

# ASX Announcement

23.08.18

## Investa Office Fund (ASX:IOF)

### Update in relation to Blackstone Proposal

#### Conditional increase to scheme consideration

Investa Listed Funds Management Limited (**ILFML**), as responsible entity of the Investa Office Fund (**IOF**), refers to the proposal by Quartz BidCo Pty Ltd and Quartz Sub TC Pty Ltd as trustee of the Quartz Bid Trust (being entities affiliated with The Blackstone Group L.P.) (collectively, **Blackstone**) to acquire all of the units in IOF by way of trust scheme (**Scheme**).

As announced on ASX on 22 August 2018, Blackstone informed ILFML that, subject to certain conditions, it is prepared to increase the consideration payable under the Scheme from \$5.25 to \$5.45 per IOF unit, less distributions declared or paid by IOF after 4 May 2018. Taking into account the declared distribution of 10.15 cents per IOF unit, unitholders will receive an increase in cash consideration from \$5.1485 to \$5.3485 per IOF unit, if the conditions are satisfied or waived and the Scheme is implemented. Blackstone has stated that it will not increase the Scheme consideration further and accordingly the revised price is best and final, in the absence of a superior proposal.

The ILFML Board intends to work to assist Blackstone to satisfy the conditions required of ILFML to give effect to the price increase. The ILFML Board notes that, as set out in the Blackstone letter attached to IOF's 22 August 2018 ASX announcement, the increase in Scheme consideration is also conditional on Investa Wholesale Funds Management Limited (**IWFML**) in its capacity as responsible entity of the Investa Commercial Property Fund and ICPF Holdings Limited (together, **ICPF**) issuing a public statement by no later than 5pm (AEST) on Friday 24 August 2018 that they intend to vote all of the IOF units they hold (being approximately 19.95% of IOF) in favour of the Scheme, in the absence of a superior proposal (**ICPF Voting Condition**).

If all of the conditions to the Scheme consideration increase (including the ICPF Voting Condition) are satisfied or waived by Blackstone, ILFML intends to seek judicial advice to approve adjournment of the IOF unitholder meeting (currently scheduled for Wednesday, 29 August 2018) and to release supplementary disclosure so that IOF unitholders are given adequate time to consider the price increase by Blackstone. IOF unitholders should note that there is no certainty that the ICPF Voting Condition to the Blackstone price increase will be satisfied or waived. Accordingly, IOF unitholders are advised to take no action in relation to these matters at this time.

The ILFML Board continues to unanimously recommend that IOF unitholders vote in favour of the Blackstone proposal in the absence of a superior proposal.

#### Voting eligibility of ICPF

As announced on ASX on 20 August 2018, IWFML notified ILFML that:

- it had entered into a binding Securities Sale Deed under which it had agreed to sell approximately 59.8 million IOF Units (representing approximately 9.99% of IOF), to Oxford Properties Group for \$5.25 per IOF Unit (**Oxford Transaction**); and

- completion of the Oxford Transaction is conditional on the Blackstone proposal being voted down by IOF unitholders (such that the Blackstone proposal cannot be implemented), or not being voted on by 18 September 2018.

The ILFML Directors sought further information from IWFML given the previously announced decision by ILFML in relation to ICPF's voting eligibility on the Blackstone proposal. Having considered the further information received, the ILFML Directors continue to hold the view that, as at the date of this announcement, ICPF is not restricted from voting on the Proposal under applicable law, based on the investigations of, and the evidence that has been made available to the ILFML Directors, and after receiving legal advice.

**End**

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## **About Investa Office Fund**

Investa Office Fund (ASX code: IOF) is an externally managed Australian listed real estate investment trust, included in the S&P/ASX 100 index. IOF is governed by the Independent Board of Investa Listed Funds Management Limited as Responsible Entity, and managed by Investa – one of Australia's largest and most highly regarded office managers. IOF has total assets under management of \$4.4 billion, with 20 investment grade office buildings in core CBD markets across Australia. The Fund receives rental income from more than 400 tenants, including government agencies and blue chip organisations. IOF's strategy is to deliver attractive risk-adjusted returns investing in high quality Australian office buildings, leveraging Investa's fully integrated specialist property sector capabilities to outperform.