

ASX Announcement – Australian Unity Office Fund

3 July 2019

Improved 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**), refers to its announcement dated 4 June 2019 in relation to the unsolicited, indicative and non-binding proposal received from an entity associated with Abacus Property Group (ASX: **ABP**) and Charter Hall Group (ASX: **CHC**) (**Consortium**) to acquire all of the issued units in AOF that it does not already hold for \$2.95 cash per unit (**Original Proposal**).

AUIREL announces that it has now received an improved, indicative and non-binding proposal from the Consortium to acquire all of the issued units in AOF that it does not already hold for \$3.04 cash per unit (**Improved Proposal**).

The offer price under the Improved Proposal will be reduced by any distribution announced or paid in respect of AOF other than the 3.95 cent per unit distribution announced on 21 June 2019.

The Consortium has indicated that the Improved Proposal is best and final. In the absence of a competing proposal to acquire AOF, the Consortium will not increase its offer price above \$3.04 cash per unit.

The offer price of \$3.04 cash per unit under the Improved Proposal represents a:

- 9.4% premium to AOF's closing price of \$2.78 on 3 June 2019 (the day prior to announcement of the Original Proposal);
- 11.8% premium to AOF's 30 day VWAP of \$2.72 up until 3 June 2019; and
- 9.0% premium to AOF's unaudited 30 June 2019 NTA per unit of \$2.79, which includes the combined impact of revaluing AOF's entire portfolio and the mark-to-market of interest rate swap contract liabilities as at 30 June 2019.

The Improved Proposal is subject to a limited number of conditions including satisfactory completion of confirmatory due diligence on a non-exclusive basis, entry into a Scheme Implementation Agreement that is unanimously recommended by the independent directors of AUIREL and approval from the Foreign Investment Review Board.

The IBC will evaluate and consider the Improved Proposal.

No action is required by AOF unitholders at this time and AUIREL will keep AOF unitholders fully informed as required.

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

ASX code:

AOF

Issuer:

Australian Unity Investment Real Estate Limited

ABN 86 606 414 368

AFSL 477434

Enquiries:

Australian Unity Office Fund Investor Services

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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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