

ASX Release

18 June 2015

Extension of 360 Capital Industrial Fund offer

Fife Capital Funds Limited ("**Fife Funds**"), the responsible entity of the Australian Industrial REIT ("**ANI**" or the "**Fund**") notes the announcement made by 360 Capital Investment Management Limited ("**360 Capital**") as responsible entity of 360 Capital Industrial Fund ("**TIX**") that the unsolicited off-market takeover offer announced on 19 December 2014 and updated on 24 March 2015 ("**Offer**") has been extended to 5.00pm (AEST) on 26 June 2015 (unless otherwise extended or withdrawn).

The Independent Board Committee ("IBC") of Fife Funds continues to recommend that ANI unitholders REJECT the Offer. The Independent Expert, KPMG Corporate Finance, has concluded that the TIX Offer is neither fair nor reasonable.

Fife Funds notes that the Offer has not changed and the reasons to reject the Offer previously raised by the IBC remain valid:

- The Offer fails to provide a compelling or certain premium for ANI unitholders
- The Offer delivers unsatisfactory financial outcomes for ANI unitholders
- A change in management to 360 Capital Group changes the risk profile for ANI unitholders
- 360 Capital Group has unsatisfactory governance arrangements

Fife Funds notes that a number of statements contained in the TIX announcement are misleading or incorrect, including statements made in relation to ANI's earnings and liquidity. Fife Funds has previously responded to misleading or incorrect disclosures made by 360 Capital or its affiliated entities in prior disclosures, including the Target's Statement released on 26 February 2015, the Explanatory Statement released on 4 May 2015 and the ASX announcement released on 4 June 2015.

ANI unitholders should also be aware that the Conditional Cash Payment of \$0.10 per ANI unit under the Offer is payable only if TIX receives more than 50% acceptances or if a member of the 360 Capital Group is appointed as the responsible entity of ANI before the Offer closes. Neither of these conditions has been satisfied.

TIX has extended the Offer four times since the meeting of ANI unitholders held on 25 May 2015 which firmly rejected 360 Capital's proposal to remove Fife Funds as the responsible entity of ANI and appoint 360 Capital ANI Management Limited as the new responsible entity of ANI. Despite repeated extensions of the Offer, TIX's interest in ANI has remained at approximately 31% during these extension periods.

– ENDS –

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About the Australian Industrial REIT (ASX: ANI)

ANI is an Australian real estate investment trust that offers investors exposure to a quality portfolio of industrial properties. ANI owns 16 properties which are independently valued at approximately \$320.5 million located across Sydney, Melbourne and Perth. The Fund's earnings are underpinned by the portfolio's long average lease term, with leases to a range of quality tenants.