

ASX ANNOUNCEMENT

16 June 2014

**Announcement No. 20/14
The Manager
Australian Stock Exchange**

ALE Notes 2 Buy Back Offer

Highlights

- ALE announces an on-market buy back offer for ALE Notes 2
- ALE intends to buy back any and all Notes from today until 24 June 2014, at a price no greater than \$101.00 per Note
- Following this period, ALE intends to redeem any remaining Notes on the initial maturity date of 20 August 2014

ALE Notes 2

ALE Property Group (ASX: LEP) has \$165 million of listed ALE Notes 2 (Notes) on issue (ASX: LEPHC).

As previously disclosed on 29 May 2014, following completion of its recent AMTN issue, ALE intends to redeem all Notes on the initial maturity date of 20 August 2014.

The Notes are intended to be redeemed in accordance with their terms, with an expected redemption payment of \$100.00 plus the final interest payment of \$1.685 per Note.

On-market buy back offer

ALE announces today that it intends to conduct an on-market buy back of any and all Notes, during a limited period commencing today and ending on 24 June 2014. ALE intends to buy back Notes at a price of no greater than \$101.00 per Note, reflecting the approximate present value of the final redemption and interest payment.

The buy back is expected to provide Noteholders with a source of market liquidity prior to the initial maturity date and will allow ALE to utilise some of the cash proceeds from its recent AMTN issue in an efficient manner.

Holders that sell their Notes through the on-market buy back will not receive any redemption payment or future interest payment in respect of the Notes bought back by ALE.

The amount of Notes ultimately acquired under the buy back will depend on investor interest and market liquidity during the buy back period. ALE intends to announce the result of the buy back shortly after 24 June 2014.

Following this period, ALE intends to redeem any remaining Notes on the initial maturity date of 20 August 2014.

ALE has appointed UBS AG, Australia Branch to act as its broker in relation to the buy back.

- Ends -

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