

360 Capital Industrial Fund



28 September 2015

Fourth Supplementary Bidder's Statement

360 Capital Investment Management Limited (360 Capital) as responsible entity for the 360 Capital Industrial Fund (Bidder or TIX) refers to the off-market takeover bid (TIX Offer) which it has made for all the units in Australian Industrial REIT (ANI).

Attached is a copy of a letter which will be dispatched today to ANI unitholders in relation to the TIX Offer and which includes details of:

- an increase in the cash consideration offered under the TIX Offer; and
- an extension of the offer period for the TIX Offer so that it will close at 5.00pm (Sydney time) on Monday, 12 October 2015 (unless further extended).

In compliance with section 647(3)(b) of the Corporations Act 2001 (Cth), the Bidder also attaches a copy of the fourth supplementary bidder's statement dated 28 September 2015 (Fourth Supplementary Bidder's Statement) in respect of the TIX Offer referred to in that letter.

The Fourth Supplementary Bidder's Statement was lodged with ASIC and given to ANI earlier today.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Alan Sutton'.

Alan Sutton
Company Secretary
360 Capital Investment Management Limited

More information on the TIX Offer can be found on the ASX's website at www.asx.com.au using the Fund's ASX code "TIX", on the Fund's website www.360capital.com.au, or by calling the TIX Offer Information Line on 1800 247 697 (callers in Australia) or +61 2 8024 1189 (callers outside Australia) between 8.30am and 5.30pm (Sydney time) on Business Days.

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About 360 Capital Industrial Fund (ASX code TIX)

360 Capital Industrial Fund is an ASX-listed Fund focused on passive rent collecting from warehouse and logistics properties in Australia in the \$10.0 million plus range. The Fund has strong, defensive, income-focused investment fundamentals via a diversified \$544 million portfolio of 22 quality assets, a weighted average lease expiry of 5.3 years, occupancy of 99.7% and a forecast FY16 distribution of 21.5c/pu. The Fund is externally managed by 360 Capital Group, a leading ASX-listed real estate investor and fund manager that operates under a transparent fee structure and is the largest unitholder in the Fund to ensure ongoing alignment of interests with Unitholders.

About 360 Capital Group (ASX code TGP)

360 Capital Group is an ASX-listed, property investment and funds management group concentrating on strategic investment and active investment management of property assets. The company actively invests in direct property assets, property securities and various corporate real estate acquisitions within Australian real estate markets on a private equity basis. 360 Capital Group's 18 full time staff have significant property, funds and investment management experience. 360 Capital Group manages nine investment vehicles holding assets valued at over \$1.2 billion on behalf of over 10,500 investors and has over \$193 million worth of co-investments across the 360 Capital Group.

Dear Fellow ANI Unitholder,

IMPORTANT - 360 CAPITAL INDUSTRIAL FUND HAS INCREASED ITS OFFER FOR AUSTRALIAN INDUSTRIAL REIT

You would have already received a Bidder's Statement in relation to the proposed off-market takeover of Australian Industrial REIT (ASX code: ANI) by 360 Capital Industrial Fund (ASX code: TIX) (the **TIX Offer**) dated 3 February 2015.

We now enclose a Fourth Supplementary Bidder's Statement, accompanying presentation and acceptance form which outline an Improved Proposal.

The TIX Offer closing date has been extended to 5.00pm (Sydney time) on 12 October 2015. If you do not accept by the closing date, you will miss out on the benefits of the improved TIX Offer.

IMPROVED TIX OFFER, CASH PAYMENT UNCONDITIONAL AND IMPLIED VALUE OF \$2.43¹ PER ANI UNIT

Eligible ANI Unitholders who accept the TIX Offer will now receive for each ANI Unit:

- 0.90 TIX Units and cash of 24.5 cents (including the Cash Payment of 10.0 cents which is now unconditional)²

In addition, if you accept before 12 October 2015 you will be entitled to receive the TIX quarterly distribution of 4.8 cents per equivalent ANI Unit.

The implied value of the TIX Offer inclusive of the Cash Payment is \$2.43² per ANI Unit (**Improved Offer**).

THE KEY REASONS YOU SHOULD ACCEPT THE TIX OFFER INCLUDE³:

- TIX Offer is unconditional, increased and capable of immediate acceptance meaning ANI Unitholders will receive the TIX Consideration within 5 business days of accepting the TIX Offer
- TIX Units are significantly more liquid than ANI Units
- The implied value of the Improved Offer represents a:
 - 14.9% premium to ANI's stated 30 June 2015 pro forma NTA per Unit of \$2.11⁴; and
 - 7.3% premium to ANI's closing price on 18 September 2015 of \$2.26, the last trading day prior to the announcement on 21 September 2015 by ANI of the non-binding, conditional Offshore Proposal
- FY16 forecast earnings increase by 9.4% to 22.3 cents⁵ per equivalent ANI Unit
- FY16 forecast distributions increase by 12.6% to 21.6 cents⁵ per equivalent ANI Unit
- Combined Group pro forma NTA per equivalent ANI Unit is \$2.25⁵, which includes the value of the cash consideration of the TIX Offer and represents a 6.6% increase to ANI's stand-alone NTA per ANI Unit

1. Implied value of the TIX Offer inclusive of the Cash Payment based on the 30 day VWAP of TIX Units on 24 September 2015 of \$2.42.

2. The cash consideration under the TIX Offer now includes 14.5 cents from TIX and the Cash Payment of 10 cents from 360 Capital Group which is unconditional. TIX has varied the TIX Consideration and Offer Terms to include an obligation on TIX to procure that 360 Capital Group pays the Cash Payment of 10.0 cents per ANI Unit.

3. Full details and relevant assumptions are set out in the enclosed Fourth Supplementary Bidder's Statement.

4. ANI's reported NTA as at 30 June 2015 adjusted for \$1.9m of transaction costs associated with the TIX Offer.

5 Includes the impact of reinvesting the cash consideration (for more details refer to the Fourth Supplementary Bidder's Statement).

ANI Unitholders are encouraged to **ACCEPT THE TIX OFFER NOW** to receive the advantages outlined above and in the Bidder's Statement.

To accept, please complete and sign the Acceptance Form enclosed with the Fourth Supplementary Bidder's Statement and **return the enclosed Acceptance Form so that your acceptance may be processed before 5.00pm on 12 October 2015** using the replied paid envelope, as per the instructions on page 5 of the Bidder's Statement or the Acceptance Form.

For details on the Improved Proposal, including the key points in this letter please refer to the original Bidder's Statement and subsequent Second, Third and Fourth Supplementary Bidder's Statements.

Further details can be found on the ASX's website at www.asx.com.au using the Fund's ASX code "TIX", on the Fund's website www.360capital.com.au, or by contacting the TIX Offer Information Line on 1800 247 697 (callers in Australia or +61 2 8024 1189 (callers outside Australia) between 8.30am and 5.30pm (Sydney time) on Business Days.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David van Aanholt', enclosed within a large, loopy circular flourish.

David van Aanholt

Independent Chairman

360 Capital Investment Management Limited as responsible entity for the 360 Capital Industrial Fund

FOURTH SUPPLEMENTARY BIDDER'S STATEMENT

28 September 2015

in respect of an off-market takeover bid to acquire all the units in

**Australian Industrial REIT (ARSN 165 651 301) (ASX:ANI) from
360 Capital Investment Management Limited (ACN 133 363 185),
in its capacity as responsible entity of the 360 Capital Industrial Fund
(ARSN 099 680 252) (ASX:TIX).**

Important Information

This document is the fourth supplementary bidder's statement (**Fourth Supplementary Bidder's Statement**) to the bidder's statement dated 3 February 2015 issued by 360 Capital Investment Management Limited (ACN 133 363 185) (**360 CIML**) in its capacity as responsible entity of the 360 Capital Industrial Fund (ARSN 099 680 252) (**TIX** or the **Bidder**) and lodged with the Australian Securities and Investments Commission (**ASIC**), in relation to the off-market takeover bid made by Bidder for all the units in Australian Industrial REIT (ARSN 165 651 301) (**ANI**). A first supplementary bidder's statement (First Supplementary Bidder's Statement) and a replacement bidder's statement (**Bidder's Statement**) were lodged with ASIC on 13 February 2015. A second supplementary bidder's statement was lodged with ASIC on 23 February 2015. A third supplementary bidder's statement was lodged with ASIC on 24 March 2015. This Fourth Supplementary Bidder's Statement is given in compliance with section 643 of the Corporations Act 2001 (Cth).

Definitions and Interpretation: Unless the context requires otherwise, capitalised terms in this Fourth Supplementary Bidder's Statement have the same meaning given to them in section 12 of the Bidder's Statement. This Fourth Supplementary Bidder's Statement is to be read together with the Bidder's Statement, the First Supplementary Bidder's Statement, the Second Supplementary Bidder's Statement and the Third Supplementary Bidder's Statement. In the event of any inconsistency with the Bidder's Statement, the Fourth Supplementary Bidder's Statement prevails.

ASIC: A copy of this Fourth Supplementary Bidder's Statement was lodged with ASIC on 28 September 2015. Neither ASIC nor any of its officers takes any responsibility for the contents of this Fourth Supplementary Bidder's Statement.

1. Background to this document

This Fourth Supplementary Bidder's Statement includes a number of important updates in relation to the TIX Offer including regarding:

- (a) The Improved Offer which includes an increase in the TIX Consideration under the TIX Offer and a declaration of the Cash Payment as unconditional;
- (b) The extension of the Offer Period to 12 October 2015;
- (c) Key highlights of the Improved Offer;
- (d) Financial impact of the Improved Offer for ANI Unitholders;
- (e) Intentions for the competing takeover proposal for all ANI units; and
- (f) Material changes to financial information of the Combined Group.

The Bidder believes that the Improved Offer is very attractive for ANI Unitholders and encourages all ANI Unitholders to read this Fourth Supplementary Bidder's Statement and accept the TIX Offer to receive the benefit of the Improved Offer.

2. Updated terms for the TIX Offer

2.1 The TIX Consideration has increased and the Cash Payment is unconditional

The Bidder has varied the TIX Offer such that ANI Unitholders who accept the TIX Offer and are entitled to receive the TIX Consideration¹ will now receive for each ANI Unit:

- 0.90 TIX Units; and
- cash of 24.5 cents (including the Cash Payment of 10.0 cents which is now unconditional)²

(together the **Improved Offer**)

Based on the 30 day VWAP of TIX Units on 24 September 2015, the implied value³ of the TIX Offer is \$2.43 per ANI Unit.

Unitholders who accept the TIX Offer before 12 October 2015 will also be entitled to a cash distribution of 4.84 cents⁴ per ANI Unit for the quarter to the 30 September 2015.

The TIX Offer continues to remain unconditional, meaning ANI Unitholders will receive the TIX Consideration within 5 business days of accepting the TIX Offer.

Attached to this Fourth Supplementary Bidder's Statement is a formal Notice of Variation in respect of the increase of the TIX Offer.

Each of the Bidder and 360 Capital have sufficient cash reserves available to pay the cash component of the TIX Consideration as applicable. As a result, the Bidder considers that it has a reasonable basis to believe that it can pay the TIX Consideration in accordance with the terms of the TIX Offer.

¹ Ineligible Foreign Unitholders and Unmarketable Parcel Unitholders refer to section 11.5.4 of the Bidder's Statement.

² The cash consideration under the TIX Offer now includes 14.5 cents from TIX and the Cash Payment of 10 cents from 360 Capital Group which is unconditional. TIX has varied the TIX Consideration and Offer Terms to include an obligation on TIX to procure that 360 Capital Group pay the Cash Payment of 10 cents per ANI Unit.

³ Based on the 30 day VWAP of TIX Units on 24 September 2015 of \$2.42.

⁴ Based on the TIX quarterly distribution for the period ending 30 September 2015 of 5.38 cents per TIX Unit.

2.2 The Offer Period for the TIX Offer has been extended

The Bidder has extended the close of the TIX Offer to 5.00pm (Sydney time) Monday, 12 October 2015 (unless further extended or withdrawn).

The increase in the TIX Consideration under the TIX Offer as described in section 2.1 above results in an automatic extension of the Offer Period by 14 days. The Bidder has also varied TIX Offer to extend the Offer Period in order for the Offer Period to close on 12 October 2015.

Attached to this Fourth Supplementary Bidder's Statement is a formal Notice of Variation in respect of this extension of the Offer Period.

3. Key Highlights of the TIX Offer

3.1 TIX Offer is unconditional, increased and capable of immediate acceptance

The TIX Offer has increased by 20.0 cents in cash value per ANI Unit, resulting in an implied value⁵ of \$2.43 per ANI Unit.

Per ANI Unit	Prior to Improved Offer	Improved Offer
Scrip consideration	0.9 TIX Units	0.9 TIX Units
Cash consideration	4.5 cents	24.5 cents
Conditional Cash Payment (10 cents)	Not satisfied	Conditions waived
Implied value⁵	\$2.23 per ANI Unit	\$2.43 per ANI Unit

The TIX Offer is completely free of any conditions (i.e. unconditional), meaning ANI Unitholders have certainty that they will receive the TIX Consideration of 0.9 TIX Units and 24.5 cents cash (inclusive of the Cash Payment) within 5 business days of accepting the TIX Offer.

In addition, ANI Unitholders who accept the TIX Offer prior to 12 October 2015 will also qualify for TIX's distribution for the September quarter, equal to 4.84 cents per equivalent ANI Unit.

The Bidder believes that the TIX Offer is superior to the competing proposal by an undisclosed offshore bidder consortium announced by ANI on 21 September 2015 (**Offshore Proposal**), which, in contrast to the TIX Offer, is indicative, incomplete, highly conditional and non-binding. Furthermore, with an interest of over 33% in ANI, TIX considers that the Offshore Proposal is unlikely to succeed.

The Bidder will evaluate the Offshore Proposal should any binding agreement be entered in relation to the Offshore Proposal. At this stage, there is insufficient information to make an informed assessment.

⁵ Based on the 30 day VWAP of TIX Units on 24 September 2015 of \$2.42.

⁶ The cash consideration under the TIX Offer now includes 14.5 cents from TIX and the Cash Payment of 10.0 cents from 360 Capital Group which is unconditional. TIX has varied the TIX Consideration and Offer Terms to include an obligation on TIX to procure that 360 Capital Group pays the Cash Payment of 10.0 cents per ANI Unit.

3.2 TIX Units are significantly more liquid than ANI Units

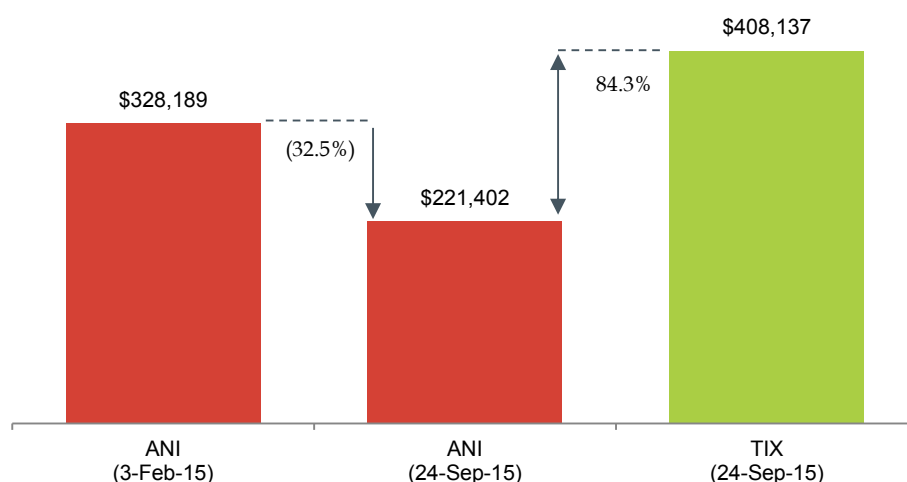
The TIX Units received under the TIX Offer are significantly more liquid than an investment in ANI Units.

TIX currently owns 33.3% of ANI which means the number of ANI Units that are “freely” traded (free float) in ANI has substantially diminished since the date of the Bidder’s Statement, where 360 Capital and related entities held 12.9%. Since this date, ASX trading liquidity in ANI Units has reduced significantly and the Bidder believes this trend will continue as TIX’s ownership in ANI increases.

The average daily traded value (**ADTV**) of TIX Units over the 90 trading days up to and including 24 September 2015 is 84% greater than ANI Units over the same period. Similarly, ADTV of ANI Units over the 90 trading days up to and including 24 September 2015 has decreased by 33% compared with 3 February 2015.

The fall in ANI’s ASX trading liquidity may lead to the removal of ANI from the S&P/ASX300 Index and increased selling pressure as index-linked investment funds are required to reduce their position. This will have a negative impact to the ANI Unit price for ANI Unitholders who do not accept.

90 day average daily traded value in ANI and TIX



3.3 Attractive premium to ANI Unitholders

Based on the 30 day VWAP of TIX Units on 24 September 2015, the implied value⁷ of the TIX Offer of 0.9 TIX Units and 24.5 cents cash is \$2.43 per ANI Unit.

The implied value of the TIX Offer during the Offer Period will change according to movements in the ASX market value of TIX Units.

The implied value⁸ of \$2.43 per ANI Unit equates to:

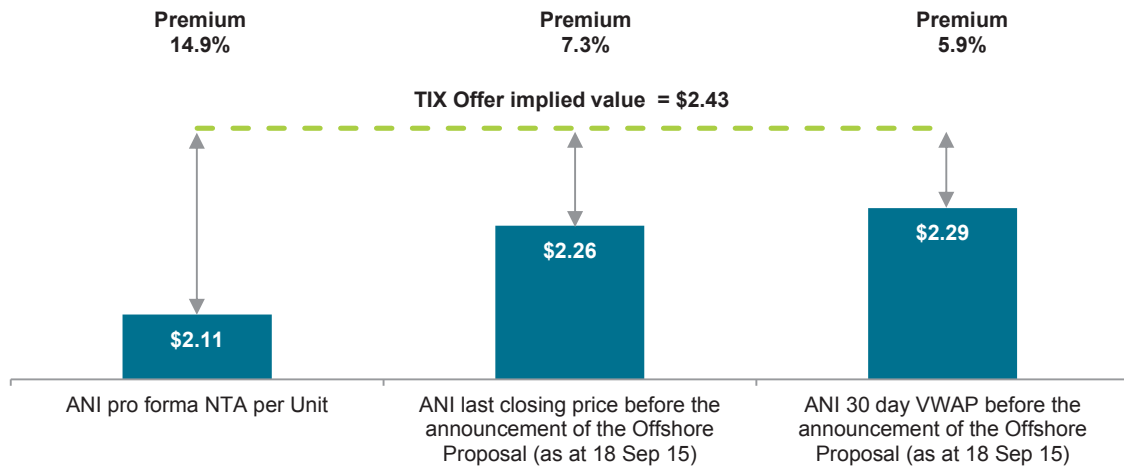
- **14.9% premium** to ANI’s pro forma NTA as at 30 June 2015 per ANI Unit of \$2.11⁹;
- **7.3% premium** to ANI’s closing price on 18 September 2015 of \$2.26, the last trading day prior to the announcement of Offshore Proposal; and
- **5.9% premium** to ANI’s 30 day VWAP to 18 September 2015 of \$2.29, the last trading day prior to the announcement of the Offshore Proposal.

⁷ Based on the 30 day VWAP of TIX Units on 24 September 2015 of \$2.42

⁸ Based on the 30 day VWAP of TIX Units on 24 September 2015 of \$2.42

⁹ ANI’s reported NTA as at 30 June 2015 adjusted for \$1.9 million of ANI transaction costs associated with the TIX Offer

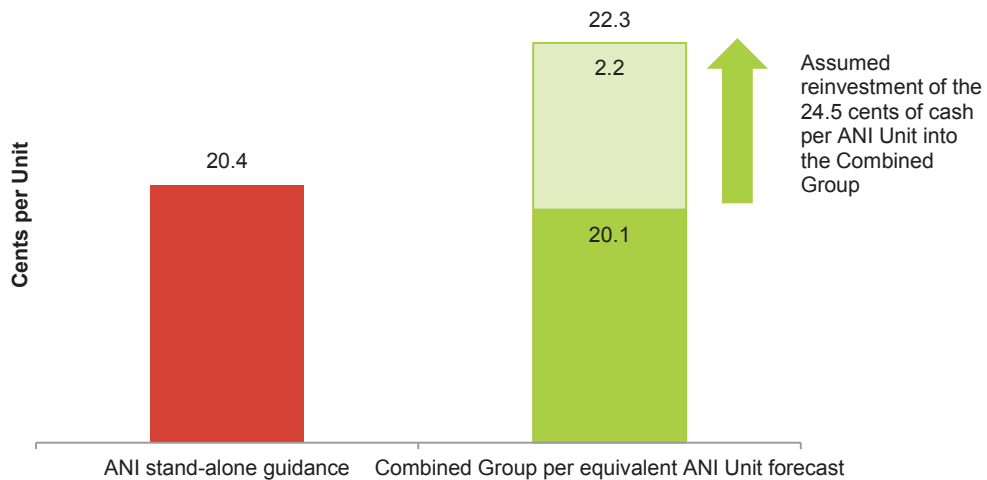
TIX Offer premium to benchmark prices



3.4 The TIX Offer is EPU and DPU accretive

Impact of reinvesting the TIX Offer cash consideration on Combined Group FY16F earnings per equivalent ANI Unit (cents)¹⁰

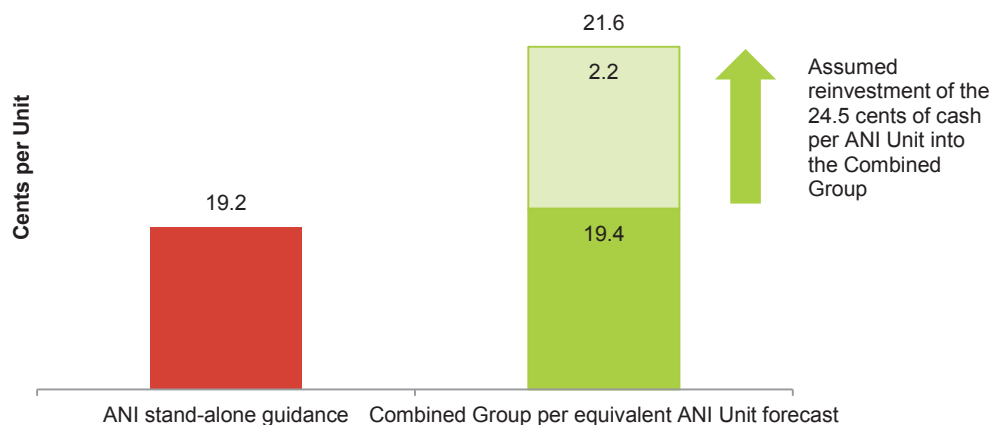
9.4% increase in FY16F earnings for ANI Unitholders



¹⁰ TIX Offer cash consideration assumed to be reinvested in the Combined Group at \$2.42 per unit and FY16F EPU yield of 9.21% (30 day VWAP of TIX Units on 24 September 2015).

Impact of reinvesting the TIX Offer cash consideration on Combined Group FY16F distributions per equivalent ANI Unit (cents)¹¹

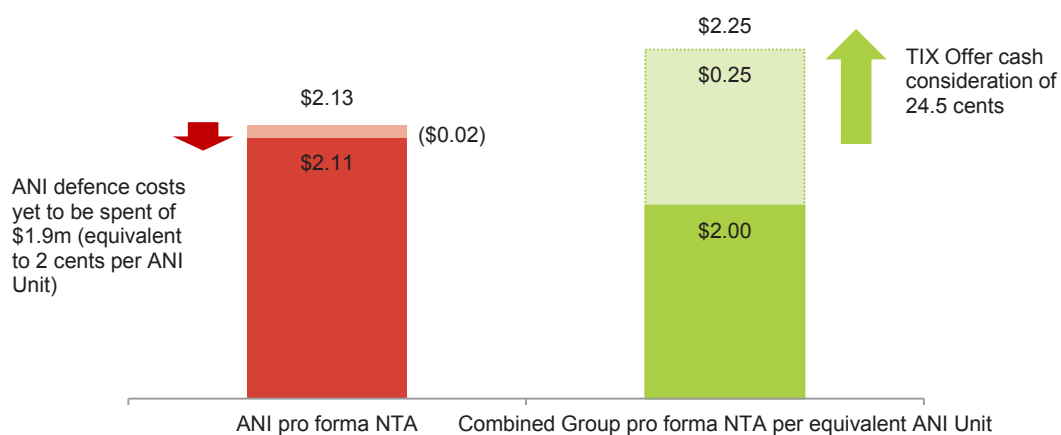
12.6% increase in FY16F distribution for ANI Unitholders



3.5 The TIX Offer is NTA accretive

Accretion to ANI stand-alone pro forma NTA

6.6% increase in NTA per Unit for ANI Unitholders



¹¹ TIX Offer cash consideration assumed to be reinvested in the Combined Group at \$2.42 per unit and FY16F DPU yield of 8.92% (30 day VWAP of TIX Units on 24 September 2015).

4. Financial impact of the Improved Offer on the Combined Group

The expected financial impact of the Improved Offer on FY16F earnings and distributions, NTA and gearing for the Combined Group is set out below.

The impact of the Improved Offer on the Combined Group reflects the updated financial position of TIX and ANI as disclosed in their respective audited consolidated Financial Statements as at 30 June 2015, assuming the transaction had taken place on 30 June 2015 adjusted for the additional information considered necessary to reflect the director's pro forma adjustments.

Except as set in this Fourth Supplementary Bidder's Statement, the Bidder does not expect the Improved Offer will result in a material change to the financial information regarding the Combined Group set out in the Third Supplementary Bidder's Statement and the financial information otherwise disclosed to ASX in respect of TIX and ANI.

4.1 FY16F earnings and distributions per equivalent ANI Unit

The Combined Group FY16F earnings per equivalent ANI Unit is 22.3 cents, which:

- includes the impact of reinvesting the cash consideration of the TIX Offer in the Combined Group at a price of \$2.42 per TIX Unit (30 day VWAP of TIX Units on 24 September 2015) and an earnings yield of 9.2%¹²; and
- represents a **9.4% increase to ANI's FY16 stand-alone earnings guidance**

The Combined Group FY16F distribution per equivalent ANI Unit is expected to be 21.6 cents, which:

- includes the impact of reinvesting the cash consideration of the TIX Offer in the Combined Group at a price of \$2.42 per TIX Unit (30 day VWAP of TIX Units on 24 September 2015) and a distribution yield of 8.9%¹³; and
- represents a **12.6% increase to ANI's FY16 stand-alone distribution guidance**

4.2 Pro forma NTA per equivalent ANI Unit

The Combined Group pro forma NTA per equivalent ANI Unit is \$2.25, which:

- includes the value of the cash consideration of the TIX Offer; and
- represents a **6.6% increase to ANI's stand-alone NTA per ANI Unit**

4.3 Pro forma gearing of the Combined Group

The Combined Group pro forma gearing is 42.9% which represents an 8.5% increase to ANI's stand-alone gearing of 34.4%.

¹² Implied earnings yield based on the 30 day VWAP of TIX Units on 24 September 2015 and the Combined Group FY16 earnings forecast of 22.3 cents per TIX Unit.

¹³ Implied earnings yield based on the 30 day VWAP of TIX Units on 24 September 2015 and the Combined Group FY16 distribution forecast of 21.6 cents per TIX Unit.

4.4 Financial impact on pro forma Operating Earnings and distributions under 50.1% and 100% ownership cases

Pro Forma Operating Earnings and distribution per unit year ending 30 June 2016

	FY16 Guidance ¹		100% Ownership Case			50.1% Ownership Case ⁴		
	TIX Stand - alone (cpu)	ANI Stand - alone (cpu)	Combined Group (cpu)	ANI Equivalent (Scrip Ratio) ² (cpu)	Post reinvesting TIX cash consideration ³ (cpu)	Combined Group (cpu)	ANI Equivalent (Scrip Ratio) ² (cpu)	Post reinvesting TIX cash consideration ³ (cpu)
Pro Forma Operating Earnings	22.2	20.4	22.3	20.1	22.3	22.9	20.6	22.9
Distributions⁵	21.5	19.2	21.6	19.4	21.6	22.2	20.0	21.5

1. FY16 Guidance represents TIX's ownership of ANI units of 33.3% as at 24 September 2015.

2. Represents Combined Group Operating Earnings and distribution per unit adjusted to reflect ANI Unitholder equivalent at scrip ratio of 0.90

3. TIX cash consideration assumed to be reinvested in the Combined Group at \$2.42 per Unit (based on the 30 day VWAP of TIX Units as at 24 September 2015). This equates to a FY16F EPU and DPU yield of 9.2% and 8.9% respectively

4. Includes 50% waiver of management fee due to 360 Capital Group in relation to the management of ANI, see section 5 and 6.4 of the Third Supplementary Bidder's Statement

5. Distributions under the combined group are assumed to be equivalent to a 97% payout ratio

4.5 Financial impact on financial position under 100% and 50.1% ownership cases

TIX acquires 100% of ANI Units

	Audited TIX	Audited ANI	Pro Forma Adjustments		Unaudited Pro Forma Combined Group
	30 Jun 2015 (\$m)	30 Jun 2015 (\$m)	(\$m)	Notes	30 Jun 2015 (\$m)
Current Assets					
Cash	6.3	0.1			6.4
Receivables	4.2	0.9	-3.0	(i)	2.2
Rental Guarantees		0.1			0.1
Investment Property - Held for Sale	10.5		-10.5	(ii)	0.0
Total Current Assets	21.0	1.1			8.7
Non-Current Assets					
Investment Properties	533.4	329.9			863.3
Rental Guarantees		0.1			0.1
ANI Investment	68.8		-68.8	(iii)	0.0
Goodwill			18.6	(iv)	18.6
Total Non-Current Assets	602.2	330.0			882.0
Total Assets	623.2	331.1			890.7
Current Liabilities					
Trade and Other Payables	4.1	3.2			7.3
Distribution Payable	9.2	9.2	-3.0	(v)	15.5
Total Current Liabilities	13.4	12.4			22.9
Non-Current Liabilities					
Interest Bearing Liabilities	251.7	113.3	10.4	(vi)	375.5
Derivative Financial Instruments	1.6	0.3			1.9
Total Non-Current Liabilities	253.3	113.6			377.4
Total Liabilities	266.7	126.1			400.2
Net Assets	356.5	205.1			490.5
Equity					
Issued Equity	398.6	188.9	-46.4	(vii)	541.1
Retained Earnings	-42.1	16.1	-24.7	(viii)	-50.7
Total Equity Attributable to Unitholders	356.5	205.1			490.5
Total Equity	356.5	205.1			490.5
Number of Units On Issue (million)	152.5	96.3	-36.8	(ix)	212.0
Gearing	40.0%	34.4%		(x)	42.9%
NTA Per Unit (\$)	2.34	2.13		(xi)	2.23

Directors' Pro Forma Adjustments for 100% Ownership

- The TIX Offer is assumed to complete on 30 June 2015 as follows:
 - TIX Acquires 100% ANI Issued Units, and in accordance with AAS, TIX will consolidate ANI as business combination
 - TIX appoints 360 RE as the RE of ANI
 - Non-Core Assets sales as described in section 5.5 of the Bidder's Statement have not been assumed.
- Acquiring 100% ownership interest in ANI has the following pro forma statement of financial position impacts for TIX (these notes relate to the proceeding table):
 - Elimination of TIX \$3.0 million receivable of ANI June 2015 distribution as result of consolidation (associated decrease in Distribution Payable of \$3.0 million)
 - Settlement of Investment Property - Held for Sale (South Oakleigh) for book value of \$10.5 million.
 - Elimination of \$68.8 million 31.3% ownership of ANI as result of consolidation.
 - Goodwill on acquisition of ANI reflecting the premium of TIX consideration at implied offer price \$2.33 per ANI Unit (assuming TIX 30 day VWAP of \$2.42 and excludes 10.0 cents from 360 Capital) per unit over ANI's NTA per unit multiplied by the total ANI issued units, goodwill recognised of \$18.6 million.
 - Elimination on consolidation of \$3.0 million of distribution payable to TIX (see note i.)
 - Draw down of Debt Facility of \$10.4 million post settlement of Investment Property – held for sale to fund the payment of stamp duty of \$3.2 million, TIX's consultant fees to be paid \$3.2 million (net of payments already made), remaining cash payment of \$12.6 million to ANI unit holders outstanding and ANI transaction cost of \$1.9 million (net of payments already made).
 - TIX's issued equity increases by \$142.5 million to \$541.1 million, representing the value of remaining TIX Units issued to ANI Unitholders in accordance with the TIX Offer net of equity raising costs.
 - Decrease in retained earnings of \$24.7 million includes write-off of transaction costs associated with the TIX Offer including stamp duty and elimination of ANI pre-acquisition retained earnings.
 - TIX Units on issue increase to 212.0 million units via the issue of an additional 59.5 million Units for the acquisition of ANI in accordance with the TIX Offer.
 - Pro forma gearing increase to 42.9% (prior to non-core asset sales)
 - TIX Pro forma NTA decrease to \$2.23 per unit

TIX acquires 50.1% of ANI Units

	Audited TIX	Audited ANI	Pro Forma Adjustments		Unaudited Pro Forma Combined Group
	30 Jun 2015 (\$m)	30 Jun 2015 (\$m)	(\$m)	Notes	30 Jun 2015 (\$m)
Current Assets					
Cash	6.3	0.1			6.4
Trade and Other Receivables	4.2	0.9	-3.0	(i)	2.2
Rental Guarantees		0.1			0.1
Investment Property - Held for Sale	10.5		-10.5	(ii)	0.0
Total Current Assets	21.0	1.1			8.7
Non-Current Assets					
Investment Properties	533.4	329.9			863.3
Rental Guarantees		0.1			0.1
ANI Investment	68.8		-68.8	(iii)	0.0
Goodwill			9.3	(iv)	9.3
Total Non-Current Assets	602.2	330.0			872.7
Total Assets	623.2	331.1			881.4
Current Liabilities					
Trade and Other Payables	4.1	3.2			7.3
Distribution Payable	9.2	9.2	-3.0	(v)	15.5
Total Current Liabilities	13.4	12.4			22.9
Non-Current Liabilities					
Interest Bearing Liabilities	251.7	113.3	0.7	(vi)	364.4
Derivative Financial Instruments	1.6	0.3			1.9
Total Non-Current Liabilities	253.3	113.6			366.3
Total Liabilities	266.7	126.1			389.1
Net Assets	356.5	205.1			492.2
Equity					
Issued Equity	398.6	188.9	-151.1	(vii)	436.5
Retained Earnings	-42.1	16.1	-19.4	(viii)	-45.6
Total Equity Attributable to Unitholders	356.5	205.1			390.9
External Non-Controlling Interest	0.0	0.0	101.4	(ix)	101.4
Total Equity	356.5	205.1			492.2
Number of Units On Issue (million)	152.5	96.3	-80.0	(x)	168.8
Gearing	40.0%	34.4%		(xi)	41.6%
NTA Per Unit (\$)	2.34	2.13		(xii)	2.26

Directors' Pro Forma Adjustments for 50.1% Ownership

The TIX Offer is assumed to complete on 30 June 2015 as follows:

- TIX Acquires 50.1% ANI Issued Units, and in accordance with AAS, TIX will consolidate ANI as business combination
- TIX appoints 360 RE as the RE of ANI
- Non-Core Assets sales as described in section 5.5 of the Bidder's Statement have not been assumed.

Acquiring 50% ownership interest in ANI has the following pro forma statement of financial position impacts for TIX (these notes relate to the proceeding table):

- Elimination of TIX \$3.0 million receivable of ANI June 2015 distribution as result of consolidation (associated decrease in Distribution Payable of \$3.0 million)
- Settlement of Investment Property - Held for Sale (South Oakleigh) for book value of \$10.5 million.
- Elimination of \$68.8 million 31.3% ownership of ANI as result of consolidation.
- Goodwill on acquisition of ANI reflecting the premium of TIX consideration at implied offer price \$2.33 per ANI Unit (assuming TIX 30 day VWAP of \$2.42 and excludes 10.0 cents from 360 Capital) per unit over ANI's NTA per unit multiplied by total ANI issued units, goodwill recognised of \$9.3 million.
- Elimination on consolidation of \$3.0 million of Distribution Payable to TIX (see note i.)
- Repayment of Debt Facility of \$0.7 million post settlement of Investment Property – Held for Sale to fund, TIX's consultant fees to be paid \$2.3 million (net of payments already made), remaining cash payment of \$5.6 million to ANI unit holders outstanding to reach 50.1% and ANI transaction cost of \$1.9 million (net of payments already made).
- TIX's issued equity increases by \$37.9 million to \$436.5 million, representing the value of remaining TIX Units issued to ANI Unitholders in accordance with the TIX Offer net of equity raising costs.
- Decrease in retained earnings of \$20.3 million includes write-off of transaction costs associated with the TIX Offer including stamp duty and elimination of ANI pre-acquisition retained earnings.
- Minority interest of \$102.3 million representing 49.9% of ANI unit holder equity less respective share of remaining \$1.9 million ANI transaction cost.
- TIX Units on issue increase to 168.8 million units via the issue of an additional 16.3 million Units for the acquisition of ANI in accordance with the TIX Offer.
- Pro forma gearing increase to 41.6% (prior to non-core asset sales)
- TIX Pro forma NTA decrease to \$2.26 per unit

5. Additional Information

5.1 Consents

360 Capital Group has given and has not, before the date of this Fourth Supplementary Bidder's Statement, withdrawn its consent to the inclusion of its name in this Fourth Supplementary and to the various statements attributed to 360 Capital.

5.2 Approval

This Fourth Supplementary Bidder's Statement has been approved by a unanimous resolution of the directors of the Bidder.

Signed for and on behalf of the Bidder in accordance with section 351 of the Corporations Act.

A handwritten signature in black ink, appearing to read 'David van Aanholt', enclosed within a large, loopy circular flourish.

David van Aanholt

Independent Chairman
360 Capital Investment Management Limited

Attachment 1 - Notice of Variation for increase in TIX Offer

Corporations Act 2001 (Cth)

Section 650D(1)

Notice of variation of offers - Variation of TIX Offer

TO: Australian Securities & Investments Commission (**ASIC**)

Fife Capital Funds Limited in its capacity as responsible entity of Australian Industrial REIT (**ANI**)

AND TO: In accordance with ASIC Class Order 13/521, those persons listed on the ANI register as at 4 February 2015 and any other persons who have accepted the TIX Offer described in the replacement bidder's statement dated 13 February 2015 (as amended) (**Bidder's Statement**) by 360 Capital Investment Management Limited as responsible entity for the 360 Capital Industrial Fund (**Bidder**)

Unless otherwise specified, terms used in this notice have the same meaning as in the Bidder's Statement.

1. Variation

1. The Bidder gives notice under section 650D of the Corporations Act that it varies the TIX Offer such that ANI Unitholders who accept the TIX Offer and are entitled to receive the TIX Consideration will now receive for each ANI Unit (**Increased Consideration**):
 - (a) 0.90 TIX Units; and
 - (b) cash of 24.5 cents (inclusive of the Cash Payment).
2. All ANI Unitholders who accept the TIX Offer (whether they have accepted the TIX Offer before or after the date of this notice) will be entitled to receive the benefit of the Increased Consideration, subject to the terms of the TIX Offer as amended below (including section 11.5.4 of the Bidder's Statement).
3. Pursuant to section 650D of the Corporations Act, the terms of the TIX Offer set out at section 11 of the Bidder's Statement are varied as follows to provide the Increased Consideration:
 - (a) By replacing section 11.2.1 with the following:

"Subject to this section 11, the consideration offered under the TIX Offer for each of your ANI Units is 0.90 TIX Units and cash of 24.5 cents (inclusive of the Cash Payment of 10.0 cents)."
 - (b) By inserting in 11.5.1, in the third line, after the phrase "then the Bidder":

"and 360 Capital (in the case of the Cash Payment of 10.0 cents)"
 - (c) By replacing 11.5.3.2 with the following:

11.5.3.2 How the cash consideration is paid

"The Bidder will pay to you 14.5 cents and will procure that 360 Capital will pay to you 10.0 cents as the cash component of the TIX Consideration for your ANI Units by cheque (or otherwise as agreed by the Bidder) in Australian currency. The Bidder may procure that 360 Capital pays the 10.0 cents by procuring that it pays to the Bidder this amount which the Bidder then includes in its payment to you. The

cheque will be sent at your risk to you at your address shown on the latest copy of the register provided by ANI to the Bidder immediately prior to the preparation of the cheque, by pre-paid ordinary mail or, in the case of addresses outside Australia, by pre-paid airmail. For the avoidance of doubt, the payment of the Cash Payment of 10.0 cents by 360 Capital in accordance with these terms will satisfy any obligation 360 Capital has to pay the Cash Payment, including under any deed poll entered into for the benefit of ANI Unitholders, and given the Cash Payment Condition has been waived resulting in the inclusion of the Cash Payment in these terms, no further amount will be payable not provided for in these terms upon the satisfaction of the Cash Payment Condition."

- (d) By replacing the definition of "TIX Consideration" in section 12 with the following:

"means the consideration which you are entitled to receive in accordance with the terms of the TIX Offer being, subject to the terms of the TIX Offer, 0.90 TIX Units and cash of 24.5 cents for every 1 of your ANI Units (inclusive of the Cash Payment of 10.0 cents)."

- (e) By replacing the definition of "Cash Payment" with the following:

"means a cash payment of 10.0 cents per ANI Unit which 360 Capital has agreed to make to ANI Unitholders which have accepted the TIX Offer and are entitled to receive the TIX Consideration which was subject to the satisfaction of the Cash Payment Condition but which is now payable in accordance with the terms of the TIX Offer and included in the cash component of the TIX Consideration of 24.5 cents given that the Cash Payment Condition has been waived."

2. **ASIC lodgement**

A copy of this notice was lodged with ASIC on 28 September 2015. ASIC takes no responsibility for the contents of this notice.

3. **Approval**

In compliance with ASIC Class Order 13/521, this notice has been approved by a unanimous resolution passed by the directors of Bidder.

Signed by



David van Aanholt
Independent Chairman
360 Capital Investment Management Limited

Date: 28 September 2015

Attachment 2 - Notice of Variation for extension of Offer Period

Corporations Act 2001 (Cth)

Section 650D(1)

Notice of variation of offers - Extension of offer period

TO: Australian Securities & Investments Commission (**ASIC**)

Fife Capital Funds Limited in its capacity as responsible entity of Australian Industrial REIT (**ANI**)

AND In accordance with ASIC Class Order 13/521, those persons listed on the ANI register as at 4 February 2015 and any other persons who have accepted the TIX Offer

Reference is made to:

- (a) the offers dated 17 February 2015 from 360 Capital Investment Management Limited as responsible entity for the 360 Capital Industrial Fund (**Bidder**) for all the units in ANI (**TIX Offer**); and
- (b) the replacement bidder's statement dated 13 February 2015 in relation to the TIX Offer (**Bidder's Statement**).

Unless otherwise specified, terms used in this notice have the same meaning as in the Bidder's Statement.

Extension of offer period

Bidder hereby gives notice under section 650D(1) of the Corporations Act 2001 (Cth) that the TIX Offer is varied by extending the period during which the TIX Offer remains open for acceptance until **5:00pm (Sydney time) on 12 October 2015**.

ASIC lodgement

A copy of this notice was lodged with ASIC on 28 September 2015. ASIC takes no responsibility for the contents of this notice.

Approval

In compliance with ASIC Class Order 13/521, this notice has been approved by a unanimous resolution passed by the directors of Bidder.

Signed by



David van Aanholt
Independent Chairman
360 Capital Investment Management Limited

Date: 28 September 2015

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