



Galileo Japan Funds Management Limited
(ACN 121 567 244) (AFSL 305 429)
as Responsible Entity for Galileo Japan Trust
(ARSN 122 465 990)

Level 9, 1 Alfred Street
Sydney NSW 2000 Australia
GPO Box 4760 Sydney NSW 2001
Telephone: (02) 9240 0333
Facsimile: (02) 9240 0300
ASX Code: GJT
Website: www.galileofunds.com.au

25 May 2016

ASX / Media Release

**GALILEO JAPAN TRUST
UPDATE ON APRIL 2016 EARTHQUAKES IN KYUSHU, JAPAN**

Please find attached a Galileo Japan Trust (ASX code: GJT) announcement.

Investor and media enquiries:

Please call +61 2 9240 0333

Further information on Galileo Japan Trust is available at www.galileofunds.com.au

25 May 2016

**GALILEO JAPAN TRUST
UPDATE ON APRIL 2016 EARTHQUAKES IN KYUSHU, JAPAN**

Galileo Japan Funds Management Limited (“GJFML”), as responsible entity of Galileo Japan Trust (ASX: GJT), provides the following update relating to the earthquakes in Kyushu, Japan on 14 and 16 April 2016.

GJT has two assets in the Kyushu region, one asset located in the immediate earthquake zone, Suroy Mall, Nagamine (“Nagamine”) and the other asset, Suroy Mall, Chikushino (“Chikushino”) located approximately 100 kilometres from the earthquake epicentre.

As announced on 18 April 2016, the initial inspections had not identified any structural damage and that formal structural engineering reports would be commissioned to confirm the position. The formal engineering reports have now been received and do not identify any structural damage at either property.

The earthquake did cause some superficial damage to Nagamine and Galileo Japan KK (“GJKK”) has engaged a building contractor to repair this damage. More than half of the remediation work has been completed and the remaining schedule of works is anticipated to be finalised by 30 June 2016.

The estimated cost attributable to the earthquake damage is approximately ¥220 million (A\$2.75 million), which represents approximately 2.6 cents per unit. Subject to the final confirmation of these costs and assuming successful completion of the JREIT IPO, funds available for the special distributions to GJT Unitholders will be reduced by this amount.

GJKK has confirmed that all tenants have resumed trading at Nagamine, with the exception of the upper level of the Health Club which is expected to re-open in June 2016.

As a consequence of this earthquake damage and the time required to complete the remediation works the timetable for the proposed JREIT IPO and sale of the GJT portfolio will be delayed. The revised timetable now anticipates completion of the Japanese IPO in September 2016 (previously August 2016). This assumes there are no material delays in the completion of the remediation works or the receipt of required authority consents.

GJFML reminds investors that success of the Proposal outlined in the Notice of Meeting dated 29 February 2016 is dependent on a number of factors including the successful completion of the capital raising for the JREIT IPO.

GJFML will provide further updates as more information becomes available.

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