



## ASX/Media Release

8 April 2016

### Off-Market Buy-Back and Appendix 3C

Astro Japan Property Group (ASX: AJA) today announced its intention to undertake an off-market buy-back tender process for AJA securities to return up to approximately \$18.3 million of capital to securityholders (the Buy-Back). AJA will buy-back up to a maximum of 5% of its issued capital (3,032,623 AJA securities) at a buy-back price of \$6.03.

Notwithstanding the current market price, which was \$6.25 as at close of trading yesterday, the Board considers that the buy-back price of \$6.03 is appropriate in the circumstances having regard to market liquidity and the fact that the price is equal to the 15 day volume weighted average price of AJA securities at the close of trading on 7 April 2016 (VWAP), and represents:

- a 1.7% premium to the 30 day VWAP of \$5.93; and
- an 8.3% premium to the 90 day VWAP of \$5.57.

The Buy-Back will be funded from surplus cash achieved from asset sales, including Sun Ace Tokugawa, Yamashitacho and Sapporo Co-op, and additional available cash reserves as a result of refinancing of AJA's debt.

Mr Allan McDonald, Chairman of AJA, said "We have previously announced that we have under consideration a range of capital management initiatives in relation to AJA's approximate \$61 million equivalent (almost all is held in Yen) unrestricted cash, including a buy-back of securities. An off-market buy-back was considered the most effective way to deploy some of this cash. The Board will continue to consider other capital initiatives, including property investment, in order to effectively utilise the balance of our available cash.

As one of the various potential value enhancing options open to AJA, we have commenced investigating whether a transaction involving the sale of some or all of the AJA property portfolio into a new Japanese listed property trust would be viable and deliver value to securityholders beyond that available in the current ASX listed structure. These investigations are very preliminary. There are many significant valuation, commercial and legal issues which are yet to be considered in relation to such a transaction. It is not clear whether any such transaction could be undertaken, or undertaken on terms that are in the interests of securityholders given the continuing strong performance of AJA and other available capital management opportunities."

Participation in the buy-back is optional, with tender applications closing at **5.00pm AEST, on Tuesday, 17 May 2016.**

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#### Astro Japan Property Group

Astro Japan Property Group Limited ABN 25 135 381 663  
Astro Japan Property Management Limited ABN 94 111 874 563 AFSL 283142  
as responsible entity of the Astro Japan Property Trust ARSN 112 799 854

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Securityholders who choose not to participate in the Buy-Back and retain their securities in AJA are expected to benefit from improved earnings and distributions per security, as well as improved return on equity due to a reduction in the number of securities on issue as a result of the Buy-Back.

### Details of the Buy-Back

The Buy-Back is open to all eligible securityholders with a registered address in Australia or New Zealand as at Thursday, 14 April 2016. Under the buy-back tender process, eligible securityholders are invited to tender some, or all, of their securities at the Buy-Back Price of \$6.03 per security.

The Appendix 3C in relation to the off-market buy-back is attached.

The full terms and conditions of the Buy-Back will be contained in a booklet to be distributed to securityholders by Tuesday, 19 April 2016. The booklet is also expected to be available at [www.astrojapanproperty.com](http://www.astrojapanproperty.com) on Tuesday, 19 April 2016.

No brokerage is payable by securityholders who choose to participate in the Buy-Back.

Eligible securityholders are advised to obtain their own financial, taxation and other professional advice on the implications of participating in the Buy-Back.

### Scale Back

While AJA intends to buy-back up to approximately \$18.3 million worth of securities, it retains absolute discretion to vary the size of the Buy-Back, up to the maximum 3,032,623 securities, depending on demand and market conditions, including by choosing not to buy-back any securities.

If the total number of securities tendered at the Buy-Back Price is greater than the maximum number of securities that AJA can buy-back, AJA will scale back tenders.

The scale back has been structured to ensure that eligible securityholders with small holdings will not be disadvantaged. Before applying any scale back, AJA will first buy-back a Priority Allocation, which is \$2000 worth of securities, from each securityholder who has successfully tendered securities. Additionally, securityholders who tender all of their securities and who would be left with securities with a value of \$500 or less as a result of the 'Priority Allocation' and any scale back will have their tenders accepted in full.

### Off-Market Buy-Back Timetable

Event	Date
Announcement of Off-Market Buy-Back	Friday, 8 April 2016
Last day that Securities can be acquired on the ASX to be eligible to participate in the Off-Market Buy-Back	Tuesday, 12 April 2016
Ex-Entitlement Date	Wednesday, 13 April 2016
Record Date for determination of Members' entitlement to participate in the Off-Market Buy-Back	Thursday, 14 April 2016
Off-Market Buy-Back Booklet sent to Members	Tuesday, 19 April 2016
Tender Period opens	Tuesday, 19 April 2016
Tender Period closes (acceptances due by 5.00pm AEST)	Tuesday, 17 May 2016
Buy-Back Date and announcement of scale back (if any)	Thursday, 19 May 2016
Payment of Buy-Back Proceeds to participating Members complete	Thursday, 26 May 2016

While AJA does not anticipate any changes to these dates and times, it reserves the right to vary them. Any change in date or time will be publicly announced as soon as practicable following the Board's authorisation. AJA may also decide not to proceed with the Buy-Back.

### **Securityholder enquiries**

An AJA enquiry line in relation to the Buy-Back will be available from Tuesday, 19 April 2016. Securityholders who have enquiries may contact the information line on 1800 881 098 within Australia, or +61 1800 881 098 if you are calling from outside Australia.

### **ENDS**

#### **Investor & Media Enquiries:**

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Senior Advisor  
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John Pettigrew  
Chief Financial Officer  
Phone: +61 2 8987 3902

#### **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 28 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](http://www.astrojapanproperty.com).

# Appendix 3C

## Announcement of buy-back (except minimum holding buy-back)

*Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
Astro Japan Property Group (AJA) – comprising the stapled securities of: - Astro Japan Property Trust - Astro Japan Property Group Limited	ARSN 112 799 854 ABN 25 135 381 663

We (the entity) give ASX the following information.

### Information about buy-back

1	Type of buy-back	Selective buy-back on equal access buy-back conditions (as modified by ASIC)
2	+Class of shares/units which is the subject of the buy-back ( <i>eg, ordinary/preference</i> )	Ordinary stapled securities
3	Voting rights ( <i>eg, one for one</i> )	One for One
4	Fully paid/partly paid ( <i>and if partly paid, details of how much has been paid and how much is outstanding</i> )	Fully Paid
5	Number of shares/units in the +class on issue	60,652,466
6	Whether shareholder/unitholder approval is required for buy-back	No
7	Reason for buy-back	Ongoing capital management

## Appendix 3C

### Announcement of buy-back

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- |   |   |  |
|---|---|--|
| 8 | Any other information material to a shareholder's/unitholder's decision whether to accept the offer ( <i>eg, details of any proposed takeover bid</i> ) | Refer to ASX Announcement dated 8 April 2016 in relation to the off-market buy-back and the Buy-Back Booklet which will be despatched to securityholders on 19 April 2016. |
|---|---|--|

### On-market buy-back

- |    |   |     |
|----|---|-----|
| 9  | Name of broker who will act on the company's behalf   | N/A |
| 10 | Deleted 30/9/2001.  |     |
| 11 | If the company/trust intends to buy back a maximum number of shares - that number<br><br><small>Note: This requires a figure to be included, not a percentage.</small>                        | N/A |
| 12 | If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention | N/A |
| 13 | If the company/trust intends to buy back shares/units if conditions are met - those conditions  | N/A |

### Employee share scheme buy-back

- |    |   |     |
|----|---|-----|
| 14 | Number of shares proposed to be bought back | N/A |
| 15 | Price to be offered for shares              | N/A |

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<sup>+</sup> See chapter 19 for defined terms.

**Selective buy-back**

- |    |  |     |
|----|--|-----|
| 16 | Name of person or description of class of person whose shares are proposed to be bought back | N/A |
| 17 | Number of shares proposed to be bought back  | N/A |
| 18 | Price to be offered for shares   | N/A |

**Equal access scheme**

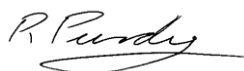
- |    |   |   |
|----|---|---|
| 19 | Percentage of shares proposed to be bought back   | Up to 5% of the stapled securities on issue |
| 20 | Total number of shares proposed to be bought back if all offers are accepted                      | 3,032,623 stapled securities                |
| 21 | Price to be offered for shares  | \$6.03 per stapled security                 |
| 22 | +Record date for participation in offer<br><small>Cross reference: Appendix 7A, clause 9.</small> | 14 April 2016                               |

**Compliance statement**

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

*or, for trusts only:*

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.



Sign here: ..... Date: 8 April 2016  
(Company secretary)

Print name: Rohan Purdy

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<sup>+</sup> See chapter 19 for defined terms.