

4 June 2019

All cash proposal to acquire Australian Unity Office Fund

Australian Unity Investment Real Estate Limited (**AUIREL**), as Responsible Entity of Australian Unity Office Fund (ASX: **AOF**), announces that it has received an unsolicited, indicative and non-binding proposal from an entity associated with Abacus Property Group (ASX: ABP) and Charter Hall Group (ASX: CHC) (collectively, the **Consortium**) to acquire all of the issued units in AOF that it does not already hold for \$2.95 cash per AOF unit, by way of a trust scheme (the **Proposal**).

AUIREL notes the announcement by the Consortium that it has acquired a 19.9% interest in AOF.

The Board of AUIREL will establish an independent board committee (**IBC**) to consider the Proposal.

No action is required by AOF unitholders at this time.

Under the Proposal, AOF unitholders will be entitled to \$2.95 cash per unit (**Offer Price**). The Offer Price represents a:

- 6.1% premium to AOF's closing price of \$2.78 on 3 June 2019;
- 8.5% premium to AOF's 30 day VWAP of \$2.72 up until 3 June 2019; and
- 10.5% premium to AOF's last reported NTA per unit of \$2.67 as at 31 December 2018.

Under the Proposal, AOF unitholders will be entitled to retain a distribution of up to 3.95 cents per unit in respect of the quarter ending on 30 June 2019 paid prior to the date of scheme implementation without any reduction to the Offer Price. If the Proposal is implemented after the record date for the distribution in respect of the quarter ending on 30 September 2019 in circumstances where AUIREL has acted in good faith in meeting the timetable proposed by the Consortium, and not contributed to any delay, AOF unitholders will also be entitled to retain a distribution of up to 3.95 cents per unit in respect of the quarter ending on 30 September 2019 without any reduction to the Offer Price.

AUIREL notes that at this time, it has not received a proposed timetable from the Consortium.

The Proposal is subject to a number of conditions including confirmatory due diligence on an exclusive basis, AUIREL and the Consortium entering into a Scheme Implementation Agreement that is unanimously recommended by the independent directors of AUIREL and approval from the Foreign Investment Review Board.

AUIREL is being advised by UBS AG, Australia Branch as financial adviser and Ashurst as legal adviser.

AUIREL will provide further updates to the market as appropriate.

ASX code:

AOF

Issuer:

Australian Unity Investment Real Estate Limited

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AFSL 477434

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About AOF

AOF is an ASX-listed REIT that wholly owns a diversified portfolio of nine office properties located across Australian metropolitan and CBD markets in Sydney, Adelaide, Melbourne, Brisbane and Canberra.

This announcement is issued by Australian Unity Investment Real Estate Limited ABN 86 606 414 368 AFSL 477434 (AUIREL). AUIREL is a wholly owned subsidiary of Australian Unity Limited ABN 23 087 648 888.

Australian Unity is a health, wealth and living organisation providing products and services designed to help people thrive. More than one million Australians have created a bright future with us. Our businesses span operations providing healthcare, financial services, and retirement and living services, employing more than 7,500 people across Australia.

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