

## **FOLKESTONE SOCIAL INFRASTRUCTURE TRUST APPROVES MERGER WITH FOLKESTONE EDUCATION TRUST**

Folkestone Real Estate Management Limited ("FREML"), in its capacity as responsible entity of Folkestone Social Infrastructure Trust ("FST") (ASX code: FST), advises that Unitholders voted overwhelming in favour of the merger with the Folkestone Education Trust ("FET") (ASX code: FET).

All resolutions at the FST meeting held today were passed by poll as per the details on the attached summary.

As the scheme proposal has been passed, FST will become a wholly owned sub-trust of FET.

FST Unitholders (not including Foreign Unitholders) who are on FST's register at the Record Date of 31 December 2014 will receive:

- 1.32 New FET Units for every one FST Unit; and
- \$0.675 in cash for every 1 FST Unit ("Implementation Distribution").

Foreign Unitholders will be treated in the manner set out in the Notice of Meeting & Explanatory Memorandum dated 24 November 2014.

As Unitholders also approved the sale of FST's units in FET to Folkestone Limited, this sale will now proceed.

As outlined in the Notice of Meeting & Explanatory Memorandum the timetable for completion of the merger is as follows:

<b>Timetable</b>	<b>Date</b>
FST units cease trading on the ASX (from the close of trade)	22 December 2014
Record date for determining entitlements to Scheme Consideration, Implementation Distribution and December Quarterly Distribution	31 December 2014
Implementation date: <ul style="list-style-type: none"> <li>• new FET units will be issued to FST Unitholders</li> <li>• payment of the Implementation Distribution to FST Unitholders</li> <li>• payment of the December quarterly distribution to FST Unitholders</li> </ul>	6 January 2015
Despatch of holding statement for New FET Units to eligible FST Unitholders	by 6 January 2015
Deferred settlement trading of New FET Units ends at close of trading	6 January 2015
Trading of new FET units commences on ASX on a normal settlement basis	7 January 2015

FREML Independent Director, Mr Michael Johnstone said "The merger with FET provides FST Unitholders (who, as a result of the scheme, will become unitholders in FET) with the opportunity to significantly improve their exposure to the early learning sector, lower management expenses and benefit from increased size, liquidity and inclusion in the S&P/ASX 300 Index. FST Unitholders will also continue to benefit from Folkestone's management expertise of managing Australia's largest portfolio of early learning properties."

### **Further Information:**

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## DISCLOSURE OF PROXY VOTES

Scheme Meeting-Friday, 19 December 2014

Resolution	Decided by Show of Hands (S) or Poll (P)	Total Value of Proxy Votes exercisable by proxies validly appointed	Proxy Votes in respect of which appointment specifies				Poll Results (if applicable)		
			FOR	AGAINST	ABSTAIN	PROXY'S DISCRETION	FOR	AGAINST	ABSTAIN
1. Approval of the acquisition by FET of 100% of the FST Units under the Scheme	P	44,767,558.4	36,771,532.8	655,472	75,145.6	7,340,553.6	45,270,425.6	655,472	75,145.6
2. Amendments to the FST Constitution	P	44,767,558.4	36,226,572.8	655,472	75,145.6	7,885,513.6	45,270,425.6	655,472	75,145.6
3. Approval of the FET Unit Sale	P	44,767,558.4	36,226,572.8	655,472	75,145.6	7,885,513.6	45,270,425.6	655,472	75,145.6