



ASX/Media Release

29 April 2015

Off-Market Buy-Back Booklet

Astro Japan Property Group (ASX: AJA) refers to its announcement on 24 April 2015 regarding its intention to undertake an off-market buy-back tender process for AJA securities to return up to \$26.5 million of capital to securityholders (the Buy-Back).

The Off-Market Buy-Back Booklet which contains the terms and conditions of the Buy-Back is attached.

The Booklet will be despatched to securityholders by Wednesday, 6 May 2015.

ENDS

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About Astro Japan Property Group (AJA)

Astro Japan Property Group is a listed property group which invests in the Japan real estate market. It currently holds interests in a portfolio comprising 30 retail, office and residential properties. Asset management services in Japan are generally undertaken by Spring Investment Co., Ltd.

AJA is a stapled entity comprising Astro Japan Property Trust (ARSN 112 799 854) and Astro Japan Property Group Limited (ABN 25 135 381 663). For further information please visit our website: www.astrojapanproperty.com.

Astro Japan Property Group

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Astro Japan Property Group Off-Market Buy-Back Booklet

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

Read the whole of this document carefully before deciding whether to participate in the Off-Market Buy-Back.

If you are in any doubt about how to deal with this document, you should contact your stockbroker, financial adviser, taxation or other professional adviser immediately.

Issuer

This offer document (**Booklet**) is dated 6 May 2015. This Booklet is issued by Astro Japan Property Group Limited ABN 25 135 381 663 (**Company**) and Astro Japan Property Management Limited ABN 94 111 874 563 AFSL 283142 (**Responsible Entity**) as responsible entity of the Astro Japan Property Trust ARSN 112 799 854 (**Trust**). Astro Japan Property Group comprises the Company and the Trust and, where applicable, their controlled entities (collectively **Astro Japan**) and is listed on the ASX (ASX code: AJA).

Not financial product advice

The information in this Booklet is not financial product advice.

This Booklet has been prepared without taking into account your particular objectives, financial situation or needs. You should consider the appropriateness of participation in the Off-Market Buy-Back having regard to your individual objectives, financial situation and needs. If you are in any doubt as to the action you should take, you should contact your financial, taxation or other professional adviser immediately.

Disclaimer

To the maximum extent permitted by law, neither Astro Japan nor its officers, employees or advisers accept any liability or responsibility for any claim, loss, demand, costs, expenses or damage:

- suffered or incurred by any person relying or acting on any information provided in, or omitted from, the Booklet or any other written or oral opinions, advice or information provided by any of them; or
- arising as a result of, or in connection, with the information in the Booklet being inaccurate or incomplete in any way or by reason of any reliance by any person, including by reason of any negligence, default or lack of care.

Some of the statements appearing in this Booklet may be forward-looking statements. You should be aware that such statements are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which Astro Japan operates as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statements.

None of Astro Japan, its officers, employees or advisers make any representation or warranty as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward-looking statements. The forward-looking statements in this Booklet affect views held only as at the date of this Booklet.

Eligibility to Participate in the Off-Market Buy-Back

You are eligible to participate in the Off-Market Buy-Back if Securities are registered in your name on the Record Date, Friday, 1 May 2015 with a registered address in Australia or New Zealand and, in accordance with the ASX Settlement Operating Rules, the Securities confer an entitlement to receive this invitation.

Unless you have sold Securities on or after the Ex-Entitlement Date, the number of Securities you are entitled to tender is shown in your Tender Form.

Definitions

Some of the words capitalised in this Booklet have the defined meanings set out in section 12.

Enquiries

If you have any questions about this Booklet or your Tender Form, please call the Registry on:

Telephone

1800 881 098 (within Australia)

+61 1800 881 098 (outside Australia)

Hours (Monday to Friday)

8.30am – 5.30pm AEST

You can also contact Astro Japan in relation to any questions about the Off-Market Buy-Back or the content of this Booklet on +61 2 8987 3900 or by email at investorrelations@astrojapanproperty.com.

CHAIRMAN'S LETTER

6 May 2015

Dear Member

On behalf of the Board, I am pleased to offer you the opportunity to participate in an off-market tender buy-back (the **Off-Market Buy-Back**) of Astro Japan Securities, announced to ASX by Astro Japan on Friday, 24 April 2015.

This Off-Market Buy-Back is an initiative being undertaken as part of Astro Japan's ongoing capital management strategy. Astro Japan announced on 31 March 2015 that it now holds more than \$65 million in available cash and continues to evaluate a range of capital management initiatives. It has concluded it would be in the Members' best interests to utilise part of the available cash to undertake an off-market buy-back. The Off-Market Buy-Back provides an opportunity for Members to sell without brokerage a potentially larger number of Securities within a shorter timeframe, than on ASX, at a price which could be at a premium to the price achievable on the ASX.

Under the Off-Market Buy-Back, Astro Japan may buy back a maximum of 5 million Securities which represents approximately 7.6% of Astro Japan's issued capital. The Buy-Back Price is \$5.30 per Security, which represents a 4.28% premium to the 15 day volume weighted average price of Securities of approximately \$5.08, calculated immediately prior to Astro Japan announcing the Off-Market Buy-Back on Friday, 24 April 2015.

Your participation in the Off-Market Buy-Back is voluntary. You may choose to tender some or all of your Securities to Astro Japan by accepting the Off-Market Buy-Back invitation. Alternatively, if you do not wish to participate, you do not need to take any action.

I encourage you to read this Booklet carefully. **In making your decision about your participation, you may wish to seek professional advice about your individual circumstances.**

If you wish to participate in the Off-Market Buy-Back, please complete and **return your Tender Form**, which accompanies this Booklet, to the Registry (if you are an Issuer Sponsored Holder) or ensure that your Controlling Participant processes your Tender (if you are a CHESS Holder) by **no later than 7.00pm AEST on Tuesday, 2 June 2015.**

If you have any queries in relation to this Booklet or your Tender Form, please contact the Registry on 1800 881 098 (for calls made from within Australia) or +61 1800 881 098 (for calls made outside Australia) between 8.30am and 5.30pm, AEST, Monday to Friday.

You can also contact Astro Japan if you have any queries in relation to the Off-Market Buy-Back or the content of this Booklet on +61 2 8987 3900 or by email at investorrelations@astrojapanproperty.com.

Yours sincerely



Allan McDonald
Chairman

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1 IMPORTANT INFORMATION

1.1 What is this Booklet about?

Astro Japan is inviting Eligible Members to participate in the Off-Market Buy-Back to purchase up to approximately \$26.5 million worth of Securities (**Off-Market Buy-Back**).

This Booklet contains important information about the Off-Market Buy-Back and is provided to assist you in making an informed decision about whether to participate. It also explains why Astro Japan is undertaking the Off-Market Buy-Back.

1.2 Important dates

Event	Date
Announcement of Off-Market Buy-Back	Friday, 24 April 2015
Last day that Securities can be acquired on the ASX to be eligible to participate in the Off-Market Buy-Back	Tuesday, 28 April 2015
Ex-Entitlement Date	Wednesday, 29 April 2015
Record Date for determination of Members' entitlement to participate in the Off-Market Buy-Back	Friday, 1 May 2015
Off-Market Buy-Back Booklet sent to Members	Wednesday, 6 May 2015
Tender Period opens	Wednesday, 6 May 2015
Tender Period closes (acceptances due by 7.00pm AEST)	Tuesday, 2 June 2015
Buy-Back Date and announcement of scale back (if any)	Thursday, 4 June 2015
Payment of Buy-Back Proceeds to participating Members complete	Wednesday, 10 June 2015

Whilst Astro Japan does not currently anticipate changing any of the dates and times set out above, it reserves the right to do so. Any changes to this timetable will be announced to the ASX. Further, Astro Japan may also decide not to proceed with the Off-Market Buy-Back.

1.3 Eligibility to participate

You are eligible to participate in the Off-Market Buy-Back if you are a Member, as recorded on Astro Japan's register of Members (**Register**), on the Record Date (Friday, 1 May 2015) with a registered address in Australia or New Zealand.

Astro Japan retains its discretion (to be exercised on a case by case basis) to extend the Off-Market Buy-Back to Members residing in jurisdictions outside Australia and New Zealand where Astro Japan considers it reasonable to make invitations to participate, provided at all times that the Member's participation in the Off-Market Buy-Back is permitted under the laws of Australia and the jurisdiction in which the Member is resident without the need for any filing or approval by any government agency (except one that Astro Japan is willing in its absolute discretion to comply with).

Any Member with a registered address outside Australia or New Zealand who believes that they are entitled to participate in the Off-Market Buy-Back in accordance with the laws of Australia and the relevant jurisdiction in which the Member resides (without the need for any filing or approval by a government agency) should contact Astro Japan on +61 2 8987 3900.

The distribution of this Booklet in some jurisdictions outside Australia and New Zealand might be restricted by law and does not constitute an invitation to participate in any place where, or to any person to whom, it would be unlawful to do so.

Securities acquired on ASX on or after the Ex-Entitlement Date, Wednesday, 29 April 2015, do not confer an entitlement to participate in the Off-Market Buy-Back.

1.4 Other important reference material

In reviewing the Booklet you should also have regard to other information previously made available to Members about Astro Japan and the Off-Market Buy-Back, such as:

- Astro Japan's half year results to 31 December 2014 announced on ASX on 19 February 2015;
- Astro Japan's 2014 annual report sent or made available to Members on 23 September 2014; and
- ASX announcements relating to Astro Japan and/or the Off-Market Buy-Back.

These documents can be viewed on Astro Japan's website at www.astrojapanproperty.com.

2 KEY FEATURES OF THE OFF-MARKET BUY-BACK

Astro Japan is buying back Securities by way of an Off-Market Buy-Back, which provides Eligible Members with an opportunity to Tender some or all of their Securities to Astro Japan. Key features of the Off-Market Buy-Back are set out below.

Buy-Back Price	The Buy-Back Price is \$5.30 per Security (Buy-Back Price).
Buy-Back size	<p>Astro Japan may buy back a maximum of 5 million Securities at the Buy-Back Price for a total cost to Astro Japan of approximately \$26.5 million.</p> <p>The Off-Market Buy-Back represents approximately 7.6% of Astro Japan's issued capital.</p>
Who is eligible to participate?	<p>The Buy-Back is open to Eligible Members.</p> <p>An Eligible Member is a Member on the Register on the Record Date of Friday, 1 May 2015, with a registered address in Australia or New Zealand.</p> <p>Any Member with a registered address outside Australia or New Zealand who believes that they are entitled to participate in the Off-Market Buy-Back in accordance with the laws of Australia and the relevant jurisdiction in which the Member resides (without the need for any filing or approval by a government agency) should contact Astro Japan on +61 2 8987 3900.</p>
Participation	<p>Participation is voluntary. No action is required if you decide not to participate.</p> <p>Eligible Members who wish to participate can Tender Securities registered in their name at the Record Date, Friday, 1 May 2015. Securities acquired on ASX on or after the Ex-Entitlement Date, Wednesday, 29 April 2015, do not confer an entitlement to participate in the Off-Market Buy-Back.</p>
Tender Period	The Tender Period will be open from Wednesday, 6 May 2015 until 7.00pm AEST, on Tuesday, 2 June 2015.
Minimum number of Securities that can be Tendered	<p>For Members who hold more than 94 Securities (\$500 worth of Securities at \$5.30), there is no minimum number of Securities that can be Tendered.</p> <p>Members who hold 94 Securities or less must Tender all of their Securities if they wish to participate in the Off-Market Buy-Back.</p>

IMPORTANT INFORMATION

By making the Off-Market Buy-Back invitation and setting the Buy-Back Price, neither Astro Japan nor the Board are making any recommendation or giving any advice to any individual Member on the value of your Securities or whether you should sell your Securities under the Off-Market Buy-Back.

3 ACTION REQUIRED BY MEMBERS

A summary of the actions required by Members in relation to this Booklet and the Off-Market Buy-Back follows. Please refer to section 7.3 for further details.

Step 1: Participation	Read this Booklet in full and decide whether you wish to participate in the Off-Market Buy-Back. If you do not wish to participate, you do not need to take any action.										
Step 2: Number of Securities	<p>If you wish to participate, you need to decide the number of Securities that you wish to tender.</p> <p>The maximum number of Securities that you may Tender is the total number of Securities for a registered holding as shown on your Tender Form.</p> <p>There is no minimum number of Securities that you may Tender unless:</p> <ul style="list-style-type: none"> • you own 94 Securities or fewer at the Record Date, in which case you must Tender all of your Securities (if you wish to participate); or • your Tender would result in you holding 94 Securities or fewer upon completion of the Off-Market Buy-Back, in which case your Tender will be deemed to be for all of your Securities. <p>All Tenders will be subject to any scale back on a pro rata basis if the Off-Market Buy-Back is Over-Tendered (see section 8.5 for further details).</p>										
Step 3: Tender Form	<p>If you do wish to participate, you will need to complete and sign your Tender Form that accompanies this Booklet. The Tender Form should then be returned as follows:</p> <p>Issuer Sponsored Holders (your holder number will start with an 'I'):</p> <ul style="list-style-type: none"> • return the completed and signed Tender Form in the enclosed reply paid envelope; or • you can mail or deliver the completed and signed Tender Form to the addresses provided below. <table border="0"> <tr> <td>Mailing address</td><td>Delivery address</td></tr> <tr> <td>Astro Japan Property Group Buy-Back</td><td>Astro Japan Property Group Buy-Back</td></tr> <tr> <td>c/- Link Market Services Limited</td><td>c/- Link Market Services Limited</td></tr> <tr> <td>Locked Bag A14</td><td>1A Homebush Bay Drive</td></tr> <tr> <td>Sydney South NSW 1235</td><td>Rhodes NSW 2138</td></tr> </table> <p>Chess Holders (your holder number will start with an 'X'):</p> <ul style="list-style-type: none"> • send or deliver the completed and signed Tender Form to your Controlling Participant (normally your stockbroker). The name of your Controlling Participant as at the Record Date is provided on your Tender Form; and • do not send your completed Tender Form to the Registry. 	Mailing address	Delivery address	Astro Japan Property Group Buy-Back	Astro Japan Property Group Buy-Back	c/- Link Market Services Limited	c/- Link Market Services Limited	Locked Bag A14	1A Homebush Bay Drive	Sydney South NSW 1235	Rhodes NSW 2138
Mailing address	Delivery address										
Astro Japan Property Group Buy-Back	Astro Japan Property Group Buy-Back										
c/- Link Market Services Limited	c/- Link Market Services Limited										
Locked Bag A14	1A Homebush Bay Drive										
Sydney South NSW 1235	Rhodes NSW 2138										
Step 4: Lodgement	You must ensure that your completed and signed Tender Form is received by the Registry (if you are an Issuer Sponsored Holder) or processed by your Controlling Participant (if you are a CHESS Holder) by no later than 7.00pm AEST, on the Closing Date (Tuesday, 2 June 2015).										

4 DETAILED INFORMATION ABOUT THE OFF-MARKET BUY-BACK

4.1 What is an Off-Market tender Buy-Back?

An off-market tender buy-back is a process where an entity invites securityholders to offer to sell some or all of their securities in that entity (to the entity) by way of a tender process. Securities bought back by the entity are cancelled, thereby reducing the number of securities the entity has on issue.

Astro Japan's Off-Market Buy-Back is an off-market tender buy-back under which Astro Japan is inviting Eligible Members to offer to sell some or all of your Securities to Astro Japan. Securities bought back will be cancelled which will reduce the total number of Securities Astro Japan has on issue.

4.2 Why is Astro Japan implementing the Off-Market Buy-Back?

Astro Japan currently has a strong cash balance due to recent asset sales and refinancing of a significant portion of Astro Japan's debt. Astro Japan's strategy for the best use of this cash includes implementing certain capital management initiatives, primarily the buy-back of Securities, to return some surplus funds to Members.

On 22 October 2014, Astro Japan commenced an on-market buy-back as part of its ongoing capital management strategy. The on-market buy-back was terminated on Friday, 24 April 2015 with a total of 1,618,886 Securities purchased and cancelled for a total consideration of \$7,924,071.90. Astro Japan intended to buy-back up to 3,360,587 Securities, however, given the limited success of the on-market buy-back, Astro Japan decided to terminate the on-market buy-back and undertake the Off-Market Buy-Back.

Overall, the Board considers that it is in the interests of all Members that they are given an opportunity to sell their Securities at a price which is higher than recent trading levels. The Board also considers that the Off-Market Buy-Back is an appropriate use of at least part of Astro Japan's current surplus capital.

Astro Japan will continue to consider other capital management initiatives, including property investment, in order to effectively utilise the balance of its surplus cash.

4.3 Why is the Off-Market Buy-Back considered the best process for returning capital?

Astro Japan considered a number of alternatives for returning surplus capital to Members such as a capital return and special distribution and ultimately concluded that a strategy involving an off-market tender buy-back was in the best interests of Members as it benefits both participating and non-participating Members. In addition, an off-market tender buy-back was considered appropriate as part of Astro Japan's broader buy-back programme, as it can potentially return capital more quickly than an on-market buy-back and is readily available to all Members. This compares to an on-market buy-back where execution continues over a much longer period.

The Board considers that the Off-Market Buy-Back is the preferred method of returning capital to Members as compared to an on-market buy-back or capital return (such as a capital distribution) for the following reasons:

- Eligible Members can choose whether or not to participate in the Off-Market Buy-Back and the extent of their participation, whereas a capital return is compulsory and binding on all Members;
- the Off-Market Buy-Back potentially provides those Eligible Members looking for current liquidity with a larger share of the available funds and a larger percentage of their investment being realised compared to a capital return;
- whilst on-market buy-backs are relatively simple to implement, the price likely to be paid for Securities may not be attractive to Members because Securities are bought back on-market and there are restrictions on the maximum price that Astro Japan can acquire Securities for on-market;

- the Buy-Back Price represents a premium to the recent trading price, being the 15 day volume weighted average price of Securities at close of trading on Thursday, 23 April 2015 of approximately \$5.08; and
- the Off-Market Buy-Back ensures equal opportunity for participation by Eligible Members which cannot be achieved with an on-market Buy-Back.

Further, the Off-Market Buy-Back, as an equal access Buy-Back, is the preferred capital management initiative because:

- the Buy-Back Price is still a discount to the Pro-forma NTA per Security and so will increase the NTA per security for the benefit of Members who do not participate; and
- the Off-Market Buy-Back provides Eligible Members an equal opportunity to sell their Securities at the Buy-Back Price and without incurring brokerage and transaction costs. In particular, this would be beneficial for Eligible Members with Unmarketable Parcels seeking to sell their Securities who would otherwise incur significant costs to sell their Securities on-market relative to the value of those Securities.

4.4 When will the Off-Market Buy-Back take place?

The Off-Market Buy-Back opens on Wednesday, 6 May 2015 and will close at 7.00pm AEST, on Tuesday, 2 June 2015 (**Tender Period**) in accordance with the timetable in Section 1.2 of this Booklet. While Astro Japan does not currently anticipate changing any of the dates and times in that timetable, it reserves the right to do so. Any changes to the indicative timetable will be announced to the ASX.

Further, Astro Japan may determine not to proceed with the Off-Market Buy-Back or, if it decides to proceed, amend or terminate the Off-Market Buy-Back at any time prior to completion by making an announcement to that effect to the ASX.

4.5 How will the Off-Market Buy-Back be funded?

Astro Japan will fund the Off-Market Buy-Back from proceeds of recent assets sales, including Aeon Mukomachi, and additional available cash reserves as a result of refinancing of AJA's debt. Astro Japan currently holds unrestricted cash of approximately \$65 million, equal to approximately 15.7% of Astro Japan's current NTA.

The total cost of buying back Securities under the Off-Market Buy-Back will be approximately \$26.5 million, assuming the Off-Market Buy-Back is fully Tendered.

4.6 Will the Off-Market Buy-Back affect Astro Japan's distribution guidance?

Assuming 5 million Securities are bought-back, it is likely, depending on how much of the remaining balance of available cash after the Off-Market Buy-Back is used for property investment and when it is used, that in the short term Astro Japan will increase distributions from the current level of 15 cents per Security (cps) per half year (30 cps per annum) by approximately 7-10% to 16 to 16.5 cps per half year (32-33 cps per annum), with a pro-rata increase likely in the event that less than 5 million Securities are bought back.

4.7 Will I still receive the next distribution if my Securities are bought back?

No distribution will be paid in respect of Securities that are bought back and cancelled under the Off-Market Buy-Back.

5 BUY-BACK PRICE

5.1 What is the Buy-Back Price?

Astro Japan is offering to buy back Securities at \$5.30 per Security (**Buy-Back Price**).

5.2 How was the Buy-Back Price determined?

The Buy-Back Price was determined by the Board having considered recent market prices and a range of other factors. The Buy-Back Price represents a 4.28% premium to the 15 day volume weighted average price of Securities on ASX, calculated immediately prior to the announcement of the Off-Market Buy-Back on 24 April 2015.

The Buy-Back Price represents a 17.7% discount to the Pro-forma NTA per Security of \$6.44 as at 31 March 2015.

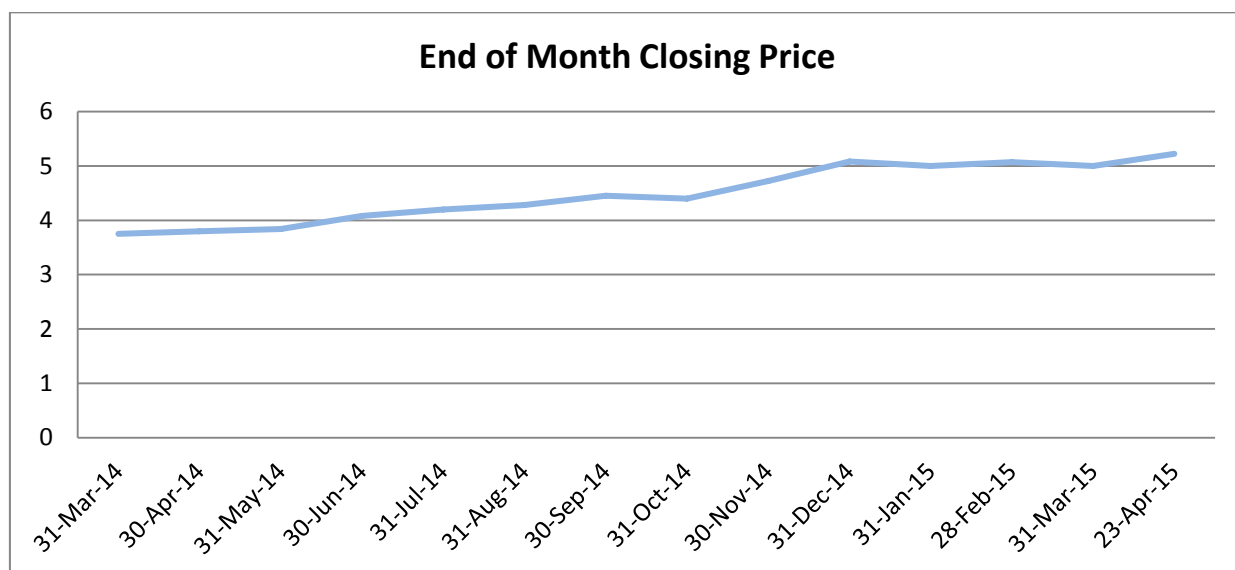
5.3 How have Astro Japan's Securities performed recently?

The closing price of Astro Japan's Securities on the ASX on 23 April 2015, being the last trading day before Astro Japan announced the Off-Market Buy-Back, was \$5.22. The volume weighted average price of Astro Japan Securities for the 15 trading day period prior to 24 April 2015 was approximately \$5.08 per Security.

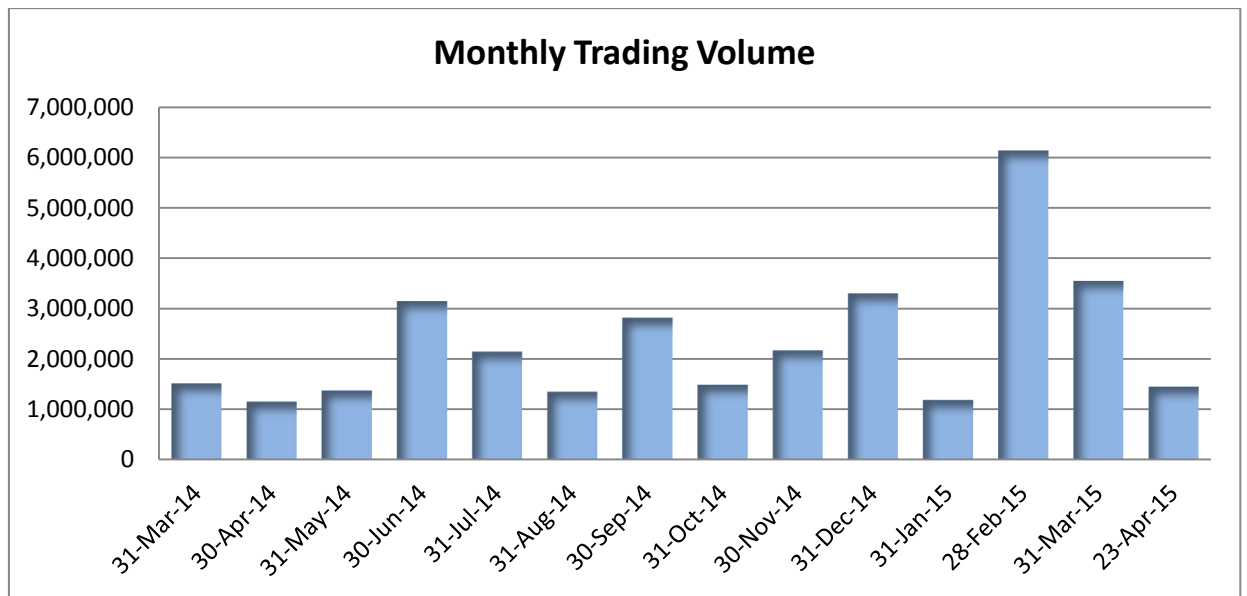
Astro Japan bought back 1,618,886 Securities on-market for prices between \$4.30 and \$5.00 per Security at a total cost of \$7,924,071.90 under the on-market buy-back which commenced in October 2014 and finished in April 2015.

The graphs below show the trading price and volumes of Astro Japan Securities for the 12 months to 23 April 2015. The past performance of Astro Japan's Securities should not be taken as an indication of future performance.

Closing Price Chart



Volume Chart



6 ADVANTAGES AND DISADVANTAGES FOR MEMBERS

6.1 What are some advantages and disadvantages of the Off-Market Buy-Back?

The Board considers that the Off-Market Buy-Back offers possible advantages and poses no significant disadvantages for Members. Some of these are set out in the following sections.

It is completely your decision on whether to Tender your Securities. In making your decision about whether or not to participate in the Off-Market Buy-Back, you may wish to consider the following factors and/or seek professional advice that takes into consideration your personal circumstances.

6.2 What are some possible advantages and disadvantages of participating in the Off-Market Buy-Back?

Advantages	Disadvantages
<ul style="list-style-type: none">The Buy-Back Price may be greater than the price achievable on the ASX at the time the Tender Period closes.	<ul style="list-style-type: none">In the future the price of Securities may be greater than the Buy-Back Price.
<ul style="list-style-type: none">Eligible Members have an equal opportunity to sell all or some of their Securities at the Buy-Back Price.	<ul style="list-style-type: none">Participating Members may have their Tender scaled-back if the Buy-Back is Over-Tendered and so may continue to be Members albeit in respect of a smaller number of Securities.
<ul style="list-style-type: none">No brokerage fee is payable, and there is no need to appoint a stockbroker or use an internet trading service, to participate in the Off-Market Buy-Back. In particular, this may be beneficial if you have an Unmarketable Parcel as you would otherwise incur significant costs to sell your Securities on-market relative to the value of those Securities.	<ul style="list-style-type: none">Participating Members will not benefit from any potential future increase in the market price of Astro Japan Securities or distributions, or participate in any future value enhancement (if it should occur), in relation to the Securities bought back.
<ul style="list-style-type: none">The Off-Market Buy-Back potentially provides more liquidity to Members through an increased ability to sell Securities than would be possible in on-market trading. The Off-Market Buy-Back also provides price certainty.	<ul style="list-style-type: none">Once a Tender has been submitted, participating Members will not be able to dispose of their Securities on the ASX (or otherwise) until the Off-Market Buy-Back is completed.
<ul style="list-style-type: none">Eligible Members who participate will collectively be able to sell a large volume of Securities without negatively impacting the market price of Astro Japan's Securities.	<ul style="list-style-type: none">There may be adverse tax consequences associated with the sale of your Securities – refer to Section 9 'Australian Tax Implications for Members'.
<ul style="list-style-type: none">Potential for improved earnings per Security due to a reduced number of Securities on issue, for Members who continue to hold Securities.	<ul style="list-style-type: none">Potential for a decrease in on-market liquidity for the future sale of Securities as a result of the reduced issued capital and smaller market capitalisation.
<ul style="list-style-type: none">An increase in the Pro-forma NTA per Security from approximately \$6.44 as at 31 March 2015 to approximately \$6.54 following the Off-Market Buy-Back, assuming 5 million Securities are bought back, for Members who continue to hold Securities (assuming a foreign exchange rate of ¥91.3:A\$1).	

If you choose not to participate, or you are not eligible to participate, and the Off-Market Buy-Back is completed, the number of Securities you hold will not change as a result of the Off-Market Buy-Back, although your proportional holding in Astro Japan will increase.

6.3 Comparison to selling on the ASX

If you participate in the Off-Market Buy-Back, you will not be able to sell your Securities on the ASX (or otherwise dispose of them) until the Off-Market Buy-Back is completed or Astro Japan withdraws the Off-Market Buy-Back. The price at which you may have been able to sell your Securities on the ASX after you have submitted your Tender Form during the Tender Period may be higher or lower than the Buy-Back Price.

Astro Japan is required to ensure that any Securities Tendered which are not bought back (e.g. as a result of a scale back) will be able to be sold or transferred as soon as practicable after the Tender Period, and prior to the opening of trading on the second trading day after the end of the Tender Period at the latest.

If you do not participate in the Off-Market Buy-Back, you can sell your Securities on the ASX at any time.

7 TENDER PROCESS

7.1 Am I eligible to participate in the Off-Market Buy-Back?

The record date for determining entitlements to participate in the Off-Market Buy-Back was Friday, 1 May 2015 (**Record Date**). You can participate in the Off-Market Buy-Back if you were a Member on the Register on the Record Date with a registered address in Australia or New Zealand (**Eligible Member**).

Any Member with a registered address outside Australia or New Zealand who believes that they are entitled to participate in the Off-Market Buy-Back in accordance with the laws of Australia and the relevant jurisdiction in which the Member resides (without the need for any filing or approval by a government agency) should contact Astro Japan on +61 2 8987 3900.

7.2 Do I have to Tender my Securities?

No. Participation in the Off-Market Buy-Back is voluntary. If you do not wish to participate, you do not have to take any action.

7.3 How do I participate in the Off-Market Buy-Back?

If you are an Eligible Member you should follow the steps set out below in deciding whether to participate and, if you wish to participate, how to Tender your Securities.

Step 1: Decide whether to participate

With this Booklet, you will have received a Tender Form for each separate registered holding of Securities you hold which are eligible to participate in the Off-Market Buy-Back.

If you do wish to participate and you are an Eligible Member, you will need to complete your Tender Form.

If you do not wish to participate, you do not need to take any action.

Step 2: Decide how many Securities to Tender

The maximum number of Securities that you may Tender is shown on your Tender Form, and is the total number of Securities for that particular registered holding. You may Tender any number of Securities that you own. However, Securities purchased on or after the Ex-Entitlement Date, Wednesday, 29 April 2015, do not confer an entitlement to participate in the Off-Market Buy-Back.

Please also note that:

- if you own 94 Securities or fewer at the Record Date (**Unmarketable Parcel**), you must Tender all of your Securities (if you wish to participate);
- if you own an Unmarketable Parcel and Tender less than your entire holding, your Tender will be treated as applying to your entire holding;
- if your Tender would result in you holding 94 Securities or fewer upon completion of the Off-Market Buy-Back, your Tender will be deemed to be for all of your Securities; and
- if you own an Unmarketable Parcel, submit a Tender and the Off-Market Buy-Back is Over-Tendered, the pro rata scale back will not be applied to your Securities and your Securities will be accepted in full.

Step 3: Complete and submit your Tender Form

How you submit your Tender Form depends on whether you are an Issuer Sponsored Holder or a CHESS Holder.

If you are an **Issuer Sponsored Holder** (your holder number will start with an 'I'):

- please complete and sign the Tender Form that you received with this Booklet; and
- return the completed and signed Tender Form in the enclosed reply paid envelope or send it to 'Astro Japan Property Group Buy-Back', c/- Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235; or

- deliver the completed and signed Tender Form to 'Astro Japan Property Group Buy-Back', c/- Link Market Services Limited, 1A Homebush Bay Drive, Rhodes, NSW 2138.

If you are a **CHESS Holder** (your holder number will start with an 'X'):

- please complete and sign the Tender Form that you received with this Booklet; and
- send or deliver the completed and signed Tender Form to your Controlling Participant (normally your stockbroker). The name of the Controlling Participant who manages your CHESS Holding as at the Record Date is printed on your Tender Form.
- Do not send your completed Tender Form to the Registry.

You must ensure that your completed and signed Tender Form is received by the Registry (if you are an Issuer Sponsored Holder) or processed by your Controlling Participant (if you are a CHESS Holder) by no later than 7.00pm AEST, on the Closing Date (Tuesday, 2 June 2015).

CHESS Holders may receive written confirmation from CHESS of Tenders made on your CHESS Holding by your Controlling Participant. This confirmation is not an acceptance by Astro Japan of any Tender.

See your Tender Form for further instructions on how to submit your Tender.

7.4 Can I participate by completing and submitting the Tender Form online or by facsimile?

No. There is no ability for Eligible Members to complete and submit their Tender Form online, by email or by facsimile.

7.5 How will I know that my Tender has been received?

You can check if your Tender has been received by contacting the Registry on 1800 881 098 (if the call is made from within Australia) or on +61 1800 881 098 (if the call is made from outside Australia) between 8.30am and 5.30pm AEST, Monday to Friday. Please note that receipt of your Tender does not mean that your Tender has been accepted by Astro Japan.

7.6 Can I trade Securities after submitting a Tender?

No. Once you have submitted a Tender, you will not be able to sell, offer to sell or otherwise transfer those Securities that you have Tendered prior to completion of the Off-Market Buy-Back. Therefore, once you have Tendered Securities in the Off-Market Buy-Back you must not:

- sell or offer to sell those Securities;
- convert those Securities from an Issuer Sponsored Holding to a CHESS Holding or vice versa; or
- move those Securities between CHESS Holdings, for example by changing your Controlling Participant.

Astro Japan is required to ensure that any Securities Tendered which are not bought back (e.g. as a result of the scale back) will be able to be sold or transferred as soon practicable after the Tender Period closes, and prior to the opening of trading on the second trading day after the end of the Tender Period at the latest.

If you sell, offer to sell, or otherwise transfer any Securities after you submit a Tender, and at the Buy-Back Date you do not hold at least the number of Securities you have tendered, Astro Japan may, in its absolute discretion, reject your Tender (in whole or in part) or treat your Tender as if you had tendered the number of Securities actually held by you at the Closing Date.

7.7 Can I withdraw or amend my Tender?

No. Once you have submitted a Tender, it cannot be withdrawn or amended.

7.8 How can I obtain additional Tender Forms?

If you require a replacement Tender Form, please call the Registry on 1800 881 098 (for calls made from within Australia) or +61 1800 881 098 (for calls made from outside Australia) between 8.30am and 5.30pm AEST, Monday to Friday.

7.9 What if I have more than one holding of Securities?

You will receive a Tender Form for each separate registered holding of Securities (for example, if you hold some Securities in a trust and other Securities jointly with your spouse you will receive two Tender Forms). You may Tender Securities in the Off-Market Buy-Back from any or all of your separate registered holdings provided that you follow the instructions and complete each Tender Form for each holding from which you wish to Tender. Each registered holding will be treated separately under the Off-Market Buy-Back.

If any of your separate registered holdings comprise an Unmarketable Parcel, in order to participate in the Off-Market Buy-Back in respect of that holding, you must Tender all of the Securities in that holding.

Any scale back that applies to Securities Tendered from more than one of your registered holdings of Securities will be applied to each of your registered holdings as if they were held by different persons.

7.10 What if I have a joint securityholding?

If you hold your Securities jointly with another person (for example, your spouse) you must complete and return the Tender Form in accordance with the instructions for joint holdings on the Tender Form.

7.11 Can I transfer my rights to participate in the Off-Market Buy-Back?

You cannot transfer your rights to participate in the Off-Market Buy-Back. Those rights are personal to you.

7.12 Will participation in the Off-Market Buy-Back affect voting rights?

No. If you lodge a Tender you will be entitled to vote (in accordance with the voting rights attached to the Securities) at any meeting of Members that is held prior to the Buy-Back Date.

7.13 Will participation in the Off-Market Buy-Back affect distribution rights?

No. Participating Members will be entitled to any distributions (in accordance with the distribution rights attached to their Securities) where the record date for the distribution occurs prior to the Buy-Back Date.

Astro Japan does not expect to pay any distribution prior to the Buy-Back Date, and there is no guarantee of any future distributions.

8 TENDER OUTCOMES

8.1 What is the maximum number of Securities that Astro Japan can buy back?

Astro Japan is seeking to buy back a maximum of 5 million Securities under the Off-Market Buy-Back which represents approximately 7.6% of Astro Japan's issued capital. However, Astro Japan may decide not to proceed with the Off-Market Buy-Back or may buy back less than this amount.

8.2 Will all the Securities that I Tender be bought back?

The success of your Tender will be affected by the total number of Securities Tendered by other Eligible Members. If Astro Japan receives Tenders for Securities equal to or less than the maximum number of Securities which may be bought back, all the Securities you Tender may be bought back.

If Astro Japan receives Tenders for more than the maximum number of Securities which may be bought back, a scale back will occur (see section 8.5 for further details).

Astro Japan may also decide not to proceed with the Off-Market Buy-Back at all. In particular, if there is a change to Astro Japan's financial position during the Tender Period, Astro Japan may decide not to proceed with the Off-Market Buy-Back in which case none of the Securities you Tender will be bought back.

8.3 How will I know how many of my Securities have been bought back?

On or after the Buy-Back Date (Thursday, 4 June 2015), you can call the Registry on 1800 881 098 (for calls made from within Australia) or +61 1800 881 098 (for calls made from outside Australia) between 8.30am and 5.30pm AEST, Monday to Friday to find out if your Tender has been successful.

Subsequently, on or before Wednesday, 10 June 2015, Astro Japan will send all Members who have Tendered Securities a statement notifying them of the number of Securities (if any) that have been bought back. Where Tenders have been successful, the notification will be accompanied by a direct credit confirmation advice or a cheque for the Buy-Back Proceeds, which is the Buy-Back Price multiplied by the number of your Securities bought back.

At this time, Members can also use Link Market Services' secure online portal at <https://investorcentre.linkmarketservices.com.au> to check the number of Securities bought back and download a payment advice. You will need your HIN or SRN to access the website.

8.4 What happens to Securities that are bought back?

Securities that are bought back will be transferred to Astro Japan and cancelled.

8.5 How will Astro Japan determine successful Tenders and any scale back?

If Securities validly Tendered by Eligible Members are equal to or less than the maximum 5 million Securities which may be bought back, all Securities Tendered may be bought back.

If Astro Japan receives valid Tenders for Securities representing more than the maximum 5 million Securities which may be bought back under the Off-Market Buy-Back, Tenders will be scaled-back on a pro rata basis (after taking into account the Priority Allocations and Small Residual Holding Tenders, see below).

Astro Japan expects to announce the details of any scale back on Thursday, 4 June 2015. When the scale back is calculated, and results in a number of Securities being bought back that includes a fraction, the actual number of Securities bought back will be rounded down to the next Security.

The scale back has been structured to ensure that Eligible Members with small holdings will not be disadvantaged.

Priority Allocation

Each Eligible Member who successfully tenders under the Buy-Back is guaranteed that a certain number of Securities will be bought back and will not be subject to any scale back. This ensures that

small Eligible Members are not disadvantaged by any such scale back. This guaranteed number of Securities to be bought back is the Priority Allocation.

The Priority Allocation will be \$2,000 worth of Securities (377 Securities), unless the level of Tenders is such that buying back \$2,000 worth of Securities from each successfully participating shareholder (and including Small Residual Holding Tenders) would result in the total amount of capital bought back to be greater than the maximum number of Securities that can be bought back under the Off-Market Buy-Back (refer to Section 8.1). In this case the number of Securities constituting the Priority Allocation will be reduced accordingly.

If you successfully tender less than the Priority Allocation, then all of your tendered Securities will be bought back.

Small Residual Holding Tender

A Small Residual Holding Tender is a Tender submitted by an Eligible Member who tenders all of their Securities and who would otherwise be left with Securities with a value of \$500 (94 Securities) or less as a result of Astro Japan's acquisition of the Priority Allocation and any scale back. Where a Small Holding Tender arises, it will be accepted in full by Astro Japan.

However, if you become the registered holder of additional Securities after the Record Date and, as a result, you are the registered holder of more Securities at the Closing Date than you held on the Record Date, then your Tender will not be a Small Holding Tender and the scale back will apply to your Tender as it would any other Tender.

Example

If Astro Japan receives valid Tenders for 6 million Securities, then 5 million Tendered Securities would be bought back on a pro rata basis (after taking into account the Priority Allocations and Small Residual Holding Tenders).

Therefore, for each Participating Member, approximately 83% of the number of their Securities Tendered would be bought back and they would continue to own those Securities which are not bought back.

This scenario is an example only and should not be relied upon as a representation or statement of the actual outcome of the Off-Market Buy-Back.

8.6 How will I receive payment for Securities bought back?

Astro Japan will pay you the Buy-Back Price for each of your Securities that are bought back unless it is prohibited from doing so by law.

If you have a direct credit authority for payments in relation to your Securities recorded by the Registry at 7.00pm AEST on the Closing Date and your address, as recorded in the Register, is within Australia, all Buy-Back Proceeds due to you will be credited to your nominated account. You will also be sent a direct credit advice to your address, being the address as recorded in the Register at 7.00pm AEST on the Closing Date.

If you wish to change your current direct credit instructions you can do so by providing written instructions to the Registry before the Closing Date. Please note that if you do alter your nominated bank account details this will be taken to be your nominated bank account for any future distribution or capital payments by Astro Japan.

In all other cases, you will be sent a cheque for your Buy-Back Proceeds in Australian dollars to your address, being the address recorded in the Register on the Closing Date.

Payments to bank accounts and the dispatch of cheques are expected to be completed by Wednesday, 10 June 2015.

Payments to these accounts and the dispatch of cheques to those addresses will satisfy Astro Japan's obligation to pay any Buy-Back Proceeds.

9 AUSTRALIAN TAX IMPLICATIONS FOR MEMBERS

9.1 General information only

This section is a general summary of the Australian income tax and capital gains tax implications for Members who participate in the Off-Market Buy-Back. The summary is based on the provisions of the Tax Act and ATO practice applicable as at the date of this Booklet.

This summary is general information and is not tax advice. It does not take into account the individual circumstances of Members and may not identify all potential tax consequences for Members in relation to the Off-Market Buy-Back. It does not replace the need for Members to obtain their own tax advice having regard to their own circumstances.

This summary assumes that participating Members are Australian tax residents that hold their Securities on capital account, and not on revenue account or as trading stock. Further, the summary assumes that Members have not made an election for Division 230 of the Tax Act in relation to the taxation of financial arrangements to apply to them and that Division 230 does not otherwise apply.

Members who are not residents of Australia for tax purposes, including New Zealand members who are considering participating in the Off-Market Buy-Back, or are Australian tax residents but do not hold their Securities on capital account should not rely on the comments contained in this summary and should seek independent taxation advice as the relevant implications (including the application of double tax treaties) can be complex.

9.2 No assessable component

For Australian resident Members, no part of the Buy-Back Price received should be directly included in assessable income. However, the Buy-Back Price will be taken into account in determining the taxation consequences of the disposal of a Security as a consequence of the Off-Market Buy-Back. This is discussed further below.

9.3 Capital gains tax

While the taxation consequences of participating in the Off-Market Buy-Back will vary depending on the personal taxation and financial circumstances of each Member, if you are an Australian tax resident (**Resident Members**) and hold your Securities on capital account, you will generally be taken, for capital gains tax (CGT) purposes, to have disposed of your Securities when Astro Japan accepts your Tender. You will make a capital gain or capital loss on the completion of the Off-Market Buy-Back for the Securities which you sell to Astro Japan.

If the Buy-Back Price exceeds the tax cost base of the Securities, Resident Members will make a capital gain which may crystallise in a tax liability. However, if the Buy-Back Price is less than the tax reduced cost base of their Securities, Resident Members will make a capital loss. Broadly, the cost base and reduced cost base of your Securities is the amount that you paid for the Securities plus incidental costs of acquisition and disposal, less tax deferred distributions received prior to the date of disposal.

Capital gains and capital losses are aggregated to determine the net capital gain for the income year. The net capital gain amount is included in assessable income and subject to income tax at the applicable tax rate.

You may use capital losses to offset capital gains made in the same year, or carry them forward to be offset against future capital gains. Capital losses are applied against capital gains before the application of the CGT discount (see below). Capital losses may not be used to offset your other assessable income. The ability of a Member that is a company to utilise capital losses may be subject to certain loss utilisation provisions being satisfied.

The taxable amount of any assessable capital gain may be reduced if the CGT discount is available to you. Generally, the CGT discount is available to you where your Securities have been held for a period of at least 12 months prior to disposal. If this concession is available, then the amount of your capital gain is reduced by the relevant CGT discount. The CGT discount for individuals and trusts is 50% and for complying superannuation entities is 33.33%. Members that are companies are not eligible for the CGT discount.

9.4 How is the Buy-Back Price allocated?

Resident Members will need to separately calculate their capital gain or capital loss on the disposal of their shares in the Company and their units in the Trust as they are treated as two separate assets for tax purposes.

The Buy-Back Price will be allocated based upon the most recently disclosed relative net tangible asset position of the Company and the Trust. As a consequence the Buy-Back Price will be allocated as follows between each share in the Company and each unit in the Trust comprising one Security:

- price per share – \$0.2528;
- price per unit – \$5.0472; and
- price per Security – \$5.30.

Members should refer to the 'General Taxation Information' section of the Astro Japan website at www.astrojapanproperty.com if uncertain of the original cost price allocation between each unit and each share of their holding.

9.5 Stamp duty and GST

There will be no stamp duty or GST payable in relation to the Off-Market Buy-Back by Members Tendering their Securities or because their Securities are bought back.

10 IMPACT OF THE OFF-MARKET BUY-BACK ON ASTRO JAPAN

10.1 What effect will the Off-Market Buy-Back have on Astro Japan?

The impact on Astro Japan of a Buy-Back of the maximum 5 million Securities at a price of \$5.30 each for a total cost of approximately \$26.5 million is set out in the below table. If the Buy-Back is partially successful, the respective impact will be proportionately reduced.

Pro-forma NTA per Security	The Off-Market Buy-Back will increase the Pro-forma NTA per Security from approximately \$6.44 to approximately \$6.54, assuming 5 million Securities are bought back and assuming a foreign exchange rate of ¥91.3:A\$1.
Securities on issue	As at 24 April 2015 Astro Japan has 65,592,866 Securities on issue. Assuming the maximum 5 million Securities are bought back, Astro Japan will have 60,592,866 Securities on issue upon completion of the Off-Market Buy-Back.
Cash reserves	The Off-Market Buy-Back will result in a reduction of Astro Japan's forecast total cash holdings from approximately \$65 million to approximately \$38.5 million.
Leverage	The Off-Market Buy-Back will not impact Astro Japan's loan-to-value (interest bearing debt to property value) ratio (which will remain at approximately 63%) or its interest cover ratio. The Off-Market Buyback will however increase Astro Japan's net leverage (interest bearing debt and deposit liabilities to property value and cash reserves) ratio from 56.9% to 59.9%.
Business operations	The Off-Market Buy-Back will not have any impact on Astro Japan's operations or assets other than as a result of the reduction in total cash holdings.
Franking credits	The Off-Market Buy-Back will not result in any reduction of the Company's franking account.
Pro-forma Earnings per Security	Assuming 5 million Securities are bought-back, underlying Net Profit After Tax will increase by approximately 8% per Security from what it would have been had no Off-Market Buy-Back taken place. Underlying Net Profit After Tax is used to provide a better understanding of the Astro Group's financial performance. It adjusts for items which are unrelated to the underlying performance of the business to reflect the Directors' assessment of the Astro Group's underlying business activities.
Distribution per security	Assuming 5 million Securities are bought-back, it is likely, depending on how much of the remaining balance of available cash after the Off-Market Buy-Back is used for property investment and when it is used, that in the short term Astro Japan will increase distributions from the current level of 15 cents per Security (cps) per half year (30 cps per annum) by approximately 7-10% to 16 to 16.5 cps per half year (32-33 cps per annum), with a pro-rata increase likely in the event that less than 5 million Securities are bought back.

10.2 What effect will the Off-Market Buy-Back have on the control of Astro Japan?

The Off-Market Buy-Back will result in Astro Japan buying a maximum of approximately 7.6% of its issued capital. The following table illustrates the potential impact on the substantial Members as at 24 April 2015 if the Off-Market Buy-Back is fully tendered, those Members with substantial holdings do not participate in the Off-Market Buy-Back and all other Members participate to the maximum extent possible.

The table is illustrative only and does not reflect each Member's intention on whether or not they intend to participate in the Off-Market Buy-Back.

Substantial Holders	Date of Substantial Holder Notice	No. of Securities	% holding pre-Off-Market Buy-Back - based on issued capital of 65,592,866 securities	% holding post-Off-Market Buy-Back[^] - based on issued capital of 60,592,866 securities
Eric Lucas	12/06/14	5,944,631	9.06%	9.81%
Renaissance Property Securities Pty Ltd	27/06/14	5,307,688	8.09%	8.76%
Commonwealth Bank of Australia	16/07/14	4,063,043	6.19%	6.71%
Vanguard Investments Australia Ltd / The Vanguard Group Inc.	24/05/10	3,426,455 ¹	5.22%	5.65%
Eley Griffiths Group Pty Limited	19/01/15	3,370,735	5.14%	5.56%

¹Estimated number of securities based upon 5.098% of 67,211,752 securities issued as at 1 October 2014. Substantial Holder Notice issued on 24 May 2010 disclosed holding of 5.098% and since then AJA has implemented a 10 for 1 security consolidation in January 2011, an institutional placement in March 2011 and an institutional placement in January 2013 so the current number of securities held by Vanguard cannot be determined.

[^]Assuming those Members with substantial holdings do not participate in the Off-Market Buy-Back and all other Members participate to the maximum extent possible.

As illustrated above, the Off-Market Buy-Back will not result in any Member obtaining control over Astro Japan.

10.3 Summary of results for the half year ended 31 December 2014

Astro Japan announced to ASX on 19 February 2015 an underlying profit after tax of \$13.3 million for the half year ended 31 December 2014, 12.5% lower than the prior corresponding period. This was the result of a decline in net property income – largely due to asset sales – and an approximately 6% weaker Yen against the Australian dollar, which was partly off-set by savings in borrowing costs and asset management fees.

Notwithstanding a decline in net property income from asset sales and a slight deleveraging, as a result of savings in borrowing costs achieved through refinancing, full year underlying after tax profit is expected to be in line with FY2014, assuming the Yen remains close to current levels and there is no material performance fee payable to the Japan asset manager.

A copy of the results announcement and any subsequent guidance announcements are available on the ASX website (www.asx.com.au) and Astro Japan's website (www.astrojapanproperty.com).

11 ADDITIONAL INFORMATION ABOUT THE OFF-MARKET BUY-BACK

11.1 Securities held by trustees and nominees

Trustees and nominees who hold Securities should inform the beneficial owner of the Securities about the Off-Market Buy-Back and then lodge Tenders received from beneficial owners.

It is the responsibility of trustees and nominees to complete one aggregated Tender Form on behalf of all relevant beneficial owners or make arrangements to lodge a series of individual Tender Forms on behalf of all beneficial owners.

The requirement for Eligible Members who elect to participate in the Off-Market Buy-Back to Tender all of an Unmarketable Parcel applies on a registered Member basis.

Similarly, any scale back that applies to Securities Tendered by trustees and nominees will be performed on a registered Member basis.

11.2 Margin lending arrangements

If you hold Securities under margin lending arrangements or if the Securities are held as security for a loan, you should ensure that your participation in the Off-Market Buy-Back is permitted by those lending arrangements.

11.3 Restrictions on the payment of Buy-Back Proceeds

Astro Japan will pay Members the Buy-Back Price for each of their Securities that are bought back, unless it is prohibited from doing so.

11.4 The terms, conditions and effect of submitting a Tender

A Tender constitutes an offer to sell the Tendered Securities to Astro Japan on the terms and conditions set out in this Booklet. A Tender does not of itself constitute a binding contract for the sale of the Securities that are Tendered and cannot be enforced against Astro Japan. Astro Japan retains discretion to accept or reject any Tenders and may choose to reject all Tenders.

If Astro Japan accepts your Tender, a binding Buy-Back contract is formed between you and Astro Japan and you must sell to Astro Japan the number of Securities that Astro Japan is to buy back from you on the terms and conditions set out in this Booklet, including the terms and conditions below.

By submitting a Tender you:

- agree to the terms and conditions set out in this Booklet;
- offer to sell to Astro Japan, on the Buy-Back Date, the number of Securities nominated for sale on your Tender Form (adjusted in accordance with the terms and conditions set out in this Booklet);
- agree that Astro Japan's announcement to the ASX on the Buy-Back Date is effective notice to you of Astro Japan's acceptance of Tenders submitted by you (subject to any scale back announced by Astro Japan) at the Buy-Back Price;
- agree that it is only upon such communication by announcement to the ASX that a Buy-Back contract is formed for the purchase of Securities;
- waive any requirement to receive further communication from Astro Japan of its acceptance or rejection of any Tender submitted by you;
- warrant to Astro Japan that at all times after you Tender your Securities for sale in the Off-Market Buy-Back and on the Buy-Back Date, you are the registered holder of the Securities that you have Tendered, and that they are free from any mortgage, security interest, lien or other encumbrance, whether legal or equitable, and from any third party rights;

- warrant to Astro Japan that you are a person to whom the Off-Market Buy-Back invitation may be lawfully made and whose participation in the Off-Market Buy-Back is permitted under the laws of the jurisdiction in which you are a resident;
- warrant that you have not distributed or sent the Booklet, the Tender Form or other document referring to the Off-Market Buy-Back into the United States, to any US Person, or to any Canadian resident;
- authorise Astro Japan and its officers, agents or contractors to correct any error in or omission from your Tender Form and to insert any missing details;
- acknowledge that neither Astro Japan nor any other party involved in the Off-Market Buy-Back has provided you with financial product advice or any recommendation relating to Securities or has any obligation to provide this advice in relation to your decision to participate in the Off-Market Buy-Back or the manner of any such participation; and
- undertake not to sell or offer to sell Securities to any other person if, as a result, you will at any time after submission of your Tender until the Buy-Back Date hold fewer Securities than the number of Securities you have Tendered.

You will be taken to have submitted a Tender when the Registry receives your signed and validly completed Tender Form or, if you have a CHES Holding, when the Registry receives your Tender from your Controlling Participant through CHES.

11.5 Astro Japan's right to accept or reject Tenders and Tender Forms

At any time, Astro Japan may (at its discretion):

- accept or reject a Tender or Tender Form; and
- accept or reject a Tender not made on the terms and conditions set out in this Booklet or a Tender Form not submitted in accordance with the procedures set out in this Booklet.

Astro Japan may do each of these things in relation to all or some of the Tenders or the Tender Forms it receives in its absolute discretion.

11.6 Astro Japan's right to vary dates and times

Astro Japan may in its discretion vary the dates and times of, or terminate, the Off-Market Buy-Back at any time on or before the Buy-Back Date by making an announcement to that effect on the ASX (without otherwise specifically notifying any Member). Such an announcement will be taken to vary this Booklet accordingly.

11.7 Astro Japan's right to adjust Tenders

If you are an Eligible Member, you are entitled to Tender in the Off-Market Buy-Back the number of Securities registered in your name on the Record Date (and which, in accordance with the ASX Settlement Operating Rules, confer an entitlement to participate in the Off-Market Buy-Back).

You may not sell or otherwise dispose of Securities which you have Tendered. However, if at the Buy-Back Date you do not hold at least the number of Securities you have successfully Tendered (for example, if you sold or otherwise transferred Securities after you have submitted a Tender), Astro Japan may in its absolute discretion reject your Tenders (in whole or in part) or treat your Tenders as if you had Tendered the number of Securities held by you as at the Closing Date.

If you submit a Tender and it is more than the number of Securities registered for that holding and Astro Japan accepts your Tender, Astro Japan will buy back the number of Securities registered for that holding (subject to any scale back).

If you submit one or more Tenders and in aggregate you have Tendered more than the Securities registered for that holding, Astro Japan will buy back only the number of Securities registered for that holding (subject to any scale back).

11.8 Directors' and Mr Eric Lucas' entitlements

Directors are entitled to participate in the Buy-Back, but the Board has determined that all Directors and certain senior executives and other management involved in the implementation of the Buy-Back will not participate in the Buy-Back in respect of Securities held beneficially by them or parties related to them. In addition, given the involvement of Mr Eric Lucas, Senior Advisor to Astro Japan, in the implementation of the Off-Market Buy-Back, he will not participate in the Off-Market Buy-Back in respect of Securities held beneficially by him or by parties related to him.

11.9 ASIC relief

ASIC has provided relief from:

- the equal treatment provisions in section 601FC(1)(d);
- the withdrawal provisions in section 601GA(4) and Part 5C.6;
- the self-acquisition provisions in section 601FG(1)(a);
- the anti-hawking provisions in Division 5A of part 7.9 of the Corporations Act; and
- the buy-back procedure provisions in section 257D,

subject to certain conditions.

11.10 Privacy

Astro Japan is carrying out the Off-Market Buy-Back in accordance with the Corporations Act. This involves the collection of personal information contained in Tender Forms to enable Astro Japan to process your Tender. If you do not provide this information, Astro Japan may be hindered in or prevented from processing your Tender. The personal information collected by Astro Japan will only be disclosed to the Registry, to a print and mail service provider, to Astro Japan's advisers in relation to the Off-Market Buy-Back and to financial institutions in respect of payments to be made to you in connection with the Off-Market Buy-Back or as required or authorised by law.

If you wish to access the individual information collected by Astro Japan in relation to your securityholding, please contact the Registry.

12 GLOSSARY AND INTERPRETATION

12.1 Definitions

In this Booklet, unless the context requires otherwise, the terms listed below have the adjacent meanings ascribed to them:

Term	Definition
AEST	Australian Eastern Standard Time.
ASIC	Australian Securities and Investments Commission.
Astro Japan	Astro Japan Property Group, comprising the Company and Trust, and, where applicable, their controlled entities.
ASX	the securities exchange operated by ASX Limited ACN 008 624 691.
ASX Listing Rules	the listing rules of the ASX.
ASX Settlement Operating Rules	the Settlement Operating Rules of ASX Settlement Pty Ltd.
ATO	Australian Taxation Office.
Board	the board of directors of the Company and the Responsible Entity.
Booklet	this document.
Buy-Back Date	Thursday, 4 June 2015 or such other date as Astro Japan determines in accordance with the Corporations Act and ASX Listing Rules.
Buy-Back Price	\$5.30 per Security.
Buy-Back Proceeds	the amount to be paid to an Eligible Member who successfully participates in the Off-Market Buy-Back, calculated as the number of Securities bought back multiplied by the Buy-Back Price.
CHESS	the Clearing House Electronic Subregister System.
CHESS Holder	a holder of Securities on the CHESS subregister of Astro Japan.
CHESS Holding	a holding of Securities on the CHESS subregister of Astro Japan.
Company	Astro Japan Property Group Limited ABN 25 135 381 663.
Controlling Participant	a person who has the capacity in CHESS to act on a Member's instructions in relation to dealings in their Securities.
Corporations Act	Corporations Act 2001 (Cth).
Closing Date	7.00pm AEST on Tuesday, 2 June 2015 or such other date as Astro Japan determines in accordance with the Corporations Act and ASX Listing Rules.
Eligible Member	a Member who is eligible to participate in the Off-Market Buy-Back, meaning any Member on the Register on the Record Date with a registered address in Australia or New Zealand.
Ex-Entitlement Date	Wednesday, 29 April 2015, on or after which Securities acquired on ASX will not confer an entitlement to participate in the Off-Market Buy-Back.
Issuer Sponsored Holder	a holder of Securities on the issuer sponsored subregister of Astro Japan.
Member	a person who holds a Security.
NTA	net tangible assets value, calculated in accordance with Australian accounting standards.
Off-Market Buy-Back	the invitation to Tender made by the Company and Responsible Entity to buy back a maximum of 5 million Securities from Eligible Members at the Buy-Back Price, subject to the terms set out in this Booklet.
Over-Tendered	the total number of Securities Tendered by Eligible Members and accepted by Astro Japan exceeds the maximum number of Securities of 5 million that can be bought back by Astro Japan under the Off-Market Buy-Back.

Term	Definition
Participating Member	a Member who participates in the Off-Market Buy-Back by Tendering all or some of their Securities.
Priority Allocation	means 377 Securities or such lesser number of Securities as is required to ensure that Astro Japan is able to buy back only the number of Securities it determines to buy back.
Pro-forma NTA per Security	the reported NTA per Security of \$6.44 as at 31 March 2015 using asset values assessed as of 31 December 2014 and a foreign exchange rate of ¥91.3:A\$1.
Record Date	Friday, 1 May 2015.
Register	Astro Japan's register of Members.
Registry	Link Market Services Limited ACN 083 214 537.
Resident Member	a Member who is an Australian tax resident.
Responsible Entity	Astro Japan Property Management Limited ABN 94 111 874 563.
Security	a stapled security in Astro Japan consisting of a fully paid ordinary share in the Company stapled to a fully paid ordinary unit in the Trust.
Small Residual Holding Tender	a Tender submitted by an Eligible Member who tenders all of their Securities and who would have had a holding of 94 Securities or less after Astro Japan's acquisition of the Priority Allocation and any scale back.
Tax Act	means the <i>Income Tax Assessment Act 1936</i> and the <i>Income Tax Assessment Act 1997</i> .
Tender	an offer to sell Securities made by an Eligible Member under the Off-Market Buy-Back.
Tender Form	the form accompanying this Booklet upon which Eligible Members may submit Tenders.
Tender Period	the period for which the Off-Market Buy-Back is open and Tenders may be lodged, which is expected to be from Wednesday, 6 May 2015 until 7.00pm AEST Tuesday, 2 June 2015.
Trust	Astro Japan Property Trust ARSN 112 799 854.
Unmarketable Parcel	a holding of 94 Securities or fewer at the Record Date.

12.2 Interpretation

In this Booklet, unless the context requires otherwise:

- the singular includes the plural and vice versa;
- words importing one gender include other genders;
- other parts of speech and grammatical forms of a word or phrase defined in this document have a corresponding meaning;
- terms used in this Booklet and defined in the Corporations Act have the meanings assigned to them in the Corporations Act;
- a reference to currency is to Australian dollars; and
- a reference to time is to AEST, unless otherwise noted.

The Off-Market Buy-Back, your Tender and any Buy-Back contract are governed by the laws of New South Wales.

Astro Japan Property Group (ASX Code: AJA)

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Kate McCann

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Rohan Purdy

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Senior Advisor to the Astro Japan Property Group

Eric Lucas

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