



MARKET RELEASE

22 September 2016

Charter Hall Retail REIT

TRADING HALT

The securities of Charter Hall Retail REIT (the “Trust”) will be placed in Trading Halt Session State at the request of the Trust, pending the release of an announcement by the Trust. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Monday, 26 September 2016 or when the announcement is released to the market.

Security Code: CQR

Stephanie Yong
Senior Adviser, Listings Compliance (Sydney)

22 September 2016

Ms Stephanie Yong
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Exchange Centre
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Sydney NSW 2000

Charter Hall Retail Management Limited
ACN 069 709 468
AFSL 246996

Responsible entity of
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Dear Ms Yong

Subject: Charter Hall Retail REIT - Request for Trading Halt

Charter Hall Retail REIT (CQR) requests a trading halt until the earlier of the commencement of trading on 23 September 2016 or the request by CQR to cease the trading halt in respect of its fully paid ordinary units (ASX:CQR).

The trading halt is requested due to a pending announcement relating to the sale by a substantial unitholder of its interest in CQR.

For the purposes of Listing Rule 17.1, CQR provides the following information:

- (a) the trading halt is necessary to ensure that the market is fully informed of the proposed sale;
- (b) the trading halt should remain in place until the earlier of the commencement of trading on 23 September 2016 or the request by CQR to cease the trading halt; and
- (c) CQR is not aware of any reason why the trading halt should not be granted or of any other information necessary to inform the market about the trading halt.

Please contact me if you require further information.

Yours sincerely

Mark Bryant
Company Secretary

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22 September 2016

Tracey Jordan
Group General Counsel & Company Secretary
Charter Hall Group
Level 20
No. 1 Martin Place
Sydney NSW 2000

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Dear Tracey

Gandel Group ("**Gandel**") wishes to advise that it has entered into a block trade agreement (through various group entities) for the sale of 79,164,900 stapled securities in Charter Hall Group ("**CHC**"). The sale represents 19.18% of CHC's issued share capital and Gandel's entire security holding in CHC. The sale is being conducted via a fully underwritten sell-down to third party investors.

Concurrently, Gandel has entered into a block trade agreement for the sale of its 5.65% interest in Charter Hall Retail REIT ("**CQR**"). The sale is also being conducted via a fully underwritten sell-down to third party investors. Gandel has offered CHC the opportunity to participate in the CQR sell-down and Gandel understands that this offer will be separately evaluated.

CHC has been a highly successful investment for Gandel. Our first investment in June 2009 soon after the GFC, assisted CHC to recapitalise and grow the business. Through the expertise of CHC Managing Director and Group CEO David Harrison and management and with the strong support of investors, the business has grown funds under management since then from \$3.9 billion to over \$17.5 billion, with the managed funds performing very well overall. CHC is now recognised as one of Australia's leading property groups.

We would like to acknowledge the professionalism and capability of the CHC Board led by David Clarke, and formerly by Kerry Roxburgh, as well as co-founders, David Southon and Cedric Fuchs for their significant contributions.

We are pleased to have contributed to the development of CHC and its strategy and believe the business is well placed to continue its success.

Gandel is undertaking the sale as part of its broader corporate planning, including focusing its capital and resources on Vicinity Centres ("**VCX**") and Australia's flagship shopping centre, Chadstone, where combined Gandel has approximately \$4.5 billion invested, as well as its other interests and philanthropy. Gandel remains the largest security holder in **VCX** and Gandel's continuing commitment to VCX and the ongoing development of Chadstone remains unchanged.

Gandel has no objection to CHC making public this letter.

Yours sincerely,

Tyng Choo
Company Secretary

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