance review was undertaken by Independent Directors to assess how IOF works with the Management Platform, with a view to optimising the benefits for IOF unitholders.
- The Independent Directors concluded:
 - 1) *IOF is strongly identified in the market and by its tenants with Investa Property Group and the Management Platform.*
 - 2) *The association with IOM has benefited IOF, with IOF achieving superior performance on a cost effective basis under IOM management.*
 - 3) *From a governance perspective, the joint venture provides an opportunity to ensure independence of the board of ILFML and its ability to set and implement the strategic direction for IOF with the Management Platform.*
- Your Independent Directors believe that a true joint venture with the usual protection of 50% shareholding interests will facilitate greater alignment of the Management Platform with IOF's strategic objectives, while securing a half-interest in the Management Platform for the benefit of IOF unitholders.
- Although the purchase price is not material in the context of the size of IOF, the acquisition of 50% of the Management Platform is also expected to be accretive to FY17 pro forma FFO and is expected to provide enhanced growth opportunities.

Cromwell Property Group

- As per previous announcements, IOF has received from Cromwell Property Group (Cromwell) two non-binding, indicative and incomplete proposals seeking due diligence which might lead to an offer to acquire all the units in IOF.
- The Independent Directors have granted due diligence to Cromwell to assist its efforts to put forward a proposal capable of consideration. However, at this stage, there is nothing to put before IOF unitholders.
- The Independent Directors therefore believe it is in the best interests of IOF unitholders that the Management Platform joint venture be progressed.
- There is nothing in the joint venture proposal being put to IOF unitholders which would preclude Cromwell or any other party putting forward a proposal in relation to the acquisition of all of the units in IOF for consideration.

Proposal

- Full details of the arrangements for the Management Platform joint venture and the related restructure, including matters which unitholders should consider, were included in a Notice of Meeting and Explanatory Memorandum as sent to unitholders.
- This Notice of Meeting and Explanatory Memorandum included an Independent Expert report commissioned by the Board stating that the purchase price of the proposed acquisition is fair and reasonable to IOF unitholders that are not associated with IOM, and is on arm's length terms.
- After very careful consideration Independent Directors unanimously recommended IOF unitholders vote in favour of the proposal for IOF to acquire a 50% interest in the Management Platform.
- The Independent Directors have determined that a restructure which facilitates greater alignment of the Management Platform with IOF's strategic objectives and secures the Management Platform is in the interests of IOF unitholders.

Meeting Closure

Should you have any questions regarding the Fund, please call Investor Relations on +61 300 130 231 or email: investorrelations@investa.com.au

If you have any questions about your unitholding, distribution statements or any change of details, please call the unitholder information line on +61 300 851 394.

More information about the Fund can be accessed at <https://www.investa.com.au/funds/iof>

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A photograph of a business meeting in a conference room. Several people in business attire are seated around a dark table, engaged in conversation. Large windows in the background offer a view of a harbor with a boat and a bridge. The text "IOF" is overlaid in large, semi-transparent blue letters across the center of the image.

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Disclaimer

This presentation was prepared by Investa Listed Funds Management Limited (ACN 149 175 655 and AFSL 401414) (the IOF RE) on behalf of the Investa Office Fund (ASX: IOF) (IOF), which comprises the Prime Credit Property Trust (ARSN 089 849 196) and the Armstrong Jones Office Fund (ARSN 090 242 229).

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