



GPT RE Limited  
ABN 27 107 426 504  
as Responsible Entity of  
General Property Trust  
AFSL 286511

Level 51  
MLC Centre  
19 Martin Place  
Sydney NSW 2000  
Australia

T: +61 2 8239 3555  
F: +61 2 9225 9318  
E: [gpt@gpt.com.au](mailto:gpt@gpt.com.au)  
[www.gpt.com.au](http://www.gpt.com.au)

3 December 2013

ASX Limited  
Level 4  
20 Bridge Street  
Sydney NSW 2000

Dear Sir/Madam

**Takeover Bid by the GPT Group in relation to  
Commonwealth Property Office Fund**

I refer to the announcement made by the GPT Group (ASX:GPT) on 19 November 2013 in relation to an off-market takeover offer for up to all of the units in Commonwealth Property Office Fund (ASX:CPA).

In accordance with section 633(1) item 5 of the *Corporations Act 2001* (Cth), (***Corporations Act***) we enclose a copy of the Bidder's Statement of GPT RE Limited (ACN 107 426 504) as Responsible Entity of General Property Trust and GPT Management Holdings Limited (ACN 113 510 188) dated 3 December 2013 which includes:

- (a) a proposed offer for units in Commonwealth Property Office Fund; and
- (b) a copy of the Acceptance Form (which forms part of the proposed offer).

Pursuant to section 633(4) of the *Corporations Act* we give notice that 3 December 2013 is the date which has been set, in accordance with section 633(2) and 633(3), for the purposes of determining the people to whom the Bidder's Statement is to be sent.

Yours sincerely



James Coyne  
Company Secretary

Encl

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.  
IF YOU ARE IN ANY DOUBT AS TO HOW TO ACT, YOU SHOULD CONSULT YOUR FINANCIAL  
OR LEGAL ADVISER AS SOON AS POSSIBLE.

# Bidder's Statement

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## ACCEPT the Offer

by

**GPT Management Holdings Limited (ABN 67 113 510 188)  
and GPT RE Limited (ABN 27 107 426 504) as Responsible  
Entity of General Property Trust (ARSN 090 110 357)**

to acquire all of your units in

**Commonwealth Property Office Fund  
(ARSN 086 029 736)**

for

**0.141 GPT Securities and A\$0.75325 cash per unit**

(Reduced by the amount of any CPA distribution to which you are entitled, and the GPT Securities issued under the Offer will rank equally with existing GPT Securities)

Please call the Offer Information Line on 1800 660 083 (toll-free within Australia) or +61 2 8767 1211 (from outside Australia) if you require assistance. For legal reasons calls to these numbers will be recorded.

Financial Advisers



**Merrill Lynch**



Legal Adviser  
Allens

**Allens > Linklaters**

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## Important Information

### Bidder's Statement

This Bidder's Statement is given by GPT Management Holdings Limited (ABN 67 113 510 188) and GPT RE Limited (ABN 27 107 426 504) as Responsible Entity of General Property Trust (ARSN 090 110 357) (**GPT**), to Commonwealth Managed Investments Limited as Responsible Entity of the Commonwealth Property Office Fund (ARSN 086 029 736) (**CPA**) under Part 6.5 of the Corporations Act and relates to the Offer.

You should read this Bidder's Statement in its entirety.

This Bidder's Statement is dated 3 December 2013 and includes an Offer dated [\*] in section 11.

A copy of this Bidder's Statement was lodged with ASIC on 3 December 2013. Neither ASIC nor any of its officers takes any responsibility for the contents of this Bidder's Statement.

### Investment decisions

This Bidder's Statement does not take into account your individual investment objectives, financial situation or particular needs. You may wish to seek independent financial and taxation advice before deciding whether or not to accept the Offer and whether GPT Securities are an appropriate investment for you.

### Defined terms

A number of defined terms are used in this Bidder's Statement. These terms are explained in section 12 along with certain rules of interpretation which apply to this Bidder's Statement.

### Forward-looking statements

This Bidder's Statement may contain forward-looking statements, which includes statements other than statements of historical fact. The forward looking statements relate to future matters and are subject to various inherent risks and uncertainties, in that they may be affected by a variety of known and unknown risks, variables and other factors, many which are beyond the control of GPT. These risks and uncertainties include the risks described in section 8, as well as other matters not yet known to GPT or not currently considered material by GPT. Actual results, values, performance, events or achievements may differ materially from the results, values, performance, events or achievements expressed or implied by any forward looking statements. The past performance of GPT and CPA is no guarantee of future performance.

Neither GPT nor any of its directors or officers, or any other person named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement makes any representation, warranty, assurance or guarantee (either express or implied) as to the accuracy or likelihood of fulfillment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent required by law. Accordingly, you are cautioned not to place undue reliance on any forward-looking statements.

The forward-looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

### Information regarding CPA and the Combined Group

The information contained in this Bidder's Statement on:

- CPA, CPA Units or CPA Group assets; and
- the Combined Group, to the extent that it incorporates or reflects information on CPA,

has been prepared by GPT using publicly available information.

None of that information has been independently verified by GPT. Accordingly, GPT makes no representation or warranty, express or implied, as to the accuracy or completeness of such information to the extent permitted by the Corporations Act.

### Foreign registered unitholders

CPA Unitholders should note that part of the consideration under the Offer is GPT Securities, which are stapled shares and units in an Australian public company and trust, respectively, being securities to be listed on the ASX. The Offer is subject to disclosure requirements in Australia which are different from those applicable in other countries. CPA Unitholders whose address in CPA's register of unitholders is not in Australia or its external territories or New Zealand will not be entitled to receive GPT Securities on acceptance of the Offer (unless GPT determines otherwise). Ineligible Foreign Unitholders who accept the Offer will be paid a cash amount calculated in accordance with section 11.10(e) of this Bidder's Statement. This Bidder's Statement does not constitute an offer to issue or sell, or the solicitation of an offer to buy, any securities referred to in this Bidder's Statement

in any jurisdiction in which the offer or issue of such securities would be unlawful.

CPA Unitholders who are resident outside of Australia or New Zealand should refer to section 11.10(e) for further details.

#### **Notice to CPA Unitholders in New Zealand**

In offering GPT Securities as part of the Offer to CPA Unitholders in New Zealand, GPT is relying on the *Securities Act (Overseas Companies) Exemption Notice* 2013. This document is not a prospectus or an investment statement under New Zealand law, and may not contain all the information that a prospectus or investment statement under New Zealand law is required to contain.

#### **Notice to CPA Unitholders in the United States**

This Bidder's Statement is neither an "offer to sell" nor a solicitation of an "offer to buy" securities in the United States, as such terms are defined under the US Securities Act of 1933. The GPT Securities to be issued under the Offer have not been and will not be registered under that Act.

None of the US Securities and Exchange Commission, any US state securities commission or any other US regulatory authority has passed upon or endorsed the merits of the Offer or the accuracy, adequacy or completeness of this Bidder's Statement.

#### **Unmarketable Parcel Securityholders**

Unmarketable Parcel Securityholders who accept the Offer, will not receive GPT Securities, but will be paid a cash amount calculated in accordance with section 11.10(e) of this Bidder's Statement.

#### **Privacy statement**

GPT has collected your information from the CPA register of unitholders for the purpose of making the Offer and, if accepted, administering your holding of CPA Units. The type of information GPT has collected about you includes your name, address, contact details and information on your unit holding in CPA. Without this information, GPT will be hindered in its ability to carry out the Offer.

The Corporations Act requires the name and address of unitholders to be held in a public register. Your information may be disclosed on a confidential basis to GPT's Related Bodies Corporate and external service providers (such as Link Market

Services Limited and providers of print and mail services), and may be required to be disclosed to regulators such as ASIC. If you would like details of information held about you by GPT or Link Market Services Limited please contact them at the addresses set out in the corporate directory.

#### **Queries**

If you have any questions in relation to the Offer, please call the Offer Information Line on the following numbers:

Within Australia: 1800 660 083

Outside Australia: +61 2 8767 1211

Please note that, for legal reasons, all calls to these numbers will be recorded.

#### **Implied value of the Offer**

As you are being offered GPT Securities as part of the consideration for your CPA Units, the implied value to you of the Offer will vary with the ASX trading price of GPT Securities. Further information on the implied value of the Offer is contained in this Bidder's Statement.

You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this Bidder's Statement, you should obtain independent professional advice.

References in this Bidder's Statement to GPT's website [www.gpt.com.au](http://www.gpt.com.au) and to CPA's website [www.cfsgam.com.au/au/property/cpa/home](http://www.cfsgam.com.au/au/property/cpa/home) are for your reference only. Information contained in or otherwise accessible from those websites are not part of this Bidder's Statement.

## How Do I Accept the Offer?

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You may only accept the Offer for all of your CPA Units. Acceptances must be received before the end of the Offer Period.

### **Issuer sponsored holdings** (Securityholder Reference Numbers beginning with an 'I')

If your CPA Units are held in an Issuer Sponsored Holding (such holdings will have Securityholder Reference Numbers beginning with an 'I'), to accept the Offer, complete and sign the enclosed Acceptance Form in accordance with the instructions on it and return it, and any other documents required by those instructions, in the enclosed envelope or to the address on the Acceptance Form so that it is received before the end of the Offer Period.

Acceptance Forms must be received by 7:00 pm (Sydney time) on 24 January 2014, unless the offer is extended.

### **CHESS Holdings** (Holder Identification Number beginning with 'X')

If your CPA Units are held in a CHESS Holding (such holdings will have a Holder Identification Number beginning with 'X'), to accept the Offer, contact your Controlling Participant (usually your broker) and instruct them to accept the Offer on your behalf in sufficient time for the Offer to be accepted before the end of the Offer Period.

Alternatively, you can also complete and sign the enclosed Acceptance Form in accordance with the instructions on it and return it, and any other documents required by those instructions, in the enclosed envelope or to the address on the Acceptance Form. However, GPT will merely send the instruction carried on this form onto your Controlling Participant who is the only person who can accept the Offer on your behalf.

Your Controlling Participant must accept the offer on your behalf by 7:00 pm (Sydney time) on 24 January 2014, unless the Offer is extended.

## Important Dates

Announcement Date	<b>19 November 2013</b>
Bidder's Statement lodged with ASIC	<b>3 December 2013</b>
Date of the Offer	<b>[*]</b>
Offer scheduled to close (unless extended in accordance with the Corporations Act)	<b>7.00pm (Sydney time) on 24 January 2014</b>

# Chairman's Letter

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**[\*] December 2013**

Dear CPA Unitholder,

On behalf of the GPT Board, I am pleased to make this Offer to acquire all of your units in the Commonwealth Property Office Fund (**CPA**).

The GPT Board believes the Offer delivers compelling value to CPA Unitholders, and that the combination of the CPA and GPT platforms will provide significant benefits for both groups of investors.

## **GPT's Offer**

GPT is offering you 0.141 GPT Securities and \$0.75325<sup>1</sup> cash for every CPA Unit that you hold. By accepting the Offer, you will become an investor in GPT, with an exposure to Australia's pre-eminent office management platform.

The cash component of the Offer will be reduced by the amount of any distribution paid on a CPA Unit following the date of this Bidder's Statement. You will be entitled to receive distributions on any GPT Securities received as a result of accepting the Offer.

## **Compelling Value**

As at the date of this Bidder's Statement, the Offer is valued at \$1.25<sup>2</sup> per CPA Unit, which reflects:

- a 5% premium to the last stated NTA of CPA Units of \$1.19 as at 31 October 2013;
- a 4% premium to the closing price of CPA Units on 18 November 2013 (being the day prior to the announcement of the Offer) of \$1.205; and
- a 16% premium to the one month volume weighted average price of CPA Units, up to and including 23 July 2013, the last day prior to the announcement of the CBA internalisation proposal.

## **An Investment in GPT**

Through an investment in GPT, CPA Unitholders who accept the Offer will receive a significant uplift in earnings and distributions relative to their existing investment, and enhanced future growth prospects.

CPA Unitholders who accept the Offer will also share in the strategic benefits that the transaction delivers to GPT, namely that it:

- drives GPT's total return;
- clearly positions GPT as the leading owner and manager of office assets in Australia;
- increases GPT's capital allocation to prime office assets;
- significantly expands GPT's funds management platform; and
- deploys GPT's considerable balance sheet capacity whilst maintaining its financial strength.

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<sup>1</sup> Reduced by the amount of any CPA distribution to which you are entitled, and the GPT Securities issued under the Offer will rank equally with existing GPT Securities.

<sup>2</sup> Based on GPT closing price of \$3.52 on 2 December 2013.

The GPT Board believes that the execution of this strategic transaction will deliver significant long-term value for GPT Securityholders, and we are delighted to be able to share in this opportunity with CPA Unitholders.

### **GPT's Intentions**

GPT's objective is to acquire 100 per cent of CPA Units. In the event that GPT acquires in excess of 90 per cent of CPA units, it will be in a position to undertake compulsory acquisition in accordance with Australian takeovers regulations. In that event, GPT will proceed with the sale of a portfolio of five CPA assets to GPT Wholesale Office Fund for \$1.1 billion.

The GPT Board has also considered a range of scenarios in which GPT acquires less than 90% of CPA, and is unable to undertake compulsory acquisition.

In circumstances where GPT does not achieve compulsory acquisition, but declares the Offer unconditional, it intends to appoint a GPT entity (with a majority of independent directors) as the responsible entity of CPA. As the responsible entity, GPT will manage CPA in accordance with the CPA constitution (including with respect to the payment of fees and distributions), having regard to the interests of all CPA Unitholders and has no requirement to pursue any asset sales.

A detailed description of the intentions of GPT is set out in section 5 of this Bidder's Statement.

**The Offer is now open for acceptance and is scheduled to close at 7.00pm (Sydney time) on Friday 24 January 2014 (unless extended). See page 5 for details on how to accept the Offer.**

Detailed information in respect of the Offer is set out in this Bidder's Statement. You should read this Bidder's Statement in its entirety.

If you have any questions in relation to the Offer, please contact the Offer Information Line on 1800 660 083 (toll-free within Australia) or +61 2 8767 1211 (from outside Australia) if you require assistance. For legal reasons calls to these numbers will be recorded.

We look forward to welcoming you as a GPT Securityholder.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rob Ferguson', with a stylized flourish at the end.

**Rob Ferguson**

Chairman

The GPT Group



## Summary of the Offer

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The following is a summary only of the Offer and is qualified by the detailed information contained in the rest of this Bidder's Statement. You should read this Bidder's Statement in full before deciding how to deal with your CPA Units.

The terms of the Offer are contained in section 11.

<b>What is the offer?</b>	<p>GPT is offering to purchase all of your CPA Units.</p> <p>You are being offered 0.141 GPT Securities and \$0.75325<sup>3</sup> cash for every 1 of your CPA Units. This is referred to as the <b>Offer Consideration</b>.</p> <p>You will receive the Offer Consideration if you accept the Offer and the Offer becomes unconditional.</p> <p>If you are an Ineligible Foreign Unitholder or Unmarketable Parcel Securityholder and accept the Offer, you will not receive GPT Securities. Instead you will be paid the net proceeds of sale by the Sale Nominee of the GPT Securities you would have been entitled to.</p>	<p>Section 11 contains the full terms and conditions of the Offer.</p>
<b>Who is making the Offer?</b>	<p>GPT Management Holdings Limited (ABN 67 113 510 188) and GPT RE Limited (ABN 27 107 426 504), as Responsible Entity of General Property Trust (ARSN 090 110 357), (<b>GPT</b>) are offering to acquire all of your CPA Units.</p>	<p>Section 1 provides further information about GPT.</p>
<b>Who is the GPT Group?</b>	<p>Listed on the ASX since 1971, trading under the ASX code GPT, the GPT Group is today one of Australia's largest listed property groups. The GPT Group has a substantial investor base, with over 39,000 investors and is one of the top 50 ASX stocks by market capitalisation.</p> <p>The GPT Group's model is focused on active ownership of high quality Australian real estate in the Retail, Office and Logistics &amp; Business Park sectors. Funds Management and selective development complement this focus. The GPT Group's capabilities include a full range of property expertise and the GPT Group employs industry specialists with dedicated, sector-specific teams.</p>	<p>Section 1 provides further information about GPT.</p>

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<sup>3</sup> Reduced by the amount of any CPA distribution to which you are entitled, and the GPT Securities issued under the Offer will rank equally with existing GPT Securities.

<b>What is the value of the Offer?</b>	<p>On the basis of the closing price of GPT Securities on the day immediately before the date of this Bidder's Statement, the implied value of the Offer is \$1.25 per CPA Unit.</p> <p>The implied value of the Offer will change as a consequence of changes in the market price of GPT Securities from time to time. See the 'Important Notices' section above for further information.</p>	See the 'Why you should accept the Offer' section below.
<b>How do I accept the Offer?</b>	See the instructions immediately before the Chairman's Letter in this Bidder's Statement.	See the 'How do I accept the Offer' section above.
<b>If I accept the Offer, when will I receive my Offer Consideration?</b>	<p>If you accept the Offer and the Offer becomes unconditional, then generally speaking the Offer Consideration will be provided to you within or on the later of:</p> <ul style="list-style-type: none"> <li>▪ five Business Days of your acceptance of the Offer; or</li> <li>▪ ten Business Days after the date on which the Offer becomes unconditional,</li> </ul> <p>provided that all relevant documentation has been received and correctly completed.</p> <p>Ineligible Foreign Unitholders and Unmarketable Parcel Securityholders will be provided with the cash proceeds of sale to which they are entitled under the Offer at a different time.</p>	Section 11.10 includes further details.
<b>When does the Offer close?</b>	The Offer is scheduled to close at 7 pm (Sydney time) on 24 January 2014. You should note that the Offer Period can be extended as permitted by the Corporations Act.	Refer to section 11.3 for further details.

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**What are the conditions of the Offer?**

The Offer is subject to a number of conditions (which are set out in section 11.8), which include requirements that:

- at or before the end of the Offer Period, GPT obtains a relevant interest in at least 50.1% of the CPA Units;
- GPT is notified that there are no objections to undertaking the transactions described in this Bidder's Statement, or by the passage of time will not otherwise be notified or prevented from undertaking such transactions under Australia's foreign investment regulations;
- certain regulatory actions are not taken to restrain, prohibit or impede the Offer;
- at or before the end of the Offer Period, CMIL does not make or agree to a break fee exceeding \$5 million with another person in relation to an alternate acquisition proposal;
- no material adverse change occurs in relation to CPA from the Announcement Date until the end of the Offer Period;
- CPA does not undertake any new material acquisitions, disposals or new commitments during the period from the Announcement Date until the end of the Offer Period;
- CMIL does not internalise the management of CPA, or remove or replace the responsible entity of CPA during the period from the Announcement Date until the end of the Offer Period;
- CMIL does not enter into any agreement, during the period from the Announcement Date until the end of the Offer Period, for the purposes of implementing an alternate acquisition proposal with DEXUS or CPPIB or one of their associates;

For a full list of conditions see section 11.8.

Section 10.10 provides further information regarding the status of the Defeating Conditions to the Offer.

- CMIL does not declare or pay any CPA distributions during the period from the Announcement Date to the end of the Offer Period, other than a half yearly distribution in the ordinary course; and
- no "prescribed occurrences" occur in relation to CPA during the period from the Announcement Date until the end of the Offer Period.

If any of these conditions, referred to as **Defeating Conditions** are not satisfied or waived by GPT by the end of the Offer Period, then the Offer will lapse and not proceed (i.e., you will retain your CPA Units).

In addition, there is a statutory condition (see section 11.13) relating to the ASX quotation of GPT Securities to be issued under the Offer. If this condition is not satisfied, the Offer will lapse and not proceed (i.e., you will retain your CPA Units).

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**Will my new GPT Securities be quoted on the ASX?**

GPT will apply for the GPT Securities to be issued under the Offer to be quoted on the ASX within seven days after the date of this Bidder's Statement.

Refer to section 11.13 for further details.

Quotation of these GPT Securities will not be automatic but will depend on the ASX exercising its discretion. However, as GPT is already admitted to the official list of the ASX and GPT Securities in the same class as those to be issued under the Offer are already quoted, GPT is of the view that quotation of the GPT Securities will be granted.

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**Can I withdraw my acceptance?**

You cannot withdraw your acceptance except if a withdrawal right arises under the Corporations Act or otherwise under the terms of this Offer. A right will arise under the Corporations Act if, after you have accepted the Offer and whilst the Offer remains conditional, GPT varies the Offer (e.g. by extending the Offer Period) in a way that postpones for more than 1 month the time when GPT has to meet its obligations under the Offer (e.g. the obligation to provide Offer Consideration to accepting CPA Unitholders).

Refer to sections 11.5(e) and 11.14 for further details.

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**Can I sell my CPA Units on market?**

Yes, but you may incur brokerage and other transaction costs if you do.

<b>Can I accept the Offer for a portion but not all of my CPA Units?</b>	No. You may only accept the Offer in respect of 100% (and not a lesser proportion) of the CPA Units you hold.	Refer to section 11.4(a) for further details.
<b>What if I am a foreign CPA Unitholder?</b>	<p>Generally speaking, if your address on CPA's register of unitholders is in a jurisdiction other than Australia or New Zealand you will be considered an Ineligible Foreign Unitholder.</p> <p>If you are an Ineligible Foreign Unitholder you are entitled to accept the Offer just like any other CPA Unitholder. However, you will not be entitled to receive GPT Securities as a result of acceptance. Instead, the GPT Securities to which you would otherwise be entitled will be issued to a Sale Nominee who will sell those GPT Securities on the ASX and provide you with the net sale proceeds. See section 11.10(e) for further details.</p>	Refer to section 11.10(e) for further details.
<b>Are there any other circumstances in which I will not be entitled to receive GPT Securities?</b>	<p>Yes. If the value of the GPT Securities to which you would be entitled under the Offer has a market value of less than \$500 (based on the highest closing price of GPT Securities on the ASX during the period from the date of this Bidder's Statement until the earlier of the end of the Offer Period and 5 ASX trading days before the first day on which GPT must provide Offer Consideration under the Offer), then:</p> <ul style="list-style-type: none"> <li>▪ you will be considered an Unmarketable Parcel Securityholder; and</li> <li>▪ the GPT Securities to which you would otherwise be entitled will be issued to a Sale Nominee who will sell those GPT Securities on the ASX and provide you with the net sale proceeds.</li> </ul>	Refer to section 11.10(e) for further details.
<b>What are the tax implications of acceptance?</b>	<p>You should consult your financial, tax or other professional adviser on the tax implications of acceptance, in light of your own particular circumstances. However, section 7 contains a general summary of the major likely Australian tax consequences for CPA Unitholders who accept the Offer.</p>	Refer to section 7 for further details.

<b>What is the structure of the GPT Group?</b>	<p>The GPT Group comprises:</p> <ul style="list-style-type: none"> <li>▪ the General Property Trust and its controlled entities; and</li> <li>▪ GPTMHL and its controlled entities.</li> </ul> <p>Together, these form the stapled entity, the GPT Group.</p> <p>GPT RE acts as the Responsible Entity of the General Property Trust. GPT RE is a wholly owned subsidiary of GPTMHL.</p>	Refer to section 1.1 for further details.
<b>Who are the directors of GPT?</b>	<p>The Board of GPT RE and GPTMHL have the same directors, being:</p> <ul style="list-style-type: none"> <li>▪ Rob Ferguson, Chairman and Non-Executive Director;</li> <li>▪ Michael Cameron, CEO and Managing Director;</li> <li>▪ Brendan Crotty, Non-Executive Director;</li> <li>▪ Dr Eileen Doyle, Non-Executive Director;</li> <li>▪ Eric Goodwin, Non-Executive Director;</li> <li>▪ Anne McDonald, Non-Executive Director; and</li> <li>▪ Gene Tilbrook, Non-Executive Director.</li> </ul> <p>Section 1.5 includes biographies of each of the directors with details of their experience.</p>	Refer to section 1.5 for further details.
<b>Will my GPT Securities have the same rights and liabilities as all other GPT Securities?</b>	<p>Yes. GPT Securities issued under the Offer will rank equally (including rights relating to distributions) with existing GPT Securities.</p>	Refer to section 10.1 for further details.
<b>Do the Directors of GPT have any interests in CPA Units or CPA Convertible Notes?</b>	<p>No. None of the Directors of GPTMHL or GPT RE have any interest in CPA Units or CPA Convertible Notes.</p>	Refer to section 4.5 for further details.
<b>Do the Directors of GPT have any interests in GPT Securities?</b>	<p>Yes. The Directors of GPT have various interests in GPT Securities.</p>	Refer to section 2.6 for further details.

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**Are there any risks in accepting the Offer?**

If you accept the Offer you will be issued with GPT Securities (unless you are an Ineligible Foreign Unitholder or an Unmarketable Parcel Securityholder). There are a number of risk factors associated with an investment in GPT Securities and with the Offer itself.

Refer to section 8 for further details.

These risks include:

**Exposure to different asset classes**

GPT owns a diversified portfolio of high quality Australian real estate in the Retail, Office and Logistics & Business Park sectors. Ownership of GPT Securities will provide CPA Unitholders with exposure to additional asset classes relative to their current investment in CPA.

**Exposure to funds management earnings**

The GPT Group derives a proportion of its earnings from fees and charges from its Funds Management division. The amount of funds under management, and fees earned, will be impacted by factors including the investment performance of the funds managed by the GPT Group, general market conditions and GPT's management performance.

**Availability of financing**

GPT has financing commitments in place to fund the acquisition of CPA as detailed in section 10.2. If any of this financing becomes unavailable for any reason and GPT cannot put in place alternative sources of financing under similar terms, GPT may not be able to complete the acquisition of CPA as planned.

**Reliance on public information**

In preparing the information relating to CPA contained in this Bidder's Statement, GPT has relied on publicly available information relating to CPA. Risks may exist in relation to CPA (which may affect the Combined Group) of which GPT may be unaware.

**Triggering change of control provisions**

As the Offer may result in a change in control of CPA there could be consequences for the Combined Group under pre-emptive rights or change of control provisions affecting CPA's assets or borrowings. If waivers of counter-party rights under pre-emptive rights or change of control provisions cannot be obtained, then this could alter the profile of the Combined Group.

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### **Integration of CPA**

As GPT has not conducted due diligence on CPA, and has not engaged with CPA or CMIL in relation to the integration of CPA and GPT, there are risks associated with integrating GPT and CPA, which may lead to unanticipated costs and potential business interruptions. GPT has not entered into any arrangements with CBA in relation to the replacement of the responsible entity of CPA, and is therefore relying on the statutory obligations of CMIL to provide reasonable assistance to a new responsible entity to facilitate the change.

### **Assumptions by GPT**

In making the Offer, GPT has made certain assumptions in estimating the accretion to GPT's FFO per security and distribution per security for the year ending 31 December 2014 (on an annualised basis). There is a risk that the assumptions may not be accurate and the accretion to GPT's FFO per security and distribution per security for the year ending 31 December 2014 (on an annualised basis) may be higher or lower than estimated.

### **Issue of GPT Securities as consideration**

CPA Unitholders are being offered GPT Securities as consideration under the Offer. The value of the consideration will fluctuate depending upon the market value of GPT Securities, and the market value of the GPT Securities at the time you receive them may vary significantly from their market value on the date of your acceptance of the Offer. The tax treatment of the GPT Securities you receive may also be different from that of your CPA Units.

### **Sale of GPT Securities**

Under the Offer, GPT will issue a significant number of new GPT Securities. Some CPA Unitholders may not intend to continue to hold their GPT Securities and may wish to sell them. There is a risk that increased sales of GPT Securities may adversely impact on the price of, and demand for, GPT Securities.

The risks outlined above, together with other risk factors including general industry and investment risks, are described in section 8. In deciding whether or not to accept the Offer, you should carefully consider these risks.



<b>Do I pay brokerage or stamp duty if I accept?</b>	<p>No brokerage or stamp duty is payable by you if you accept the Offer (unless you are an Ineligible Foreign Unitholder or an Unmarketable Parcel Securityholder, in which case the proceeds you will receive will be net of sale expenses). However, if you hold your CPA Units through a CHESS Holding, you should ask your Controlling Participant (normally your stockbroker) or nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.</p>	<p>Refer to sections 7 and 11.10(e) for further details.</p>
<b>What happens if I do not accept?</b>	<p>If you do not accept the Offer and GPT acquires a relevant interest in at least 90% of the CPA Units and the Offer has become unconditional, GPT intends to compulsorily acquire your CPA Units.</p> <p>If your CPA Units are compulsorily acquired by GPT, it will be for the Offer Consideration and you will receive it later than the CPA Unitholders who accepted the Offer before the end of the Offer Period.</p> <p>If GPT acquires more than 50% of CPA, but does not become entitled to compulsorily acquire your CPA Units, GPT intends to appoint a GPT entity as the responsible entity of CPA. You will remain a CPA Unitholder however the price of CPA Units may fall below the value of the Offer price, you may become a minority unitholder and your investment in CPA may become less liquid.</p> <p>Additionally, the CPA Convertible Notes contain change of control provisions, the terms of which were publicly disclosed at the time of issuance. In the event of a change of control, which includes GPT acquiring a relevant interest of greater than 50% of CPA units and the Offer being declared unconditional, noteholders have the ability to convert the notes at an adjusted conversion price, and CPA, as the issuer, will be deemed to have exercised its option to cash settle the conversion, which would be dilutive to CPA's NTA. Further details in relation to the CPA Convertible Notes are set out in Section 4.9.</p> <p>As at the date of this Bidder's Statement, the GPT Offer is the only offer for all CPA Units.</p>	<p>Refer to section 5.2 for further details.</p>

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**What if I require  
further information?**

If you have any questions in relation to the Offer or how to accept it, or if you have lost your Acceptance Form and require a replacement, please call the Offer Information Line on 1800 660 083 (toll-free within Australia) or +61 2 8767 1211 (from outside Australia).

Please note that, for legal reasons, all calls to these numbers will be recorded.

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# Summary of GPT's strategy and intentions

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GPT has made an off-market takeover bid for 100% of the units in CPA. GPT's bid includes a limited number of conditions, including a minimum acceptance condition of 50.1%. Although GPT is seeking 100% of CPA units, GPT has considered a range of scenarios, including if it achieves less than 90% acceptances.

GPT believes the Offer delivers compelling value to CPA Unitholders, and that the combination of the CPA and GPT platforms will provide significant benefits for both groups of investors. CPA Unitholders who accept the Offer will also share in the strategic benefits that the transaction delivers to GPT, namely that it:

- drives GPT's Total Return;
- clearly positions GPT as a leading owner and manager of office assets in Australia;
- increases GPT's capital allocation to prime office assets;
- significantly expands GPT's funds management platform; and
- deploys GPT's considerable balance sheet capacity whilst maintaining its financial strength.

The following outlines GPT's intentions if it achieves acceptances for greater than 90% of CPA units; or if GPT achieves acceptances for less than 90% of CPA units, and all other offer conditions are satisfied or waived.

GPT has the strategic and financial capability to manage the range of scenarios that may arise under the Offer.

## 1. GPT acquires greater than 90% of CPA

If GPT acquires greater than 90% of CPA:

- GPT will proceed with compulsory acquisition of the outstanding CPA units in accordance with the provisions of Chapter 6A of the Corporations Act;
- GPT will appoint an appropriately licensed GPT Group entity as responsible entity of CPA; and
- GPT will proceed with the sale of the GWOFF Assets (a portfolio of five CPA assets) to GWOFF for \$1.1 billion.

## 2. GPT acquires less than 90% of CPA

If GPT acquires less than 90% of CPA and all other offer conditions are waived or satisfied, GPT will seek for an appropriately licensed GPT Group entity to be appointed as responsible entity of CPA. This will require a unitholder vote with support of greater than 50% of votes cast noting GPT will be able to vote its CPA units.

If a GPT entity is appointed as responsible entity of CPA:

- CPA will become a GPT managed fund for which GPT will receive management fees;
- GPT will seek to have appropriately qualified and experienced GPT Group entities undertake asset management, property management, development management and ancillary services, in line with GPT's practice for its other office assets under management;
- CPA would provide GPT an additional \$4 billion in external assets under management, in line with GPT's strategy. GPT has no requirement or obligation to sell any assets in this scenario; and

- CPA will be managed in accordance with the constitution of CPA (including with respect to the payment of fees and distributions), and the statutory duties of the responsible entity of CPA, in the best interests of all CPA Unitholders. GPT will maintain a majority of independent directors on the board of the responsible entity, with appropriate conflict management protocols; and
- GPT intends to conduct a thorough and broad-based general review of CPA's corporate structure, assets and operations.

Under this scenario, the FFO per security accretion to GPT is expected to be more than 3.5%<sup>4</sup> for the year ending 31 December 2014 (on an annualised basis) and GPT's gearing is expected to remain broadly within its target range of 25-35%.

GPT notes the announcement made by DEXUS on 21 November 2013 that it does not currently intend to accept the GPT Offer, but reserves its right to do so. DEXUS' relevant interest in CPA does not prevent any of the intentions indicated above being realised.

Further information as to GPT's intentions is set out in section 5.

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<sup>4</sup> Assumes GPT owns at least 50.1% of CPA

## Why You Should Accept the Offer?

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### Highlights

The GPT Board believes that the Offer provides significant benefits to CPA Unitholders. Reasons for accepting the Offer are set out below.

1	<p>The Offer (based on the GPT Security closing price on 2 December 2013) delivers compelling value to CPA Unitholders and provides:</p> <ul style="list-style-type: none"><li>▪ a 5% premium to the last stated NTA of CPA Units of \$1.19 as at 31 October 2013</li><li>▪ a 4% premium to the closing price of CPA Units on 18 November 2013 of \$1.205 (being the day prior to the announcement of the Offer)</li><li>▪ a 16% premium to the one month volume weighted average price of CPA Units up to and including 23 July 2013, the last day prior to the announcement of the CBA internalisation proposal</li></ul>
2	<p>Increased NTA and distributions compared to your existing investment in CPA:</p> <ul style="list-style-type: none"><li>▪ equivalent distributions per security are expected to increase by 16%</li><li>▪ equivalent NTA per security is expected to increase by 9%</li></ul>
3	<p>Participation in the strategic benefits for GPT including improved prospects for earnings growth and Total Return</p>
4	<p>CPA Unitholders benefit from an investment in a leading office landlord in Australia:</p> <ul style="list-style-type: none"><li>▪ enhanced market position</li><li>▪ increased diversification</li><li>▪ exposure to a leading office management platform with a proven track record</li></ul>
5	<p>Benefits of enhanced scale</p>
6	<p>The Offer:</p> <ul style="list-style-type: none"><li>▪ includes limited conditions and provides timely receipt of consideration once unconditional</li><li>▪ is the only current offer for all of your CPA Units</li></ul>
7	<p>If CPA Unitholders do not accept the Offer there is a risk that their investment in CPA may be adversely impacted because the price of CPA may fall or they may become minority unitholders in a less liquid investment</p>

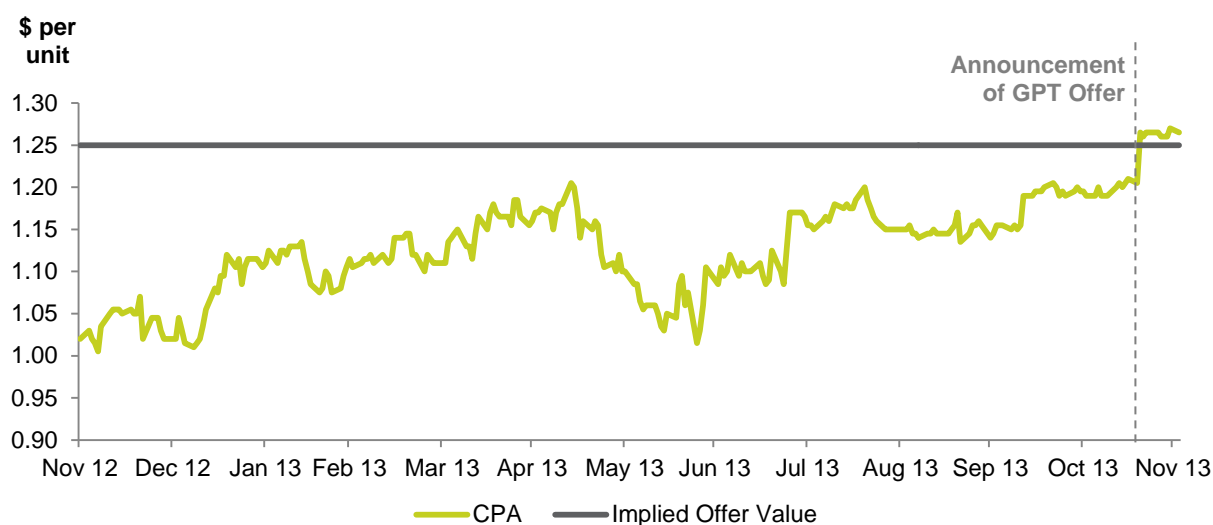
The above table is only a headline summary of some of the benefits to CPA Unitholders that the GPT Board considers the Offer provides. These benefits are explained in further detail within this section. In considering these benefits, CPA Unitholders should also bear in mind that the Offer is subject to a number of risks, which are set out in Section 8 of this Bidder's Statement.

## 1. The Offer delivers compelling value to CPA Unitholders

The Offer Consideration for each CPA Unit is 0.141 GPT Securities plus \$0.75325<sup>5</sup> cash.

As at 3 December 2013 (the date of this Bidder's Statement) the implied value of the Offer Consideration is \$1.25 per CPA Unit (based on the closing price of GPT Securities on 2 December 2013 of \$3.52). The price shown in the graph below includes the anticipated half year distribution for CPA Units. The Offer will be adjusted for any distribution to which CPA Unitholders are entitled.

### CPA Unit Price



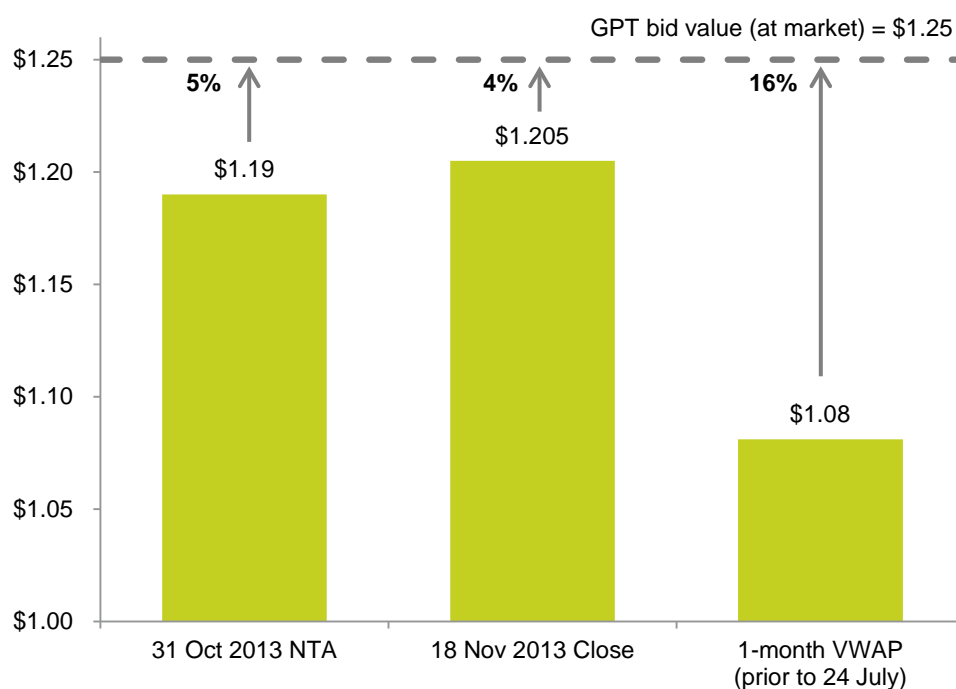
As represented in the chart below, this is:

- a 5% premium to the last stated NTA of CPA Units of \$1.19 as at 31 October 2013;
- a 4% premium to the closing price of CPA Units on 18 November 2013 of \$1.205 (being the day prior to the announcement of the Offer); and
- a 16% premium to the one month volume weighted average price of CPA Units up to and including 23 July 2013, the last day prior to the announcement of the CBA internalisation proposal.

The implied value of the Offer Consideration during the Offer Period will change according to changes in the ASX trading price of GPT Securities. The value of the Offer Consideration is dependent on the trading price of GPT Securities once they are issued to you.

<sup>5</sup> Reduced by the amount of any CPA distribution to which you are entitled, and the GPT Securities issued under the Offer will rank equally with existing GPT Securities.

### Offer Premium (GPT Securities Valued at Market<sup>(1)</sup>)

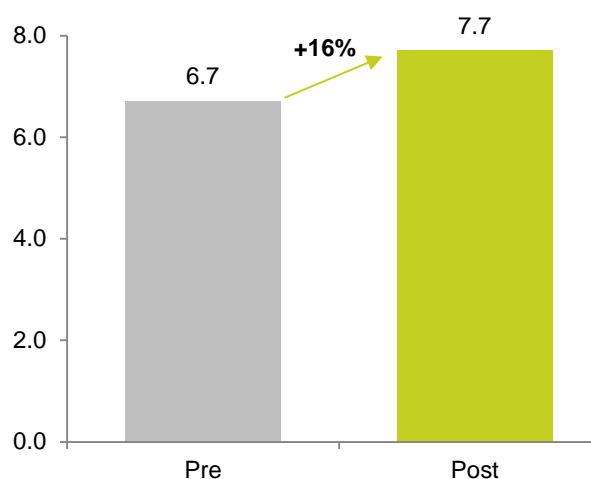


(1) Based on GPT closing price of \$3.52 on 2 December 2013

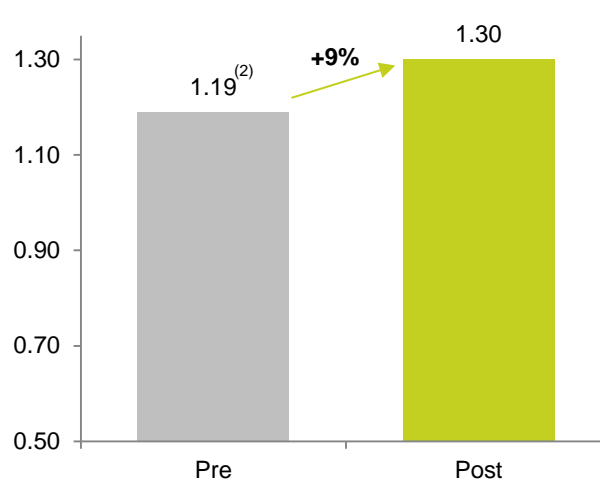
## 2. Increased NTA and distributions for CPA Unitholders

CPA Unitholders who accept the Offer are expected to benefit from a 16% increase in equivalent distributions per security and a 9% increase in equivalent NTA.

### Equivalent DPS Impact (cpu)<sup>(1)</sup>



### Equivalent NTA Impact (\$ per unit)<sup>(1)</sup>



(1) Assumes cash proceeds are reinvested in GPT Securities at a price of \$3.52, GPT pro forma FFO per security of 27.4 cents, a consistent GPT Security distribution payout ratio and GPT pro forma NTA is \$3.65 per security.

(2) CPA NTA as at October 2013 (unaudited).

### 3. Participate in the strategic benefits for GPT including improved prospects for earnings growth and total return

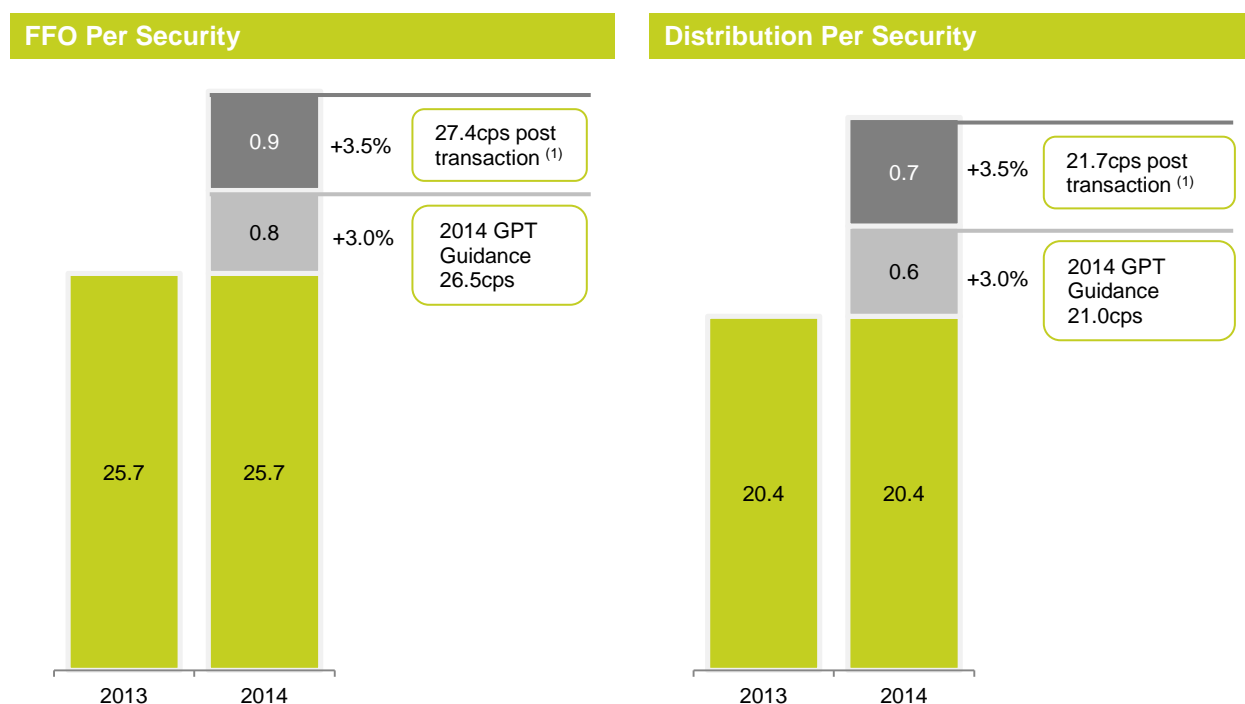
CPA Unitholders who accept the Offer will share in the strategic benefits that the transaction delivers to GPT, namely that it:

- drives GPT's Total Return;
- clearly positions GPT as a leading owner and manager of office assets in Australia;
- increases GPT's capital allocation to prime office assets;
- significantly expands GPT's funds management platform; and
- deploys GPT's considerable balance sheet capacity whilst maintaining its financial strength.

The acquisition of CPA is expected to provide FFO and distribution growth for GPT:

- on a standalone basis, GPT expects to deliver 3% FFO per security growth in 2014; the acquisition of CPA is expected to deliver FFO per security accretion (on an annualised basis) of at least 3.5% in 2014
- on a standalone basis, GPT expects to deliver 3% distributions per security growth in 2014; the acquisition of CPA is expected to deliver distributions per security accretion (on an annualised basis), of at least 3.5% in 2014
- the Combined Group will deliver improved growth prospects as a result of the expected FFO per security accretion, an uplift in total return and the potential expansion of GPT's funds management platform.

For more information see section 6.4.



(1) For 2014 on an annualised basis. Assuming a consistent GPT Security distribution payout ratio.



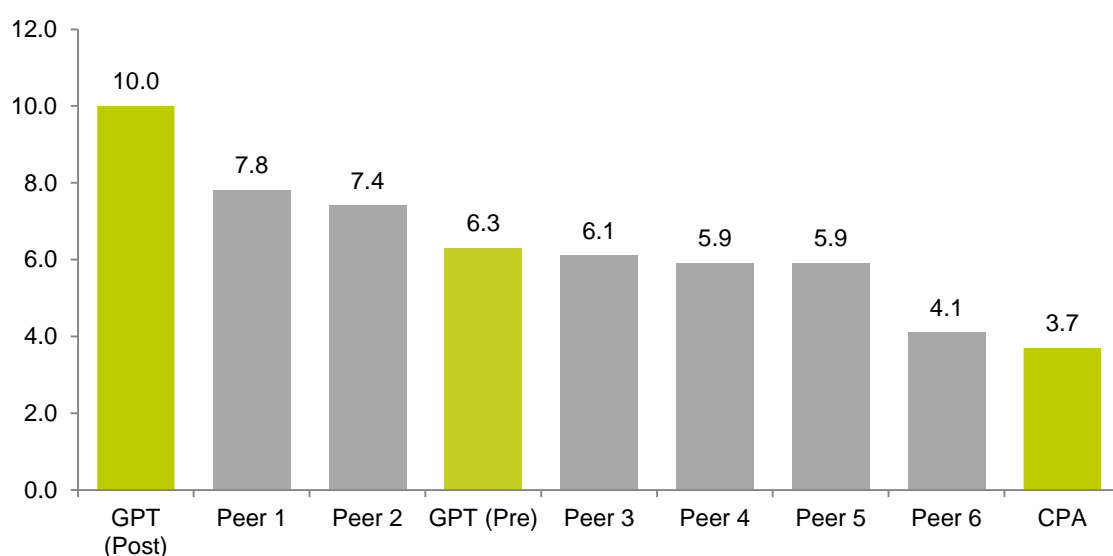
## 4. Investment in a leading office landlord in Australia

### a) Enhanced market position

The merger will position GPT as the clear leader in the Australian office sector with \$10.0 billion of office properties under management and 1.8 million square metres of office space across 45 assets.

Post-acquisition the Combined Group will manage one of the highest quality office portfolios in the sector with a 96% prime<sup>6</sup> grade weighting balanced between premium and A-grade assets. CPA's office portfolio provides complementary risk/return characteristics to GPT's existing portfolio.

**Australian Office Managers (AUM \$bn)<sup>(1)</sup>**



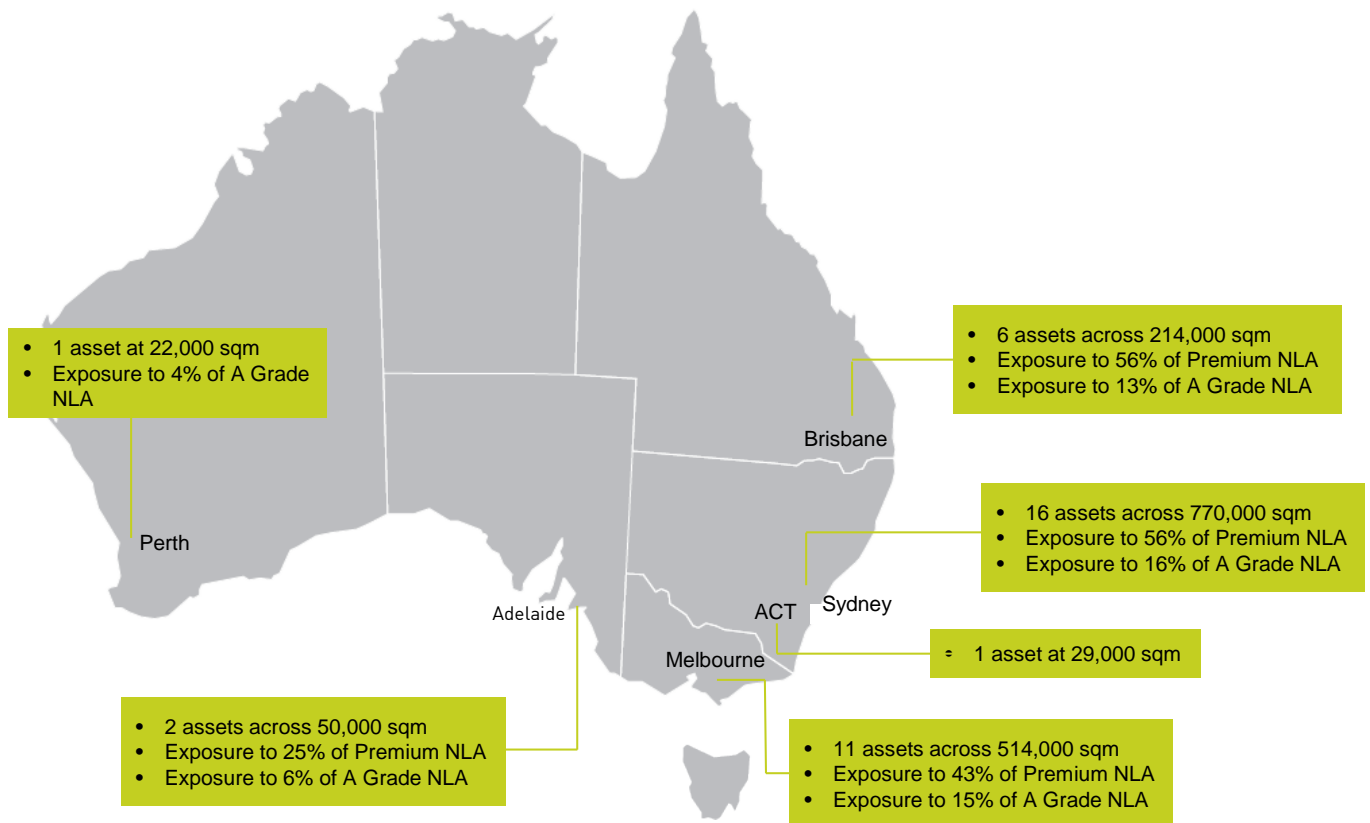
(1) As at 30 June 2013

### b) Increased diversification

The highly diversified portfolio of 45 assets will have geographic exposure to 6 markets, with:

- the largest asset representing approximately 7% of the portfolio; and
- the largest single tenant representing approximately 2% of income.

<sup>6</sup> Prime comprises Premium and A-Grade



Note: CBD markets only. Exposures calculated on 100% of the NLA of GPT's and GWOFF's interests in its assets.

### c) Exposure to a leading office management platform with a proven track record

CPA Unitholders will have access to a leading office management platform, with a proven track record of outperformance in office asset management. The strength of the GPT office management platform is reflected in the strong performance of the GPT Wholesale Office Fund (GWOFF), the best performing wholesale office fund in the Australian market<sup>7</sup>.

GPT's capabilities include a full range of property expertise and GPT employs industry specialists with dedicated teams across investment management, asset management, property management, leasing, development, sustainability and capital transactions.

The team's end-to-end office capability is provided by a senior team with an average experience of greater than 15 years and supported by more than 100 professionals.

<sup>7</sup> As measured with reference to the IPD Pooled Property Funds Index

## 5. Benefits of enhanced scale

- CPA Unitholders will be part of a large Australian listed real estate investment trust
  - total assets of the Combined Group of \$12 billion, with a market capitalisation of \$7.1 billion<sup>8</sup>
  - significant increase from CPA's current total assets of \$3.8 billion and market capitalisation of \$3.0 billion<sup>9</sup>
- The merger will add significant market coverage, with the merged entity expected to have market share of:
  - 18% of the national prime CBD office market
  - 23% of the prime eastern seaboard office market
  - 52% of the premium assets on the eastern seaboard
  - 15% of A Grade stock on the eastern seaboard
- Increased scale should generate efficiencies, including reducing management expenses as a proportion of assets under management.

## 6. The Offer is subject to limited conditions and provides for the timely receipt of consideration once unconditional

The GPT Offer is subject to limited conditions and provides for timely receipt of consideration by CPA Unitholders once the Offer becomes unconditional. As set out in section 11.10, CPA Unitholders will receive consideration within or on the later of 5 Business Days of their acceptance of the Offer, or 10 Business Days of the Offer being declared unconditional.

On 11 October 2013, DEXUS and CPPIB announced an indicative, non-binding proposal to acquire 100% of CPA by way of an informal trust scheme.

On 11 November 2013, DEXUS and CPPIB announced that they had revised their proposal of 11 October 2013, and had entered into a Process Agreement with CMIL. DEXUS and CPPIB also announced that the independent directors of CMIL had confirmed that they would recommend that revised proposal in the absence of a superior proposal and subject to an independent expert opinion that the revised proposal is in the best interest of CPA Unitholders.

On 25 November 2013, CPA announced that the board of CMIL had terminated the Process Agreement under its terms as DEXUS and CPPIB did not match the GPT Offer. DEXUS and CPPIB entered into a confidentiality agreement with CMIL to undertake due diligence on a non-exclusive basis until 9 December 2013.

There is no other offer for all of your CPA Units at this time.

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<sup>8</sup> Based on GPT price of \$3.52 on 2 December 2013 and assuming acquisition of 100% of CPA Units

<sup>9</sup> Based on CPA price of \$1.265 on 2 December 2013 and assuming acquisition of 100% of CPA Units

**7. If CPA Unitholders do not accept the Offer, there is a risk that your investment in CPA may be adversely impacted**

- If the Offer does not proceed because the conditions are not satisfied or waived there is a risk that the CPA Unit price may fall below the Offer price.
- If GPT acquires more than 50% of CPA but does not achieve compulsory acquisition, CPA Unitholders who do not accept the Offer will become minority unitholders and their investment in CPA may become less liquid.
- In addition, if a change of control event occurs in CPA, the holders of CPA Convertible Notes may have the right to convert their securities at a price that would be dilutive to CPA's NTA. Further details in relation to the CPA Convertible Notes are set out in Section 4.9.

# 1. Profile of GPT

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Data and figures in the following section are as at 30 June 2013 unless indicated otherwise.

## 1.1 Overview of GPT

### (a) GPT Group overview

The GPT Group is an active owner and manager of an \$8.3 billion diversified portfolio of high quality Australian Retail, Office and Logistics & Business Park property assets and the manager of two wholesale funds with \$7.1 billion under management.

Listed on the ASX since 1971, GPT is one of Australia's largest diversified listed property groups with a market capitalisation of approximately \$6.0 billion, GPT has a substantial investor base, with over 39,000 investors and is one of the top 50 listed stocks on the ASX by market capitalisation.

GPT's strategy is focused on owning and actively managing quality Australian property assets with the aim of delivering superior risk adjusted returns to securityholders.

GPT's capabilities include a range of property expertise and GPT employs industry specialists with dedicated teams across investment management, asset management, development and capital transactions. GPT's Investment Management team is focused on maximising returns across the portfolio.

Information about GPT is available on its website: [www.gpt.com.au](http://www.gpt.com.au).

### (b) GPT Strategy

On 28 October 2013, GPT announced a Group Strategy comprising three key elements:

- Driven by Total Return
- A goal of \$10 billion growth in Funds Management
- Frugal approach and a fortress balance sheet

The acquisition of CPA is highly strategic for GPT, delivering on each element of the GPT Group strategy.

### (c) Structure

General Property Trust and its controlled entities and GPTMHL and its controlled entities form the stapled entity, the GPT Group.

General Property Trust is a registered scheme, registered and domiciled in Australia. GPT RE is the Responsible Entity of General Property Trust. GPTMHL is a company limited by shares, incorporated and domiciled in Australia. GPT RE is a wholly owned controlled entity of GPTMHL.

The registered office and principal place of business of GPT is MLC Centre, Level 51, 19 Martin Place, Sydney NSW 2000.

GPT's stapled securities are listed on the ASX.

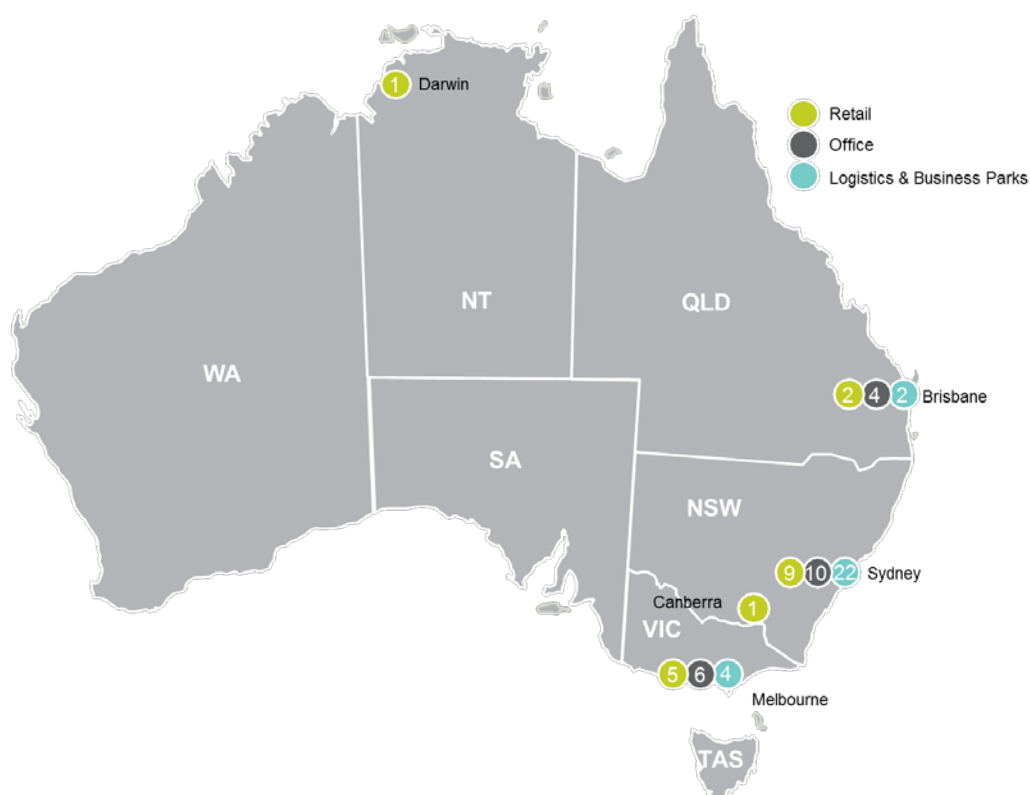
## 1.2 Principal activities of the GPT Group

The principal activities of the GPT Group are:

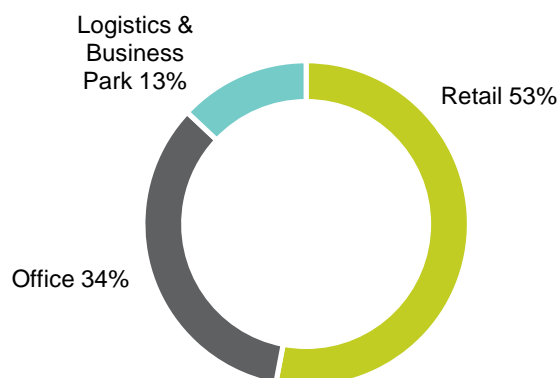
- investment in income producing Retail, Office and Logistics & Business Park assets;
- development of Retail, Office and Logistics & Business Park assets;
- property funds management; and
- asset and property management.

## 1.3 GPT's portfolio

GPT's portfolio consists of 65 properties in the Retail, Office and Logistics & Business Park sectors. The asset portfolio is of high quality, consisting of predominantly regional shopping centres, prime office towers and quality logistics & business park assets.



### (a) GPT portfolio diversity



	Portfolio Size	WALE	Occupancy	WACR
Retail	\$4.5 billion	4.3 years	99.5%	6.03%
Office	\$2.8 billion	5.6 years	95.2%	6.78%
Logistics & Business Park	\$1.0 billion	5.4 years	98.5%	8.27%
<b>Total</b>	<b>\$8.3 billion</b>	<b>4.9 years</b>	<b>98.1%</b>	<b>6.53%</b>

Weighted Average Lease Expiry (WALE).

Weighted Average Capitalisation Rate (WACR).

**(b) Retail portfolio**

GPT is a leading owner, manager and developer of Australian retail property. GPT's retail investments of \$4.5 billion include a portfolio of assets held on the GPT Group's balance sheet and a 21.9% interest in GWSCF, giving GPT exposure to 16 high quality, predominantly regional, shopping centres. The properties are well diversified geographically and are located along the eastern seaboard in major regional areas of Australia, with an additional regional centre located in Darwin.

Key Metrics	As at 30 June 2013
Portfolio value	\$4.5 billion
Assets under Management	\$7.5 billion <sup>(1)</sup>
Number of assets	16 shopping centres
GPT owned asset locations	New South Wales – 3 Victoria – 3 Queensland – 1 Northern Territory – 1
GWSCF owned asset locations	New South Wales – 5 Victoria – 3 Australian Capital Territory – 1 Northern Territory – 1
Gross Lettable Area	980,000 sqm
Number of tenants	3,500+
Weighted Average Capitalisation Rate	6.03% <sup>(2)</sup>
Occupancy	99.5% <sup>(2)</sup>
Weighted Average Lease Expiry	4.3 years
Top tenants	Wesfarmers, Woolworths, Myer, Premier Retail (Just Group) and Hoyts

(1) Includes jointly owned assets.

(2) Includes GPT shopping centres and GPT interest in GWSCF.

The Retail portfolio includes some of the best performing shopping centres in Australia. This is evidenced by the high levels of productivity and occupancy of 99.5%. The total return for the Retail portfolio for the 12 months to 30 June 2013 was 7.1%.

GPT has been very active in addressing market challenges in the retail sector by focusing on growing market share of sales, cost efficiencies, minimising risk and ensuring its assets meet the future requirements of its customers. These activities will position the portfolio well for the future and provide sustainable benefits.

Property <sup>(1)</sup>	Location	Ownership	GLA (100% Interest) (sqm)	30 Jun 13 Fair Value (\$m)	30 Jun 13 Cap Rate (%)	Occupancy (%)
<b>GPT Retail Portfolio</b>						
Casuarina Square	NT	50%	53,500	239.9	6.00%	100.0%
Charlestown Square	NSW	100%	90,800	828.0	6.00%	99.1%
Dandenong Plaza	VIC	100%	61,300	155.0	8.00%	99.9%
Highpoint Shopping Centre <sup>(2)</sup>	VIC	16.67%	153,900	291.5	5.75%	99.6%
Melbourne Central <sup>(3)</sup>	VIC	100%	52,700	961.7	5.75%	99.6%
Rouse Hill Town Centre	NSW	100%	68,400	462.7	6.00%	99.2%
Sunshine Plaza	QLD	50%	72,700	395.0	5.75%	100.0%
Westfield Penrith	NSW	50%	92,100	552.5	5.75%	100.0%
<b>GWSCF Portfolio</b>						
Carlingford Court	NSW	100%	33,000	168.4	7.50%	98.9%
Casuarina Square	NT	50%	53,500	240.1	6.00%	100.0%
Chirnside Park	VIC	100%	37,900	231.0	7.00%	100.0%
Forestway Shopping Centre	NSW	100%	9,600	83.9	7.50%	98.5%
Highpoint Shopping Centre <sup>(2)</sup>	VIC	50%	153,900	873.7	5.75%	99.6%
Macarthur Square	NSW	50%	94,400	401.5	6.25%	99.3%
Norton Plaza	NSW	100%	11,900	105.8	7.00%	100.0%
Parkmore Shopping Centre	VIC	100%	36,800	212.0	7.25%	99.5%
Westfield Woden	ACT	50%	72,200	325.6	6.25%	99.3%
Wollongong Central	NSW	100%	37,900	374.5	6.50%	N/A
<b>Total</b>			<b>979,100</b>		<b>6.03%<sup>(4)</sup></b>	<b>99.5%<sup>(4)</sup></b>

(1) All data as at 30 June 2013

(2) Fair value includes Homemaker City Maribyrnong. Cap rate of 9.00%.

(3) Fair value includes retail and 100% interest in car park. Car park cap rate of 7.50%.

(4) Includes GPT shopping centres and GPT interest in GWSCF.



(c) **Office portfolio**

GPT's office investment of \$2.8 billion includes a portfolio of assets held on the GPT Group's balance sheet and a 20.1% interest in GWOF, giving GPT exposure to 20 Premium and A Grade office buildings.

Key Metrics	As at 30 June 2013
Portfolio value	\$2.8 billion
Assets under Management	\$6.3 billion <sup>(1)</sup>
Number of assets	20 office assets
GPT owned asset locations	New South Wales – 4 Victoria – 2 Queensland – 1
GWOF owned asset locations	New South Wales – 6 Victoria – 4 Queensland – 4
Net Lettable Area	1,010,000 sqm
Number of tenants	350+
Weighted Average Capitalisation Rate	6.78%
Occupancy	95.2%
Weighted Average Lease Expiry	5.6 years
Top tenants	Government, Citigroup, Members Equity and National Australia Bank

(1) Includes jointly owned assets

GPT's office properties are weighted towards Premium Grade assets, which represent 64% of the portfolio, with the remainder of the properties rated A Grade. GPT has the highest proportion of premium office properties relative to any other ASX listed Real Estate Investment Trust. GPT's office portfolio remains in a solid position with occupancy of 95.2% and a long weighted average lease expiry of 5.6 years.

GPT's office portfolio is geographically diversified, with assets located in the capital cities and major metropolitan areas along Australia's eastern seaboard. The assets are primarily located in Sydney, which accounts for 61% of the portfolio. A total of 25% of the portfolio's properties are located in Melbourne, while 14% are located in Brisbane.

GPT's office portfolio attracts high quality tenants, with major tenants including federal and state government bodies, Citigroup, Members Equity and National Australia Bank. The portfolio comprises a diverse base of more than 350 customers across a wide range of sectors, with no major exposure to a single tenant.

The GPT office team continues to achieve leasing and asset outcomes which place the portfolio in a position to meet challenging short term market conditions. The success of this strategy has been supported by the improved total return outcomes for assets where GPT has achieved longer lease expiries such as Australia Square and Melbourne Central Tower. The leasing success at these and other assets drove a total return for the office portfolio of 9.8% for the 12 months to 30 June 2013.

Property <sup>(1)</sup>	Location	Ownership	Office NLA (100% interest) (sqm)	30 Jun 13 Fair Value (\$m)	30 Jun 13 Cap Rate (%)	Occupancy <sup>(2)</sup> (%)
<b>GPT Office Portfolio</b>						
Australia Square, Sydney	NSW	50%	51,400	305.0	6.75%	91.4%
Citigroup Centre, Sydney	NSW	50%	73,400	389.4	6.63%	96.8%
MLC Centre, Sydney	NSW	50%	68,400	375.0	7.00%	94.2%
1 Farrer Place, Sydney	NSW	25%	86,700	332.5	6.25%	96.6%
Melbourne Central Tower, Melbourne	VIC	100%	65,600	380.7	7.00%	94.2%
818 Bourke Street, Melbourne	VIC	100%	21,900	138.0	7.25%	100.0%
One One One Eagle Street, Brisbane	QLD	33%	63,800	222.7	6.50%	83.7%
<b>GWOFF Portfolio</b>						
161 Castlereagh Street, Sydney	NSW	50%	56,300	415.0	6.25%	100.0%
Darling Park 1 & 2, Sydney	NSW	50%	102,000	596.4	6.50% - 6.75%	100.0%
Darling Park 3, Sydney	NSW	100%	29,800	288.0	7.00%	100.0%
HSBC Centre, Sydney	NSW	100%	37,300	325.0	7.25%	98.0%
workplace <sup>6</sup> , Sydney	NSW	100%	16,300	167.0	7.00%	100.0%
The Zenith, Chatswood	NSW	50%	43,400	117.1	8.50%	96.7%
8 Exhibition Street, Melbourne	VIC	50%	44,600	169.1	6.50%	100.0%
Twenty8 Freshwater Place, Melbourne	VIC	50%	33,900	115.0	7.00%	100.0%
530 Collins Street, Melbourne	VIC	100%	66,000	432.0	6.88%	96.8%
800/808 Bourke Street, Melbourne	VIC	100%	59,600	372.5	6.50%	100.0%
Brisbane Transit Centre, Brisbane	QLD	50%	29,500	62.5	9.00%	100.0%
One One One Eagle Street, Brisbane	QLD	33%	63,800	221.3	6.50%	83.7%
Riverside Centre, Brisbane	QLD	100%	51,500	560.0	7.00%	96.8%
545 Queen Street, Brisbane	QLD	100%	13,100	89.0	8.25%	100.0%
<b>Total</b>			<b>1,014,500</b>		<b>6.78%</b>	<b>95.2%</b>

(1) All data as at 30 June 2013

(2) Includes Heads of Agreement

(d) **Logistics & Business Park portfolio**

The portfolio consists of ownership of 29 high quality Logistics & Business Park assets located in Australia's major industrial areas.

Key Metrics	As at 30 June 2013
Portfolio value	\$1.0 billion <sup>(1)</sup>
Assets under Management	\$1.0 billion <sup>(1)</sup>
Number of assets	29 assets
GPT owned asset locations	New South Wales – 23 Victoria – 4 Queensland – 2
Gross lettable area	640,000 sqm
Number of tenants	70+
Weighted Average Capitalisation Rate	8.27%
Occupancy	98.5%
Weighted Average Lease Expiry	5.4 years
Top tenants	Wesfarmers, Lion Group, Australian Pharmaceutical Industries, Freedom Furniture and Goodman Fielder

(1) Including assets under development

The Logistics & Business Park assets are predominantly located in the major eastern seaboard industrial markets. The industrial portfolio is geographically weighted towards Australia's largest industrial market being New South Wales, with 65% of the properties located in this state. The remainder of the portfolio's assets are located in Victoria (30%) and Queensland (5%).

The Logistics & Business Park investment portfolio is performing well, delivering a 9.1% total return over the 12 months to 30 June 2013. Occupancy remains high at 98.5% with a long weighted average lease expiry of 5.4 years.

GPT has made significant progress on its strategy to increase exposure to the logistics sector over the past 18 months. In addition to the acquisition of a number of assets in 2012, development of GPT's existing land bank accelerated in the first half of 2013 with GPT in an exclusive position on three opportunities at Erskine Park with an end value of \$234 million. GPT will also shortly commence development at 3 Murray Rose Avenue, Sydney Olympic Park with an expected end value of approximately \$72 million.

Property <sup>(1)</sup>	Location	Ownership	GLA (100% interest( sqm)	30 Jun 13 Fair Value (\$m)	30 Jun 13 Cap Rate (%)	Occupancy (%)
Rosehill Business Park, Camellia	NSW	100%	41,900	67.4	8.25% <sup>(2)</sup>	89.1%
10 Interchange Drive, Eastern Creek	NSW	100%	15,100	28.6	7.65%	100.0%
Connect@Erskine Park Stage 1	NSW	100%	15,200	38.8	7.50%	100.0%
Connect@Erskine Park Stage 2	NSW	100%	12,700	20.0	7.75%	100.0%
15 Berry Street, Granville	NSW	100%	10,000	13.3	8.75%	100.0%
19 Berry Street, Granville	NSW	100%	19,600	26.6	8.50%	100.0%
2-4 Harvey Road, Kings Park	NSW	100%	40,300	44.1	8.50%	100.0%
407 Pembroke Road, Minto	NSW	50%	15,300	23.3	8.50%	100.0%
4 Holker Street, Newington	NSW	100%	7,400	26.0	9.00%	100.0%
18-24 Abbott Road, Seven Hills	NSW	100%	19,400	13.7	10.00%	100.0%
83 Derby Street, Silverwater	NSW	100%	17,000	25.2	8.50%	100.0%
3 Figtree Drive, Sydney Olympic Park	NSW	100%	6,800	19.4	9.25%	100.0%
5 Figtree Drive, Sydney Olympic Park	NSW	100%	8,800	20.6	8.75%	100.0%
7 Figtree Drive, Sydney Olympic Park <sup>(3)</sup>	NSW	100%	3,500	13.5	N/A	100.0%
6 Herb Elliott Avenue, Sydney Olympic Park <sup>(3)</sup>	NSW	100%	4,100	12.5	N/A	100.0%
8 Herb Elliott Avenue, Sydney Olympic Park <sup>(3)</sup>	NSW	100%	3,300	10.2	N/A	100.0%
5 Murray Rose Avenue, Sydney Olympic Park	NSW	100%	12,400	70.2	7.50%	100.0%
Quad 1, Sydney Olympic Park	NSW	100%	5,000	20.0	8.50%	37.9%
Quad 2, Sydney Olympic Park	NSW	100%	5,100	24.4	8.25%	100.0%
Quad 3, Sydney Olympic Park	NSW	100%	5,200	23.6	8.25%	100.0%
Quad 4, Sydney Olympic Park	NSW	100%	8,000	33.8	8.25%	100.0%
7 Parkview Drive, Sydney Olympic Park <sup>(3)</sup>	NSW	100%	2,300	19.4	N/A	100.0%
372-374 Victoria Street, Wetherill Park	NSW	100%	20,500	18.4	9.25%	100.0%
Citiwest Industrial Estate, Altona North	VIC	100%	90,000	66.6	8.56% <sup>(2)</sup>	100.0%
Citiport Business Park, Port Melbourne	VIC	100%	27,100	62.0	8.50%	94.4%
Austrak Business Park, Somerton	VIC	50%	193,600	140.0	7.75%	100.0%
134-140 Fairbairn Road, Sunshine West	VIC	100%	16,700	13.2	9.25%	100.0%
92-116 Holt Street, Pinkenba	QLD	100%	15,400	13.5	9.25%	100.0%
<b>Total</b>			<b>641,700</b>	<b>908.2</b>	<b>8.27%</b>	<b>98.5%</b>

(1) All data as at 30 June 2013. Relates to investment portfolio only.

(2) Represents weighted average cap rate of constituent properties.

(3) Valued on a rate per sqm of potential gross floor area (GFA). Costs such as demolition and deferment of development have been deducted. The PV of the current lease has then been added to the value.

(e) **Development**

The development business adds value by creating and redeveloping assets for GPT and its managed funds.

The business has two units – Retail & Major Projects and Logistics & Business Park Development.

The Retail & Major Projects development business is focused on creating and enhancing value across the Retail and Office portfolio, on behalf of assets owned on balance sheet and in GPT's funds. The Logistics & Business Park development business is focused on the development of logistics and business park assets for either the GPT balance sheet or for potential new funds.

New developments are subject to strict criteria and must deliver accretive returns in line with GPT's stated targets. GPT does not take construction risk and will only engage with leading international and Australian contractors.

**Retail & Major Projects**

**Under Development**

Wollongong Central - Wollongong, NSW  
150 Collins Street, Melbourne, VIC

**Planned**

Casuarina Square, Darwin, NT

**Logistics & Business Parks**

**Under Development**

Toll NQX, Karawatha, QLD

**Planned**

Sydney Olympic Park, Homebush, NSW  
Erskine Park, NSW  
Austrak Business Park, Somerton, VIC  
Chullora, NSW

Pipeline Summary	Retail & Major Projects Forecast Cost (\$m)	Logistics & Business Parks Forecast Cost (\$m)	Total Forecast Cost (\$m)
Underway <sup>1</sup>	\$250m	\$50m	\$300m
Planned	\$250m	\$425m	\$675m
Future Pipeline	\$1,760m	-	\$1,760m
<b>Total Pipeline</b>	<b>\$2,260m</b>	<b>\$475m</b>	<b>\$2,735m</b>

Note:

(1) Costs to complete current projects.

(f) **Funds Management**

The GPT Funds Management platform comprises two wholesale funds in the retail (GWSCF) and office (GWOFF) sectors with a combined \$7.1 billion of funds under management. GPT has \$1.2 billion invested across the two funds, which provides it with a stable income stream from high quality assets. This income stream is enhanced by the funds management, property management and development management fees generated from both funds, providing an enhanced return to GPT.

Funds Management is one of the key growth platforms for GPT and the team has delivered 28% growth in funds under management in the existing funds over the past 18 months, well ahead of the sector average. Over the past three years, the funds have raised significant amounts of capital, demonstrating the strong relationships GPT has with its wholesale investors both domestically and offshore. GPT has also added additional team members to support the creation of new product opportunities.

GWOF and GWSCF were the top two performing core wholesale funds over the past year. This achievement reflects the high quality of both funds which continue to deliver outperformance against their peers.

GWOF provides wholesale investors with exposure to high quality office assets, located in Australia's major office markets. GWOF was launched in July 2006 with a portfolio of \$2.15 billion of office assets and has since grown to 15 office assets located across Australia's key CBD office markets with a value of \$4.0 billion. GPT holds a 20.1% interest in the Fund.

GWSCF provides wholesale investors with exposure to high quality retail assets. The Fund was established in March 2007 as a \$1.9 billion portfolio consisting of interests in eight retail assets located in New South Wales and Victoria. GWSCF now comprises 10 shopping centres with a value of \$3.0 billion. GPT holds a 21.9% interest in the Fund.

Key Metrics	As at 30 June 2013	
	GWOF	GWSCF
Number of assets	15 office assets	10 shopping centres
Property investments	\$4.0 billion	\$3.0 billion
One year return (post fees)	10.6%	9.3%
GPT's ownership interests	20.1%	21.9%
Established	July 2006	March 2007

#### 1.4 Strategy and objectives

In October 2013, GPT provided a strategy update to the market where it outlined three key focal points for the business:

- 1) Elevating Total Return to be the primary measure across the business;
- 2) Significantly expanding Funds under Management (FUM) by \$10 billion; and
- 3) Maintaining a frugal approach to managing the business, with the strength of a fortress balance sheet.

GPT's strategy is focused on maximising the financial potential of Australian property with solutions that fulfil the aspirations of our investors, tenants and communities. GPT Group is focused on owning and actively managing a diversified portfolio of quality Australian property assets with the aim of delivering a secure, reliable investment targeting superior risk adjusted returns over time.

- **Driven by Total Return**

GPT's primary financial metric is Total Return at both the GPT Group and at an asset level. Total Return is calculated as distributions plus the increase in the value of the GPT Group's net tangible assets.

GPT's core portfolio strategy is to remain diversified. The strategic review conducted earlier in 2013 found that there was no compelling evidence to suggest that one sector will outperform another in the long term. This supports diversification rather than a shift to single sector specialisation and points to a need to be more flexible and tactical in GPT's approach to sector weightings, with investment decisions being led by the quality of the assets and stock selection.

The key to success for GPT is ensuring that capital is allocated in the most effective manner. Strong skills in capital allocation provide a unique competitive advantage resulting in outperformance.

The acquisition of CPA drives GPT's total return through:

- Accretion to GPT's long term Total Return target of >9% by 30-40 basis points;
- FFO per security accretion of at least 3.5% in 2014 on an annualised basis;
- Acquisition of a prime quality office portfolio; and
- Opportunities to extract further value through GPT's demonstrated management expertise and portfolio management.

- **\$10 Billion Increase in Funds under Management**

Growth in Funds under Management (FUM) of \$10 billion will enable GPT to increase active earnings from 3% to 10% of GPT Group earnings. This will come from increasing the size of the existing funds and introducing new funds, with a logistics fund and a metropolitan office fund planned to be launched in 2014.

The rationale for increasing GPT's exposure to funds management activities is based on driving Total Returns whilst maintaining a low cost of capital. GPT is well positioned to execute on this strategy given its success to date in funds management. As at 30 June 2013, GPT had \$7.1 billion of funds under management, the two best performing funds in the core wholesale sector in the last twelve months, and had raised more than \$2.0 billion of equity in the funds since 2010. This positions GPT strongly to take advantage of the large and growing demand for real estate assets and investment products in Australia from both domestic and offshore capital sources.

The acquisition of 100% of CPA expands GPT's Funds Management platform via:

- Asset sale arrangements with GWOF in relation to five CPA assets for \$1.1 billion, expanding the external Funds Management platform by 15%; and
- Opportunities for additional fund initiatives.

- **Frugal Approach and Fortress Balance Sheet**

A frugal approach will enable GPT to deliver a Management Expense Ratio (MER), calculated as management expenses over assets under management, of less than 45 basis points, one of the lowest amongst GPT's peer group. GPT will also maintain a disciplined approach to capital management, giving the GPT Group the flexibility to execute on investment opportunities as they arise.

The acquisition of CPA deploys GPT's considerable balance sheet capacity at an opportune time in the cycle, whilst maintaining GPT's financial strength.

## **1.5 Directors of GPT Group**

The Boards of GPT RE and GPTMHL have the same Directors comprising six Non-Executive Directors and one Executive Director.

Members of the Board have significant experience in various fields, including funds management, property investment and development, financial markets, taxation and accounting.

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### **Rob Ferguson**

#### **Chairman and Non-Executive Director**

Mr Ferguson joined the Board on 25 May 2009.

Mr Ferguson brings to the Board a wealth of knowledge and experience in finance, investment management and property as well as corporate governance.

Mr Ferguson is currently the Non-Executive Chairman of IMF (Australia) Limited, Non-Executive Chairman of Primary Health Care Limited and Non-Executive Director of MoneySwitch Limited.

Mr Ferguson was Managing Director and Chief Executive of Bankers Trust for 15 years and was an independent Non-Executive Director of Westfield for 10 years.

Mr Ferguson is a member of the Nomination and Remuneration Committee.

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### **Michael Cameron**

#### **Chief Executive Officer and Managing Director**

Mr Cameron joined The GPT Group as CEO and Managing Director in May 2009.

He has over 30 years' experience in Finance and Business, including 10 years with Lend Lease, where he was Group Chief Accountant then Financial Controller for MLC Limited before moving to the US in 1994 in the role of Chief Financial Officer/Director of The Yarmouth Group, Lend Lease's US property business.

More recently Michael was Group Chief Financial Officer then Group Executive of the Retail Bank Division for the Commonwealth Bank of Australia, and Chief Financial Officer of St George Bank.

Mr Cameron is a Non-Executive Director of the Great Barrier Reef Foundation and a Non-Executive Director of Suncorp Group Limited and its regulated entities.



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**Eric Goodwin****Non-Executive Director**

Mr Goodwin was appointed to the Board in November 2005. Mr Goodwin has experience in design, construction, project management, general management and funds management. His experience includes fund management of the MLC Property Portfolio and he was the founding Fund Manager of the Australian Prime Property Fund.

Mr Goodwin is a Non-Executive Director of Eureka Funds Management Limited, Lend Lease Global Properties SICAF and Duet Group (Chair of Duet Finance Limited and Duet Finance Trust).

Mr Goodwin is a member of the Audit and Risk Management Committee and a member of the Sustainability Committee.

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**Anne McDonald****Non-Executive Director**

Ms McDonald was appointed to the Board on 2 August 2006. Ms McDonald is a chartered accountant and was previously a partner of Ernst & Young for 15 years specialising as a company auditor and advising multinational and local companies on governance, risk management and accounting issues.

Ms McDonald is currently a Non-Executive Director Spark Infrastructure Group and Specialty Fashion Group. She is also a Non-Executive Director of Westpac's Life and General Insurance businesses and Sydney Water. Ms McDonald provides an advisory role to the Norton Rose Australian Partnership Council.

Ms McDonald is Chair of the Audit and Risk Management Committee.

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**Brendan Crotty****Non-Executive Director**

Mr Crotty was appointed to the Board on 22 December 2009.

He brings extensive property industry experience to the Board, including 17 years as Managing Director of Australand until his retirement in 2007. Brendan is currently a director of Brickworks Limited and a privately owned major Victorian based land development and housing company, as well as being Chairman of the Western Sydney Parklands Trust and CloudFX Group Holdings Pte Ltd (incorporated in Singapore). He is also a director of the Barangaroo Delivery Authority.

Mr Crotty is a member of the Audit and Risk Management Committee and the Sustainability Committee.

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**Dr Eileen Doyle****Non-Executive Director**

Dr Doyle was appointed to the Board on 1 March 2010.

Dr Doyle has over two decades of diverse business experience. She has held senior executive roles and Non-Executive Director roles in a wide range of industries, including research, financial services, building and construction, steel, mining, logistics and export. Currently, Dr Doyle's directorships include Hunter Valley Research Foundation (Chairman), CSIRO (Deputy Chairman), Bradken Limited, Boral Limited and Newcastle Port Corporation.

Dr Doyle is Chair of the Sustainability Committee and a member of the Nomination and Remuneration Committee.

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**Gene Tilbrook****Non-Executive Director**

Mr Tilbrook was appointed to the Board on 11 May 2010. Mr Tilbrook brings extensive experience in finance, corporate strategy, investments and capital management.

Mr Tilbrook is a Non-Executive Director of Fletcher Building Ltd, Aurizon Holdings Limited and Orica Limited.

Mr. Tilbrook is a councillor of the Australian Institute of Company Directors (WA Division) and Curtin University; and a member of the board of the Bell Shakespeare Company.

Mr Tilbrook is Chair of the Nomination and Remuneration Committee.

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## **1.6 Leadership team**

The GPT Leadership Team is responsible for all aspects of the management of the GPT Group, its properties and services.

This includes determining the strategic direction of the Group, managing assets, acquiring and selling properties, accessing funding and providing appropriate services to investors. The team has a long history with GPT, ensuring continuity of processes and systems.

### **Michael Cameron**

#### **Chief Executive Officer and Managing Director**

Mr Cameron joined The GPT Group as CEO and Managing Director in May 2009.

He has over 30 years' experience in Finance and Business, including 10 years with Lend Lease, where he was Group Chief Accountant then Financial Controller for MLC Limited before moving to the US in 1994 in the role of Chief Financial Officer/Director of The Yarmouth Group, Lend Lease's US property business.

More recently Michael was Group Chief Financial Officer then Group Executive of the Retail Bank Division for the Commonwealth Bank of Australia, and Chief Financial Officer of St George Bank.

Mr Cameron is a Non-Executive Director of the Great Barrier Reef Foundation and a Non-Executive Director of Suncorp Group Limited and its regulated entities.

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### **Mark Fookes**

#### **Chief Financial Officer**

Mark is responsible for GPT's capital management, accounting and financial reporting functions as well as overseeing Investor Relations and Communications, IT, Risk and Capital Transactions.

Mark has more than 20 years of experience in the property industry. He most recently held the position of Head of Investment Management for two years and before that was Head of Retail. Prior to working at GPT, Mark was Head of Retail (Asia Pacific) at Lend Lease and before that was General Manager of Retail Property Management and Leasing.

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### **Carmel Hourigan**

#### **Chief Investment Officer**

Carmel is responsible for the overall investment performance of GPT's investment portfolio. Carmel has more than 20 years of experience in the property and funds management industry.

Most recently Carmel was Managing Director of Lend Lease's investment management business where she had overall responsibility for the wholesale managed funds and retail asset management platform. Prior to this Carmel was Chief Executive Officer of Lend Lease's managed funds – the Australian Prime Property Funds, and Fund Manager of CPA.

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**Nicholas Harris****Head of Funds Management**

Nicholas is responsible for GPT's funds management activities, including the development of the GPT Group's funds management platform.

Nicholas has been involved in the Australian property and property funds management industries for over 20 years, including seven years with BT Funds Management Limited and five years with Lend Lease as Fund Manager of the Lend Lease Real Estate Partners series of funds, prior to joining GPT in 2006.

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**Matthew Faddy****Head of Asset Management**

With over 20 years' experience in the real estate and finance sectors, Matthew is responsible for leading a team of more than 250 people in setting and delivering each of the asset strategies for the GPT Group. The scope of the role covers GPT's Retail, Office and Logistics & Business Park portfolios as well overseeing the sustainability function for the GPT Group.

In his previous role with GPT as Fund Manager, Matthew was responsible for the successful launch and overall performance of the GPT Wholesale Shopping Centre Fund (GWSCF).

Prior to commencing with GPT, Matthew held the position of Chief Operating Officer for Lend Lease's Retail Group, responsible for the asset management of a shopping centre portfolio of more than 20 assets, for both GPT and the Australian Prime Property Fund.

Prior to his move into the property industry, Matthew spent five years at chartered accounting firm, PricewaterhouseCoopers Australia.

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**Anthony McNulty****Head of Development – Retail & Major Projects**

Anthony is responsible for the conversion and delivery of GPT's development pipeline for Retail and Major Projects.

Anthony has 25 years of experience in the property industry in both Australia and overseas. His past experience includes the major redevelopments of Penrith Plaza and Melbourne Central, Bluewater in the UK, the award winning Rouse Hill Town Centre and One One One Eagle Street.

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**John Thomas****Head of Development – Logistics & Business Park Development**

John's role as Head of Logistics & Business Park Development was created to build further capability in this area as part of GPT's growth strategy. John joined GPT at the beginning of 2012, bringing with him 28 years of experience across the investment and development sectors of the property industry. Prior to joining GPT, John was Managing Director and Chief Executive Officer of the Morgan Stanley controlled Investa Property Group.

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**Michael O'Brien****Group Executive, Corporate Development**

Michael leads Corporate Development, a business area focused on GPT's strategic direction, and is responsible for Group strategy, mergers and acquisitions, and new fund creation.

Michael was previously GPT's CFO, having held the role for three years and before that was the GPT Group's Chief Operating Officer.

Michael has 25 years of experience in the property industry and joined GPT in 2002 as Fund Manager. Prior to this, he held a variety of roles with Lend Lease including CEO of Lend Lease's retail business managing GPT's and APPF's retail portfolio.

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**Phil Taylor****Head of People & Performance**

Phil is responsible for GPT's people management policies, processes and systems, as well as strategic support across all aspects of human resources activities and organisational development.

Phil has 17 years' experience in human resources within the banking and finance sector, including 10 years within the real estate funds management industry.

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**James Coyne****General Counsel & Company Secretary**

James is responsible for the legal, compliance and company secretarial activities of GPT. James was appointed the General Counsel/Company Secretary of GPT in 2004. His previous experience includes company secretarial and legal roles in construction, infrastructure and the real estate funds management industry, both listed and unlisted.

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**1.7 Corporate Governance**

Under the stapled structure, governance is overseen by:

- in respect of GPTMHL, the GPT Board; and
- in respect of General Property Trust, the Responsible Entity, GPT RE.

The GPT Group is committed to high standards of corporate governance. Policies and procedures which follow the second edition "Corporate Governance Principles and Recommendations" issued by the ASX Corporate Governance Council, to the extent they are applicable to the GPT Group, have been adopted.

GPT regards good corporate governance as being of critical importance to all of GPT's stakeholders and a fundamental component of GPT's commitment to GPT Securityholders. GPT's Board strives to ensure that GPT meets high standards of governance across its operations. This is an ongoing commitment, requiring continual review, modification and enhancement from time to time.

Details on GPT Group's corporate governance policies and procedures can be obtained from its website: <http://www.gpt.com.au/Investor-Centre/Corporate-Governance/Principles-and-Policies>.

## 2. Information on GPT Securities

### 2.1 Capital structure

As at the date of this Bidder's Statement, GPT has the following securities on issue:

Class of security	Exchange Price	Total
GPT Securities (quoted on ASX)	N/A	1,694,888,638
GIC Exchangeable Securities (exchangeable into GPT Securities at the holders option)	\$3.883	2,500 exchangeable securities at a face value of \$100,000 each

### 2.2 Substantial Securityholders

Based on information lodged with the ASX or known to GPT, as at 2 December 2013, the substantial securityholders of GPT are as follows.

Substantial Holder	Number of Securities	Percentage of Total Issued Securities <sup>10</sup>
GIC – Government of Singapore Investment Corporation	205,875,282 <sup>11</sup>	11.7%
UniSuper	170,541,597	10.1%
Vanguard Group	109,175,761	6.4%
BlackRock Group	104,886,655	6.2%
Commonwealth Bank of Australia	101,535,425	6.0%
State Street Corporation	89,305,026	5.3%

### 2.3 Recent security price performance

The last recorded sale price of GPT Securities on the ASX on 2 December 2013, being the trading day prior to the date of this Bidder's Statement, was \$3.52.

The last recorded sale price of GPT Securities on the ASX on 18 November 2013, being the date before the Announcement Date, was \$3.68.

During the 3 months ended 2 December 2013 (being the trading day prior to the date of this Bidder's Statement):

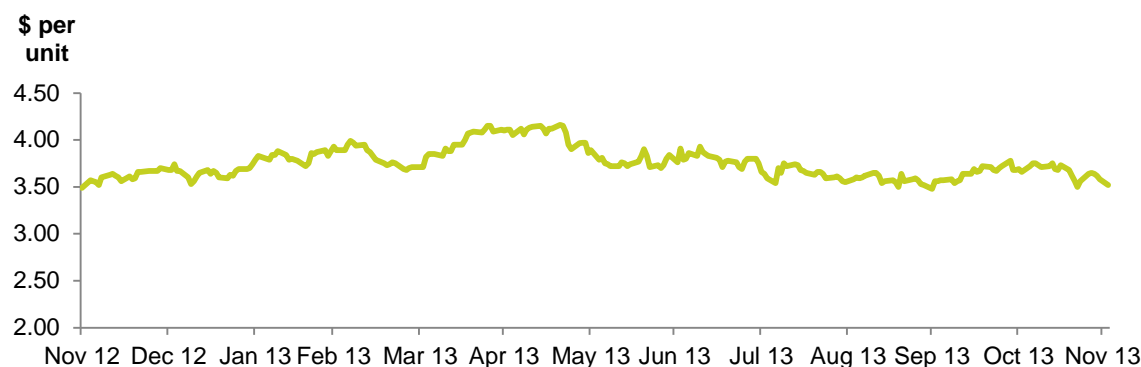
- (a) the highest recorded sale price for GPT Securities on the ASX was \$3.80 on 28 October 2013; and
- (b) the lowest recorded sale price for GPT Securities on the ASX was \$3.465 on 1 October 2013.

<sup>10</sup> Calculated as last disclosed number of GPT Securities divided by current number of GPT Securities on issue. For GIC the issued securities assumes exchange of the Exchangeable Securities.

<sup>11</sup> Includes 64,383,209 votes that would be exercisable by a holder of the total number of Securities that would be required to be issued to the Exchangeable Securityholder if the Exchangeable Securities held by that Securityholder had been exchanged on the record date of the relevant meeting.

The closing prices of GPT Securities on the ASX over the 12 months prior to the date of this Bidder's Statement are shown in the chart below.

#### GPT Security Price



None of the above security prices should be taken as a forecast that GPT Securities will trade at any particular price.

## 2.4 GIC Exchangeables

On 27 November 2008, 2,500 Exchangeable Securities were issued to an affiliate of GIC Real Estate Pte Limited (GIC RE) at \$100,000 per exchangeable security. The Exchangeable Securities are exchangeable into GPT Securities at GIC RE's option subject to obtaining necessary approvals. The current exchange price is \$3.883. If exchanged, it would result in the issuance of approximately 64 million GPT Securities. The Exchangeable Securities offer discretionary distributions of 10% per annum and carry voting rights in GPT.

## 2.5 Recent announcements

GPT is listed on the ASX and is subject to the periodic and continuous disclosure requirements of the Corporations Act and ASX Listing Rules. Copies of announcements made by GPT to the ASX are available on the ASX website: [www.asx.com.au](http://www.asx.com.au). Further information about GPT can be obtained on its website: <http://www.gpt.com.au/>. GPT presented its interim financial results for the six months ended 30 June 2013 on 12 August 2013. Details of the ASX announcements made since 12 August are listed in Annexure A.

## 2.6 Directors' interests in GPT Securities

As at the date of this Bidder's Statement, the directors of GPT have the following relevant interests in GPT Securities:

Director	GPT Securities held
Robert Ferguson	204,082
Brendan Crotty	30,000
Eileen Doyle	20,650
Eric Goodwin	15,584
Anne McDonald	9,450
Gene Tilbrook	45,000
Michael Cameron	880,060 GPT Securities 2,042,316 Performance Rights

### 3. Profile of Commonwealth Property Office Fund

#### 3.1 Disclaimer

The information in this section 3 concerning CPA has been prepared based on a review of publicly available information (which has not been independently verified by GPT).

Accordingly, GPT does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Further information relating to CPA may be included by CPA in its target statement in relation to the Offer, which will be sent to you directly by CPA.

#### 3.2 Overview

CPA is a sector specific Australian Real Estate Investment Trust investing in office property in central business districts and major suburban markets Australia wide.

CPA was originally listed on the ASX in April 1999. On listing, CPA had a portfolio of seven assets totaling \$619.5 million, the majority of which were purchased from the Commonwealth Bank of Australia. In October 2002, CPA acquired a \$1.18 billion portfolio of office and industrial assets previously held in the former Colonial First State Property Trust Group portfolio. Non-core assets from this portfolio were then sold for \$500 million on a delayed payment basis.

#### 3.3 CPA's property portfolio

CPA's Annual Report for the 12 months ended 30 June 2013 discloses that CPA's portfolio comprises the properties set out in the table below.

Property	Grade	CPA ownership (%)	Book value 30 June 2013 (\$m)	Occupancy (%)	Cap rate (%)	WALE (years)
<b>Australian Capital Territory</b>						
Finlay Crisp Centre, Canberra <sup>(1)</sup>	B	100	77.5	100	9.09	4.1
<b>New South Wales</b>						
60 Castlereagh St, Sydney <sup>(1)</sup>	A	100	247.8	91.4	7.00	3.5
2 and 4 Dawn Fraser Ave, Sydney Olympic Park	A	50	83.8	100	8.00	4.7
36 George St, Burwood <sup>(1)</sup>	A	100	52.1	100	8.75	4.1
101 George St, Parramatta <sup>(1)</sup>	A	100	93.0	100	8.00	3.4
150 George St, Parramatta <sup>(2)</sup>	A	100	98.9	100	8.50	2.3
225 George St, Sydney	Premium	25	275.1	84.3	6.50	5.2
201 Kent St, Sydney <sup>(1)</sup>	A	50	160.4	96.9	7.38	4.0
14 Lee St, Sydney <sup>(2)</sup>	A	100	70.1	100	8.00	2.2
5 Martin Pl, Sydney	-	50	52.5	na	na	na
201 Miller St, North Sydney <sup>(2)</sup>	A	100	74.1	92.3	8.50	3.0
56 Pitt St, Sydney <sup>(1)</sup>	B	100	168.7	84.2	7.25	2.3
175 Pitt St, Sydney <sup>(1)</sup>						
- Office	A	100	182.0	98.6	7.25	5.8
- Retail	-	100	63.5	100	6.88	2.3
10 Shelley St, Sydney <sup>(1)</sup>	A	50	108.0	100	7.00	2.5



Property	Grade	CPA ownership (%)	Book value 30 June 2013 (\$m)	Occupancy (%)	Cap rate (%)	WALE (years)
<b>Queensland</b>						
145 Ann St, Brisbane <sup>(1)</sup>	A	100	221.8	100	7.53	8.3
10 Eagle St, Brisbane <sup>(1)</sup>	A	100	209.5	85.4	7.50	3.1
<b>South Australia</b>						
108 North Terrace, Adelaide <sup>(2)</sup>	A	100	73.8	100	8.50	0.6
11 Waymouth St, Adelaide <sup>(2)</sup>	Premium	100	155.0	97.7	8.25	3.7
<b>Victoria</b>						
385 Bourke St, Melbourne	A	100	240.5	100	7.50	3.5
Galleria, Melbourne <sup>(2)</sup>	-	100	62.1	92.4	7.50	0.8
655 Collins St, Melbourne <sup>(1)</sup>	A	100	100.0	100	7.00	16.3
750 Collins St, Melbourne <sup>(1)</sup>	A	100	240.0	100	7.50	6.1
180-222 Lonsdale St, Melbourne <sup>(1)</sup>						
- Office	A	50	141.6	100	7.50	2.6
- QV retail (incl car park/crèche)	-	50	154.8	99.3	7.36	3.5
2 Southbank Blvd, Melbourne <sup>(1)</sup>	A	50	182.9	99.1	7.25	3.3
<b>Western Australia</b>						
46 Colin St, West Perth <sup>(1)</sup>	A	100	44.0	100	9.75	4.2
58 Mounts Bay Rd, Perth <sup>(1)</sup>	A	50	102.9	100	8.00	8.2

(1) It was announced on 18 November 2013 that updated independent valuations of these 16 assets had been completed, resulting in a total increase in book value of \$60.5 million or 2.4% as at 31 October 2013

(2) It was announced on 23 October 2013 that updated independent valuations of these 6 assets had been completed, resulting in a total increase in book value of \$14.2 million or 1.8% as at 30 September 2013

### 3.4 Management of CPA

The responsible entity of CPA is Commonwealth Managed Investments Limited (**CMIL**), an entity within the Colonial First State Global Asset Management business.

### 3.5 Directors of CMIL

CMIL is the Responsible Entity of CPA and has its own Board.

#### a) Overview of CMIL Directors

As at the date of this Bidder's Statement, there are five Directors of CMIL:

#### **Richard Michael Haddock AM, Chairman and independent non-executive Director**

Mr Haddock has been a Director since January 2009. His other current positions include director of Retirement Villages Group Fund and Caritas Australia, the Chairman of Catholic Care and the Catholic Superannuation and Retirement Fund, and a Director of Catholic Church Insurances.

**James Frederick Kropp, independent non-executive Director**

Mr Kropp has held this position since December 2003. He is also Chairman of CMIL's audit committee and holds several other directorships including Colonial First State Capital Management Pty Limited.

**Nancy Jane Milne OAM, independent non-executive Director**

Ms Milne has held this position since January 2009. She also holds several other directorships, including Australand Holdings Limited and Commonwealth Insurance Limited.

**Ross Edward Griffiths, non-executive Director**

Mr Griffiths has held this position since April 2012. He is the Commonwealth Bank's Chief Credit Officer.

**Michael John Venter, executive Director**

Mr Venter has held this position since May 2011. He is the Chief Financial Officer of the Commonwealth Bank's Wealth Management Business.

**b) CMIL Independent Board Committee**

Pursuant to protocols announced on 19 August 2013, CMIL established an Independent Board Committee (IBC) to evaluate the CBA internalisation proposal and any alternate third party proposal for CPA Units. CPA has announced that the IBC will undertake an evaluation and make a recommendation of any proposal for CPA Units to the full board of CMIL.

The IBC comprises three independent Directors: Richard Haddock, James Kropp and Nancy Milne.

**3.6 Senior management of CPA**

CMIL has appointed Colonial First State Property Limited (Colonial) as Manager of CPA. The senior management team responsible for CPA as at the date of this Bidder's Statement is as follows.

**Angus McNaughton, Managing Director Property**

Mr McNaughton oversees the performance and strategic direction for all vehicles managed by Colonial and maintains responsibility for driving the long-term strategy and performance of the wholesale property business.

**Charles Moore, Fund Manager for CPA**

Mr Moore is responsible for all aspects of management of CPA, including strategic direction of the vehicle, performance, financial analysis, acquisitions and disposals.

**Tony Gilchrist, Head of Development, Property**

Mr Gilchrist oversees a team of 35 property development specialists in Australia and has overall responsibility for the property development business, which has a development pipeline in excess of \$3 billion.

**Jon Lesquereux, Head of Office Asset Management**

Mr Lesquereux is responsible for commercial and industrial asset management. Prior to CPA, he was based in New Zealand with Kiwi Property Management Limited, where he was involved with asset management, development and transactions since 1997.

### **Rowan Griffin, Head of Sustainability, Property**

Mr Griffin is responsible for setting the strategy and direction for the Responsible Property Investment (RPI) agenda for CPA, CFS Retail Property Trust and Kiwi Income Property Trust, including sustainability.

### **Penny Berger, Head of Investor Relations and Communications**

Ms Berger is responsible for investor relations, corporate affairs and internal communications for CPA, CFS Retail Property Trust and Kiwi Income Property Trust. Prior to her current role, she held a similar role at Boral Limited.

## **3.7 Annual Reports**

CPA lodged its Annual Report for the year ended 30 June 2013 on 20 August 2013. In summary, this indicated:

- net profit decreased 43.3% to \$145.4 million (from \$256.4 million in the previous corresponding period (pcp));
- funds from operations increased 3.1% to \$207.0 million (\$200.8 million pcp);
- full year distribution increased 7.6% to 6.55 cents (6.09 cents pcp);
- net property income increased 5.1% to \$255.9 million (\$243.4 million pcp), or 2% increase on a like-for-like basis;
- net tangible assets per unit declined slightly to \$1.15 (from \$1.16 pcp);
- gearing increased slightly to 25.2% (24.0% pcp).

CPA has not announced to the ASX that it has conducted any material transactions since 30 June 2013.

## **3.8 Publicly available information**

CPA has been listed on the ASX since 1999 and is subject to the periodic and continuous disclosure requirements of the Corporations Act and ASX Listing Rules. Copies of announcements made by CPA to the ASX (including copies of the financial statements and 2013 Annual Report) are available on the ASX website: [www.asx.com.au](http://www.asx.com.au). Further information about CPA can be obtained on its website: <http://www.cfsgam.com.au/au/property/cpa/home/>.

## 4. Information about CPA Units

### 4.1 Disclaimer

The information in this section 4 concerning the securities of CPA (other than sections 4.5 to 4.8) has been prepared based on a review of publicly available information (which has not been independently verified by GPT). Accordingly, GPT does not make, subject to the Corporations Act, any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Further information relating to CPA may be included by CPA in its target statement in relation to the Offer, which will be sent to you directly by CPA.

### 4.2 Capital structure

As at the date of this Bidder's Statement, CPA has the following securities on issue:

Class of security	Total
CPA Units (quoted on ASX)	2,347,003,413
CPA Convertible Notes	A\$200,000,000 (face value)

### 4.3 Substantial unitholders

Based on information disclosed in CPA's 2013 Annual Report as at 19 August 2013 and substantial holder notices lodged subsequent to that date, the substantial unitholders of CPA are shown in the table below. Note that several of the substantial unitholders hold relevant interests over the same units due to contractual arrangements and possible associations with one another, hence some of the holdings below are double counted. These arrangements are outlined in the corresponding footnotes.

Substantial Unitholder	Last notice	Number of units	Voting Power (%)
DEXUS Funds Management Limited	15 November 2013	612,461,085 <sup>(1)</sup>	26.1 <sup>(1)</sup>
Commonwealth Bank of Australia	19 November 2013	591,416,809 <sup>(2)</sup>	25.20 <sup>(2)</sup>
Deutsche Bank AG	13 November 2013	355,823,625 <sup>(3)</sup>	15.16 <sup>(3)</sup>
Canada Pension Plan Investment Board	18 November 2013	350,000,000 <sup>(4)</sup>	14.9 <sup>(4)</sup>
Mondrian Investment Partners Limited	19 August 2013	190,553,607	8.12
GPT Management Holdings Limited	19 November 2013	151,710,791 <sup>(5)</sup>	7.97 <sup>(5)</sup>
The Vanguard Group Inc.	19 August 2013	152,932,111	6.24
National Australia Bank Limited	29 November 2013	131,602,625	5.61 <sup>(6)</sup>

(1) As disclosed in a substantial holder notice lodged on 15 November 2013 by DEXUS Funds Management Limited. This includes a relevant interest of 350,000,000 units under arrangement with Deutsche Bank Group. The remainder of the voting power arises as a result of its possible association with CBA.

- (2) As disclosed in a substantial holder notice lodged on 19 November 2013 by Commonwealth Bank of Australia ("CBA"). This includes the 350,000,000 units which DEXUS Funds Management Limited has a relevant interest in, which CBA has a possible association with.
- (3) As disclosed in a substantial holder notice lodged on 13 November 2013 by Deutsche Bank AG. This includes 350,000,000 units which DEXUS Funds Management Limited holds a relevant interest in.
- (4) As disclosed in a substantial holder notice lodged on 18 November 2013 by Canada Pension Plan Investment Board. The relevant interest is in respect of the units in which DEXUS Funds Management Limited has a relevant interest.
- (5) As disclosed in substantial holder notices lodged on 19 November 2013 and 2 December 2013 by GPT. GPT has acquired a relevant interest in 6.46% of all CPA Units as a consequence of Pre-Bid Acceptance Agreements entered into with Morgan Stanley Investment Management Company and SG Hiscock & Company Limited. GPT also has a Pre-Bid Acceptance Agreement with Gruss Global Investors Master Fund, Ltd. and Gruss Global Investors Master Fund (Enhanced), Ltd. GPT understands that the Gruss entities hold a total return equity swap in respect of the same number of CPA Units as are subject to the Pre-Bid Acceptance Agreement, representing 1.51% of all CPA Units. Although GPT has not obtained a relevant interest in any CPA Units as a consequence of the Pre-Bid Acceptance Agreement entered into with the Gruss entities, GPT lodged a substantial holder notice in respect of a 1.51% interest in CPA Units on 2 December 2013 to disclose this arrangement on a basis consistent with Takeovers Panel guidance.
- (6) As disclosed in a substantial holder notice lodged on 29 November 2013 by National Australia Bank Limited.

#### 4.4 Recent security price performance

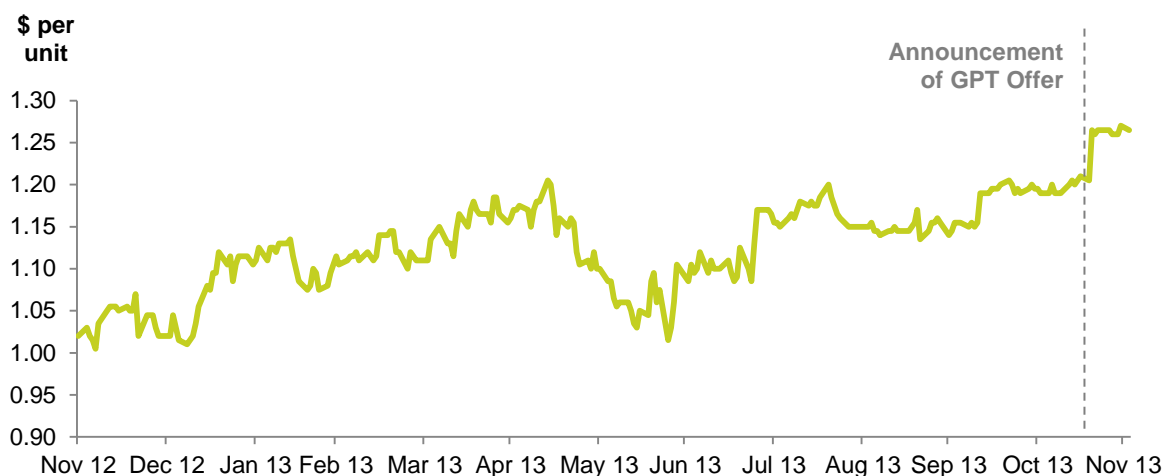
The last recorded sale price of CPA Units on the ASX on 2 December 2013, being the trading day prior to the date of this Bidder's Statement, was \$1.265.

The last recorded sale price of CPA Units on the ASX on 18 November 2013, being the date before the Announcement Date, was \$1.205.

During the 3 months ended 2 December 2013 (being the trading day prior to the date of this Bidder's Statement):

- (a) the highest recorded sale price for CPA Units on the ASX was \$1.27 on 29 November 2013; and
- (b) the lowest recorded sale price for CPA Units on the ASX was \$1.135 on 23 September 2013.

The closing prices of CPA Units on the ASX over the 12 months prior to the date of this Bidder's Statement are shown in the chart below.



#### **4.5 Interests of GPT and its directors in CPA Units**

##### **(a) Interests of GPT**

As at the date of this Bidder's Statement:

- GPT's voting power in CPA was 6.46%<sup>12</sup>; and
- GPT had a relevant interest in 6.46%<sup>12</sup> CPA Units.

Immediately before the first Offer was sent:

- GPT's voting power in CPA was [\*]%; and
- GPT had a relevant interest in [\*]% CPA Units

##### **(b) Interests of GPT's directors**

As at the date of this Bidder's Statement, none of the directors of GPTMHL or GPT RE has a relevant interest in any CPA Units or CPA Convertible Notes.

#### **4.6 Dealings by GPT in CPA Units**

Except as referred to below, neither GPT nor any of its associates has provided (or agreed to provide) consideration for a CPA Unit under a purchase or agreement to purchase during the four months before the date of this Bidder's Statement or in the period between the date of this Bidder's Statement and the date of the Offer.

GPT has secured Pre-Bid Acceptance Agreements over CPA Units representing 7.97% of all issued CPA Units. Pursuant to these agreements:

- Morgan Stanley Investment Management Company has agreed to procure acceptance of the Offer in respect of 92,136,576 CPA Units;
- SG Hiscock & Company Limited has agreed to procure acceptance of the Offer in respect of 59,574,215 CPA Units; and
- Gruss Global Investors Master Fund, Ltd. and Gruss Global Investors Master Fund (Enhanced), Ltd. have agreed to procure acceptance of the Offer in respect of 35,384,502 CPA Units.

Under the terms of the Pre-Bid Acceptance Agreements, each of these parties has agreed to procure acceptance of the Offer in respect of the relevant CPA Units on a date notified by GPT, which notice may only be given once the Offer has become free of all conditions. The obligation to accept will cease to be enforceable if, generally speaking, GPT does not match a higher competing proposal for CPA Units within a specified period.

The terms of the Pre-Bid Acceptance Agreements also include an option arrangement under which the counterparty may require GPT to acquire the CPA Units that are the subject of the relevant Pre-Bid Acceptance Agreement within 20 business days if the Offer lapses, or is withdrawn, before it is made free of all conditions. Under this option arrangement GPT would be required to acquire the relevant CPA Units at a price of \$1.19 per unit.

Copies of the Pre-Bid Acceptance Agreements have been released to the ASX.

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<sup>12</sup> GPT has also entered into a Pre-Bid Acceptance Agreement with Gruss in respect of a 1.5% interest in CPA Units which is described in sections 4.3 and 4.6.

#### **4.7 No collateral benefits**

Other than as referred to in section 4.6, neither GPT nor any of its associates has in the four months before the date of this Bidder's Statement or in the period between the date of this Bidder's Statement and the date of the Offer, given, offered to give or agreed to give a benefit which is not offered to all CPA Unitholders under the Offer to another person which was likely to induce the other person (or an associate) to accept the Offer or dispose of CPA Units.

#### **4.8 No escalation agreements**

Neither GPT nor any of its associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

#### **4.9 Other CPA Securities**

##### **a) Convertible notes**

CPA issued \$200 million of senior, unsecured convertible notes in December 2009, redeemable at the option of the noteholder on 11 December 2014. These have a final maturity date of 11 December 2016 (if not redeemed/converted earlier). The face value of the remaining notes on issue at 30 June 2013 was \$200 million. On 29 August 2013, CPA announced the conversion price for the convertible notes was \$1.1182.

The convertible notes contain change of control provisions, the terms of which were publicly disclosed at the time of issuance. In the event of a change of control, which includes GPT acquiring a relevant interest of greater than 50% of CPA units and the offer being declared unconditional, noteholders have the ability to convert the notes at an adjusted conversion price:

- upon a change in control, the adjusted conversion price will be determined by a formula, disclosed in the prospectus at the time of issuance, which depends upon the date the change in control occurs;
- if a change in control occurs and a noteholder serves a valid conversion notice, the issuer will be deemed to have exercised its option to cash settle the conversion. This would involve repaying convertible notes owned by that noteholder at a premium to face value;
- the cost to CPA will depend upon the trading value, the time the change of control occurs and the number of valid conversion notices.

##### **b) US medium term note (US MTN)**

CPA issued US\$138 million of US private placement debt in November 2005, which matures in two tranches in December 2015 and December 2017. The terms and conditions of the US MTN are not public.

## 5. Intentions

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### 5.1 Introduction

This section 5 sets out GPT's intentions in relation to:

- the continued operation of CPA;
- any major changes to be made to the operation of CPA, including any redeployment of the CPA property; and
- any plans to remove the current responsible entity of CPA and appoint a new responsible entity.

These intentions are based on the information concerning CPA, its business and the general business environment which is known to GPT at the time of preparation of this Bidder's Statement, which is limited to publicly available information.

Despite such information, GPT does not currently have full knowledge of all material information, facts and circumstances that are necessary to assess the operational, commercial, tax and financial implications of its current intentions. Final decisions regarding these matters will only be made by GPT in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this section 5 are statements of current intention only, which may change as new information becomes available to GPT or as circumstances change.

### 5.2 Intentions upon acquisition of 90% or more of CPA Units

This section 5.2 sets out GPT's current intentions if it acquires relevant interests in 90% or more of the CPA Units and it is entitled to proceed to compulsory acquisition of the remaining CPA Units under the Corporations Act.

#### (a) **Corporate matters, including change of CPA responsible entity**

It is intended that:

- GPT proceed with compulsory acquisition of the outstanding CPA Units in accordance with the provisions of Chapter 6A of the Corporations Act;
- GPT will arrange for CPA to be removed from the Official List of the ASX; and
- subject to the Corporations Act and CPA's constituent documents, replace CMIL with an appropriately licensed GPT Group entity, as soon as practically possible. GPT may vote on the change of responsible entity. GPT will seek the appointment of an appropriately licensed GPT Group entity to manage CPA's assets.

#### (b) **Assets**

After replacement of CMIL with a GPT Group entity, GPT will arrange the sale of the GWOFF Assets to GWOFF. GPT will then undertake a detailed review of the remaining CPA assets. This may include operational changes, acquisitions or disposals, changes to development programs, or the inclusion of certain assets in a number of new fund initiatives which GPT currently has under consideration.



(c) **CPA borrowings**

GPT has not reviewed CPA's financing arrangements due to limited publicly available information. GPT intends to review these arrangements after a GPT Group entity becomes responsible entity. GPT will refinance any financing facilities as required as a result of the transaction. See section 10.2 for further information in relation to GPT's funding arrangements.

(d) **Property management and development management**

After the replacement of CMIL with a GPT Group responsible entity, GPT will seek to discontinue existing property management, development management and other ancillary services arrangements. GPT will seek to appoint GPT Group entities to undertake those activities, in line with GPT's practice for its existing assets and on commercial arm's length terms.

For jointly owned assets, GPT will also seek to appoint GPT Group entities to property management, development management and other ancillary services, however its ability to do so will depend on the terms of the co-ownership agreements.

As GPT has not reviewed CPA's existing property management, development management and ancillary services arrangements, it cannot be certain it will be entitled to terminate existing agreements, however it will seek to do so to the extent it is permitted.

(e) **General operational review**

As at the date of this Bidder's Statement, GPT has not conducted any due diligence investigation in relation to non-public information about CPA. Consequently, GPT's knowledge of the assets and operations of CPA is limited to public information.

Accordingly, if GPT acquires all of the CPA Units, GPT intends to conduct a thorough and broad-based general review of CPA's corporate structure, assets and operations. This review will apply quantitative and qualitative factors to measure performance and areas for improvement.

### **5.3 Intentions upon acquisition of less than 90% of CPA Units**

This section 5.3 sets out GPT's intentions in circumstances where GPT is not entitled to compulsorily acquire the outstanding CPA Units but, by virtue of acceptances of the Offer, gains effective control of CPA and has replaced CMIL with an appropriately licensed GPT Group entity.

In those circumstances, GPT's current intentions are as follows.

(a) **Corporate matters, including change of CPA responsible entity**

It is intended that GPT would:

- maintain CPA's listing on the ASX, subject to the requirements for listing (including a sufficient spread of investors) continuing to be satisfied; and
- subject to the Corporations Act and CPA's constituent documents, seek to replace CMIL with an appropriately licensed GPT Group entity, as soon as practically possible. GPT may vote on the change of responsible entity. GPT will seek the appointment of an appropriately licensed GPT Group entity to manage CPA's

assets in accordance with the terms of the constitution of CPA (including with respect to the payment of fees and distributions) and the legal obligation to act in the best interests of all CPA Unitholders. GPT will maintain a majority of independent directors on the board of the responsible entity, with appropriate conflict management protocols.

(b) **Assets**

GPT will undertake a detailed review of the CPA assets. GPT is not required to sell any of CPA's assets.

(c) **CPA borrowings**

GPT has not reviewed CPA's financing arrangements due to limited publicly available information. GPT intends to review these arrangements after a GPT Group entity becomes responsible entity. GPT will refinance any financing facilities as required as a result of the transaction. See section 10.2 for further information in relation to GPT's funding arrangements.

(d) **Property management and development management**

After replacement of CMIL with a GPT Group responsible entity, GPT will seek to discontinue existing property management, development management and other ancillary services arrangements. GPT will seek to appoint GPT Group entities to undertake those activities, in line with GPT's practice for its existing assets and on commercial arm's length terms.

For jointly owned assets, GPT will also seek to appoint GPT Group entities to property management, development management and other ancillary services, however its ability to do so will depend on the terms of the co-ownership agreements.

As GPT has not reviewed CPA's existing property management, development management and ancillary services arrangements, it cannot be certain it will be entitled to terminate existing agreements.

(e) **General operational review**

As at the date of this Bidder's Statement, GPT has not conducted any due diligence investigation in relation to non-public information about CPA. Consequently, GPT's knowledge of the assets and operations of CPA is limited to public information.

Accordingly, if a GPT Group entity is appointed as responsible entity of CPA, GPT intends to conduct a thorough and broad-based general review of CPA's corporate structure, assets and operations. This review will apply quantitative and qualitative factors to measure performance and areas for improvement.

(f) **Further acquisition of CPA Units**

GPT may, at some later time, acquire further CPA Units in a manner consistent with the Corporations Act.

(g) **Compulsory acquisition at a later time**

If GPT becomes entitled at some later time to exercise general compulsory acquisition rights under the Corporations Act, it may exercise those rights.

#### **5.4 Other intentions**

Other than as set out in this section 5, it is the present intention of GPT to procure that CPA will generally continue the operation of CPA.

#### **5.5 Limitations on intentions**

The intentions and statements of future conduct set out in this section 5 must be read as being subject to:

- the law (including the Corporations Act) and the ASX Listing Rules, including in particular the requirements of the Corporations Act and the ASX Listing Rules in relation to conflicts of interest and 'related party' transactions given that, if GPT obtains control of CPA but does not acquire all of the CPA Units, the GPT Group will be treated as related parties of CPA for these purposes;
- the legal obligation of the directors of the responsible entity of CPA at the time, including any nominees of GPT, to act in good faith in the best interests of CPA Unitholders and for proper purposes and to have regard to the interests of all CPA Unitholders; and
- the outcome of the reviews referred to in sections 5.2(e) and 5.3(e).

## **6. Profile of the Combined Group and effect of the Offer**

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### **6.1 Introduction**

This section 6 provides a profile of the Combined Group and the effect of the Offer on the GPT Group, assuming that CPA becomes a wholly-owned subsidiary of GPT. If GPT does not acquire at least 90% of the CPA Units during the Offer Period, and therefore does not become entitled to compulsorily acquire the remainder, some of the benefits that would otherwise accrue to GPT if CPA were to become a wholly-owned subsidiary of GPT may not be fully realised.

### **6.2 Rationale for the acquisition of CPA**

GPT believes there are financially and strategically compelling benefits for the GPT Group arising from the acquisition of CPA. As GPT is offering GPT Securities to CPA Unitholders as partial consideration for their CPA Units, both CPA Unitholders and GPT Securityholders will share in these benefits going forward.

GPT considers that the following financial and strategic benefits will flow to GPT Securityholders in a successful acquisition of CPA.

- Accretive to GPT's long term total returns through allocation of capital to office assets. There are opportunities to extract further value through GPT's management expertise, active portfolio management and additional fee streams from the expanded funds management and property management platform.
- The acquisition will be immediately accretive to GPT's FFO and distributions per security for the year ending 31 December 2014.
- Provides the opportunity to improve returns from the balance sheet office portfolio by enabling GPT to increase market coverage, therefore allowing superior access to market intelligence and optimising performance. Also, GPT will deepen and broaden tenant relationships by offering a broader base of office tenants a wider range of space options, as well as the potential to deliver scale efficiencies.
- Enhances GPT's balance sheet portfolio diversification whilst increasing A-grade exposure to 57% of portfolio. A-grade assets have historically provided superior risk-adjusted returns.
- Clearly positions GPT as the leading office owner and manager in Australia with \$10 billion in office AUM. This enhanced scale and end-to-end capability creates advantages through strengthened tenant relationships and operational excellence, and enables even greater access to external capital and additional investment opportunities.
- Subject to achieving greater than 90% acceptance, expands GPT's external funds management platform by 15% to \$8.2 billion through the sale of five CPA assets to GWOF for \$1.1 billion. This will increase GPT's funds management EBIT by 20%, demonstrating the scale efficiencies achieved through increasing funds under management.
- GPT has the ability to create additional fund initiatives which would increase GPT's profitability.

### 6.3 Capital structure

Set out below is the current capital structure of GPT, and the immediate post-Offer capital structure if GPT is successful in acquiring 100% of CPA Units.

(1) Number of issued securities as at the date of the Bidder's Statement	(2) Maximum number of securities to be issued under the Offer	(3) Number of issued securities immediately following completion of the Offer (i.e. (1) + (2))
1,694,888,638 GPT Securities	330,927,481 GPT Securities	2,025,816,119 GPT Securities
2,500 GIC Exchangeable Securities at a face value of \$100,000 each	Nil	2,500 GIC Exchangeable Securities at a face value of \$100,000 each

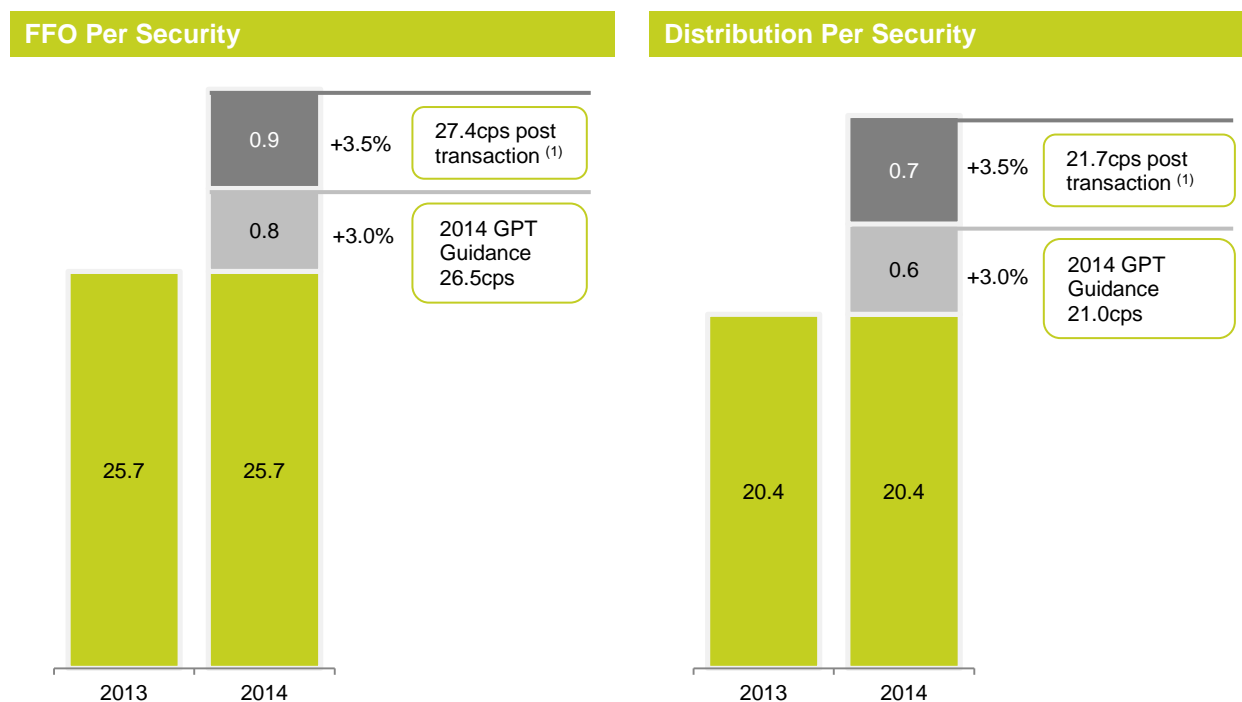
If GPT is successful in acquiring 100% of CPA Units the current GPT Securityholders will in aggregate own approximately 83.7% of GPT and the current CPA Unitholders will in aggregate own approximately 16.3% of GPT.

### 6.4 Impact of the acquisition of CPA on GPT

This section sets out the impact of the acquisition of CPA on GPT including the impact of the acquisition of CPA on GPT's Office and Funds Management divisions.

#### (a) FFO and distributions

The acquisition of CPA is expected to be at least 3.5% accretive to GPT's FFO per security and distribution per security for the year ending 31 December 2014 (on an annualised basis).



(1) For 2014 on an annualised basis. Assuming consistent GPT Security distribution payout ratio.

(b) **GPT NTA dilution**

In the event that GPT acquires 100% of CPA, it is estimated that the acquisition of CPA will be approximately 3% dilutive to GPT's pro forma 30 June 2013 NTA. The NTA stated dilution does not include any potential revaluations of the CPA portfolio post those disclosed at 31 October 2013.

In formulating the Offer, GPT has set the Offer Consideration having regard to GPT's 30 June 2013 NTA. The NTA dilution that results from the acquisition of CPA is due to a number of factors including transaction costs. The NTA dilution is not impacted by the trading price of GPT Securities issued under the Offer.

(c) **Portfolio weighting**

GPT has a strategy of investing in the Retail, Office and Logistics & Business Park sectors of the property market. GPT does not target specific sector weightings. The following table sets out the proportions of such investments pre and post the acquisition of CPA.

	30 June 2013	Post-transaction
<b>Retail</b>	53%	39%
<b>Office</b>	34%	51%
<b>Logistics &amp; Business Parks</b>	13%	10%

The acquisition of CPA represents further transformation of GPT's portfolio at an opportune time in the cycle based on historical pricing and fundamentals.

(d) **Impact on GPT's Office business**

The acquisition of CPA adds significant scale and diversification to GPT's Office business by increasing the number of balance sheet owned assets from 7 to 27 (assuming the five CPA assets, which are the GWOFF Assets, are sold to GWOFF) and increases market coverage with market share increasing to 18% of the national prime CBD office market. The combination of the two portfolios is also highly complementary and allows further geographic diversification and active management. The CPA portfolio is a good geographic fit with GPT's office portfolio by increasing exposure to Melbourne and providing further exposure to Brisbane and Perth. The expanded pool of office assets will provide the combined entity with opportunities for savings due to economies of scale in terms of management, marketing, leasing and tenancy relationships.

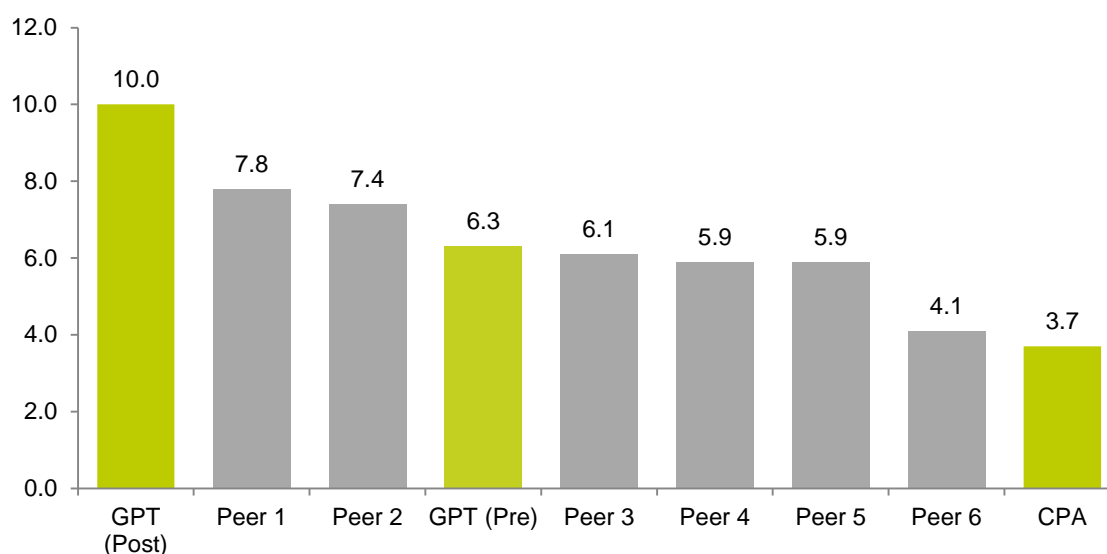
### Office Portfolio Metrics

	Pre	Post
No. of assets - Portfolio	20	45
No. of assets - Balance Sheet	7	27
GPT Portfolio Value (\$ billion)	2.8	5.7
Office NLA (sqm millions)	1.0	1.8
No. of tenants	350+	775+
WACR	6.8%	7.1%
WALE (years)	5.6	4.9
Prime Grade CBD share (100% NLA)	11%	18%

On completion of the Offer, benefits to the Office division will include:

- the CPA assets will increase the value of GPT's Office portfolio under management to approximately \$10 billion, making GPT Australia's leading owner and manager of office assets in Australia;
- the number of tenancies increasing from approximately 350 to approximately 775. This will deliver economies of scale and an enhanced ability for GPT to improve performance by strengthening tenancy relationships, expanding GPT's development pipeline and re-leasing opportunities across numerous office buildings; and
- expansion of GPT's directly owned office assets from 7 to 27 providing diversification to GPT's balance sheet office exposure.

### Australian Office Managers (AUM \$bn)<sup>(1)</sup>



(1) As at 30 June 2013

The combined portfolio will be more geographically diversified.

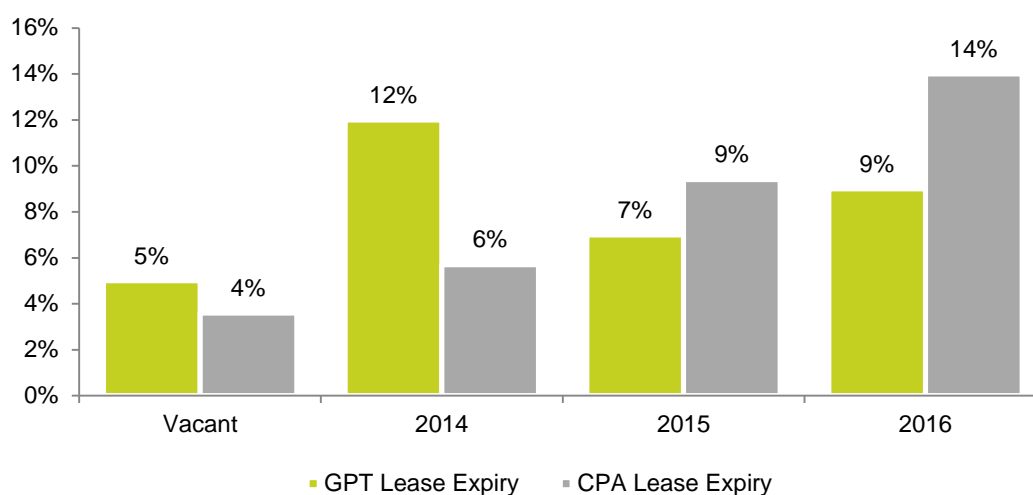
### Exposure by Market



CPA's lease expiry complements GPT's expiry profile in each major market:

- Melbourne: short-term leasing risk complements GPT's existing de-risked portfolio.
- Sydney: major CPA lease expiries in 2014 and 2015 in different grades and sub-markets to GPT expiries.
- Brisbane: complementary portfolio of A-grade assets to GPT's existing Premium exposure.

### Near Term Office Lease Expiry Profile (Year Ending 30 June)



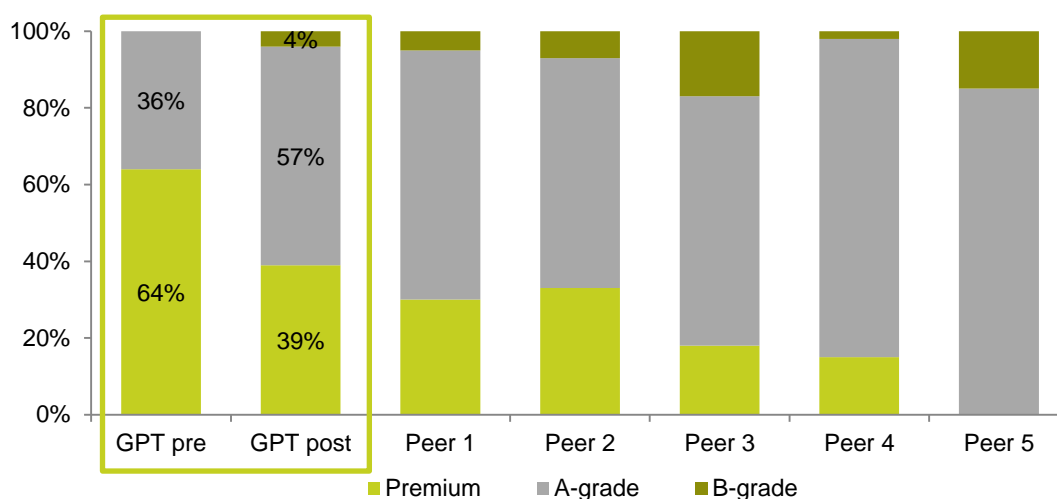
With a larger and more diverse portfolio, GPT's ability to attract and retain tenants is significantly enhanced as it allows GPT to be increasingly responsive to their changing accommodation needs by customising tenant solutions.



GPT's office assets are entirely in the prime grade category (64% premium, 36% A-grade), whilst CPA's existing asset base is predominantly in the A-grade category (12% premium, 81% A-grade, 7% B-grade).

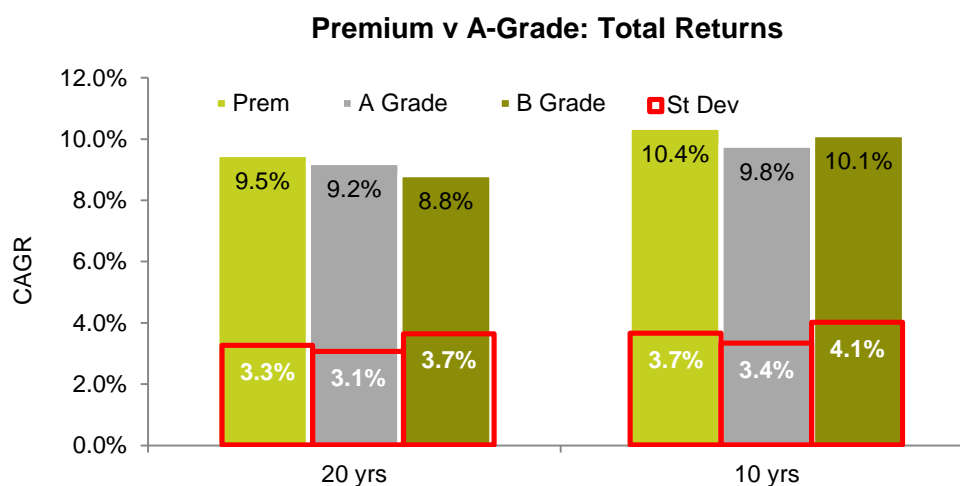
Post acquisition the portfolio will be one of the highest quality office portfolios in the sector and continues GPT's strategy of maintaining its focus towards prime grade office buildings.

### Asset Grade Composition

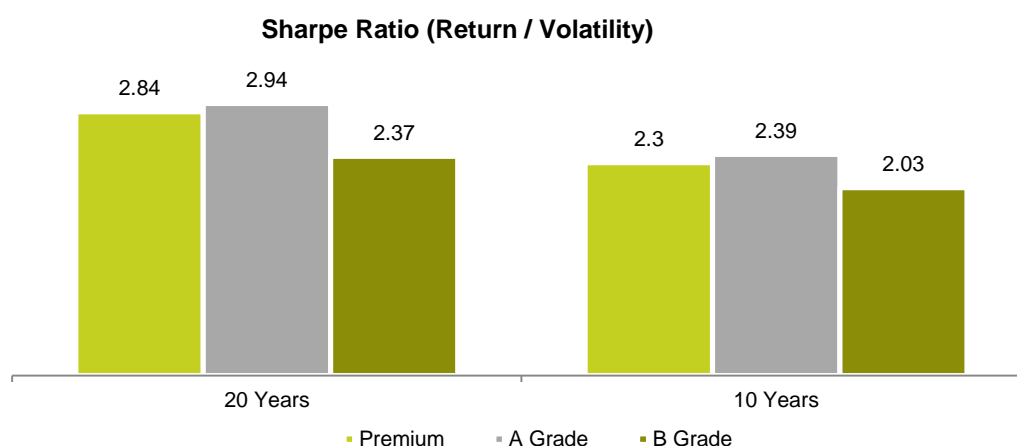


The acquisition of CPA's portfolio increases GPT's A-grade exposure to 57% of the office portfolio. GPT will remain focused on prime grade exposure with the split between premium and A-grade not material given 10 and 20-year risk adjusted returns.

### Office Markets Total Return Analysis



## Premium vs. A-Grade Risk Adjusted Total Returns



The acquisition will also broaden the asset quality and lower the average rental price point across the portfolio from \$777/sqm (gross) to \$679/sqm (gross). This provides GPT a larger range of price points and allows GPT to attract a wider tenant base, particularly advantageous in the current office market environment with some tenants being sensitive to occupancy costs.

GPT's organisational structure, including its high calibre senior management team as well as specialised leasing and asset management resources, will be focused on maximising the value of the acquired CPA assets. GPT's office leasing success will provide scope to deliver rental growth in the combined portfolio.

Furthermore, GPT's asset management team provides a scalable property management model that will deliver savings in management costs. The asset management team will help facilitate a seamless transition of assets to GPT management. It is expected that the combined Office portfolio can be managed internally by the existing GPT team, with minimal additional head office overheads.

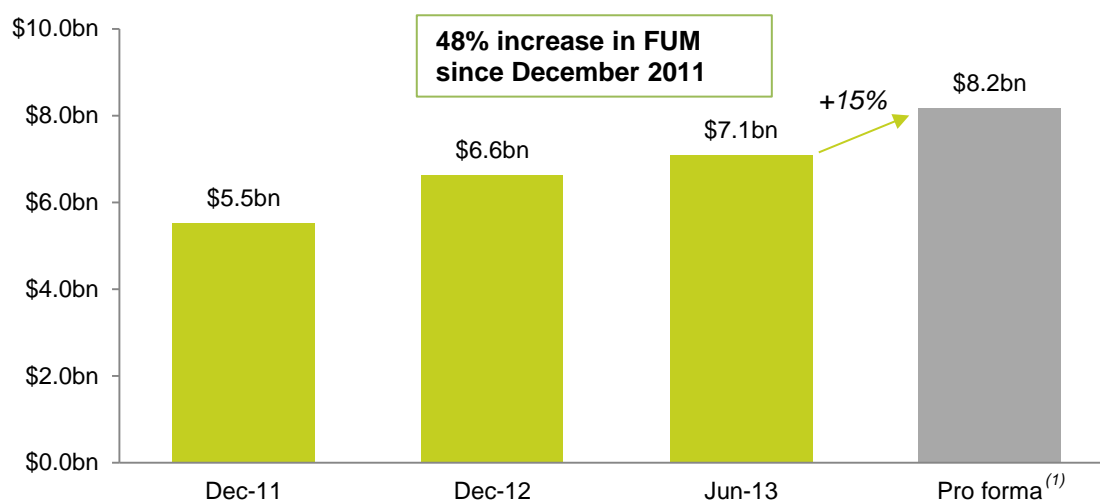
### (e) **Impact on GPT's Funds Management business**

The acquisition of CPA reinforces the strength of GPT's business model and demonstrates GPT's partnering capability with its funds. The acquisition of CPA will result in significant growth for GPT's Funds Management business, with GPT having entered into arrangements with GWOFF for the sale of five assets in the CPA portfolio, conditional on GPT acquiring 90% of CPA.

GWOFF will acquire the assets at a value of \$1.1 billion, which will increase GPT's external funds under management to \$8.2 billion, an increase of 15%. Due to the scalable nature of the Funds Management business model, divisional EBIT will increase by 20%.

The acquisition of CPA also provides GPT with the ability to establish new funds and products, providing further opportunities for growing the funds management business, conditional on GPT acquiring 90% of CPA.

## GPT's Growth in FUM



(1) Assumes GPT is in a position to undertake compulsory acquisition of outstanding CPA units and GWOF acquires \$1.1 billion of assets

## 6.5 Distribution policy

GPT announced in 2013 an intention to move to a distribution policy based on AFFO. From 2014, GPT intends to pay out approximately 100% of AFFO.

GPT will maintain its half-yearly distribution policy.

## 6.6 Financial Profile of the Combined Group

### (a) Introduction

This section contains the following pro forma financial information for the Combined Group, which is comprised of the:

- unaudited Combined Group pro forma historical Statement of Financial Position as at 30 June 2013, (the Pro Forma Historical Statement of Financial Position) set out in section 6.6(d); and
- the pro forma FFO per security guidance for the Combined Group for the 12 months ending 31 December 2014 (the FFO per Security Guidance) set out in section 6.6(e).

(together, **the Pro Forma Financial Information**).

The Directors of GPT are responsible for the preparation and presentation of the Pro Forma Financial Information.

The Pro Forma Financial Information in this section should also be read in conjunction with the risk factors set out in section 8 and other information included in this Bidder's Statement.

GPT has been subject to certain limitations in preparing the Pro Forma Financial Information. In particular:

- GPT management has had no access to financial information of CPA and has therefore used publicly available information from CPA announcements for the purposes of the Pro Forma Financial Information; and
- GPT management has not had detailed information to fully assess the fair values of the assets and liabilities of CPA, and therefore has not been able to ensure that the acquisition of CPA has been accounted for in accordance with AASB 3 “Business Combinations”.

KPMG Financial Advisory Services (Australia) Pty Limited (**KPMG Transaction Services**) has prepared a Limited Assurance Investigating Accountant's Report in relation to the compilation of the Pro Forma Historical Statement of Financial Position which has been included as section 9. CPA's unitholders should note the comments made in relation to the qualification, scope and limitations of this report.

The Pro Forma Financial Information is not intended to reflect the financial performance or the financial position that would have actually resulted had the acquisition of CPA been completed on the dates indicated, or the results that may be obtained in the future. If the acquisition of CPA had occurred in the past, the Combined Group's financial performance and financial position would likely have been different from that presented in the Pro Forma Financial Information. Due to the nature of pro forma information, it may not give a true picture of the Combined Group's financial performance and financial position. The Pro Forma Financial Information is not represented as being indicative of GPT's view on its future financial performance or future financial position. The directors of GPT do not guarantee the future performance of GPT with or without the acquisition of CPA.

All amounts disclosed in the tables are presented in \$ and, unless otherwise noted, are rounded to the nearest \$0.1 million dollars. Rounding of the figures provided in the Pro Forma Financial Information may result in some discrepancies between the sum of components and the totals outlined with the tables and percentage calculations.

**(b) Basis of preparation**

The Pro Forma Financial Information is provided for illustrative purposes and has been presented in an abbreviated form, insofar as it does not contain all the presentation and disclosures required by the Australian Accounting Standards applicable to annual financial reports and has not been prepared in accordance with the Corporations Act.

**Pro Forma Historical Statement of Financial Position**

The Pro Forma Historical Statement of Financial Position has been compiled by GPT to illustrate the impact of the acquisition of CPA on GPT's financial position as at 30 June 2013 as if the acquisition of CPA had taken place on 30 June 2013.

The Pro Forma Historical Statement of Financial Position is based on the following information:

- reviewed consolidated financial statements of GPT for the six months ended 30 June 2013 (as extracted from the interim financial report as lodged with the ASX on 12 August 2013);
- audited consolidated financial statements of CPA for the year ended 30 June 2013 (as extracted from the Appendix 4E as lodged with the ASX on 20 August 2013); and
- other publicly available information for significant events which have occurred post 30 June 2013 and other supplementary information as considered necessary to reflect the Directors' pro forma adjustments (detailed below).

### **FFO per Security Guidance**

GPT has given careful consideration as to whether forecast financial statements can and should be included in this Bidder's Statement in respect of the Combined Group. GPT has considered that forecast financial statements for the Combined Group cannot be provided as it does not have a reasonable basis for such forecasts as required by applicable law and practice, including ASIC Regulatory Guide 170. Instead of providing forecast financial statements, GPT has provided FFO per Security Guidance.

The pro forma FFO per Security Guidance has been prepared by GPT to illustrate the impact of the acquisition of CPA on GPT's FFO per Security for the 12 months ending 31 December 2014, as if the acquisition of CPA takes place on 1 January 2014.

The pro forma FFO per Security Guidance is based on the following information:

- GPT's FFO per Security Guidance for the 12 months to 31 December 2014 (as publicly announced on 19 November 2013);
- CPA's guidance FFO per unit for the year ending 30 June 2014 per CPA's broker consensus calendarised for the 12 months to 31 December 2014;
- other supplementary publicly available information as considered necessary to reflect the Directors' pro forma adjustments in relation to the impact of the acquisition of CPA.

The FFO per Security Guidance reflects the Directors' assessment of GPT based on present circumstances, anticipated economic and operating conditions and the implementation of GPT's business strategy.

While the Directors believe the assumptions used in preparing the FFO per Security Guidance are appropriate and reasonable at the time of preparation, some factors that affect the actual results cannot be foreseen or accurately predicted and many of these factors are beyond the control of the Directors. Events and circumstances often do not occur as expected, therefore actual results may differ from the FFO per Security Guidance and the differences may be material. Consequently, the Directors cannot and do not guarantee that the FFO per Security Guidance will be achieved and CPA Unitholders are advised to carefully consider both the risk factors in section 8 of this Bidder's Statement and the assumptions used in preparing the FFO per Security Guidance.

It is assumed that there are no changes in federal, state or local government laws, regulations or policies which will have a material impact on the performance of GPT.

(c) **Directors' Pro Forma Adjustments**

The Pro Forma Financial Information has been prepared for illustrative purposes only, to show the impact of the acquisition of CPA and reflect significant events which have occurred post 30 June 2013 as follows:

- the acquisitions, disposals and buyback activity in GPT post 30 June 2013 and disclosed revaluations by CPA as at 31 October 2013;
- the acquisition of CPA for 330.9 million GPT Securities and a cash consideration of \$1.7 billion;
- the sale of five properties to GWOFF for a consideration of \$1.1 billion<sup>13</sup>; and
- transaction costs associated with the acquisition of CPA.

The Pro Forma Historical Statement of Financial Position has been presented assuming:

- GPT acquires 100% of CPA Units; and
- GPT acquires 50.1% of CPA Units.

***Adjustments relating to the impact of acquisition accounting***

The Pro Forma Financial Information has been accounted for using acquisition accounting methods required by AASB 3: Business Combinations except as noted in the assumptions below. AASB 3 requires that all identifiable assets (including intangible assets and deferred tax balances) and liabilities that meet certain recognition criteria should be recognised separately in the consolidated financial statements of the Combined Group.

On completion, the excess of the cost of the acquisition over and above the net fair value of the identifiable assets and liabilities should be recognised as goodwill. This goodwill amount will only be measured and recognised once the acquisition of CPA occurs. Similarly, the identification and valuation of other identifiable intangible assets will not be possible until after the completion of the acquisition. Accounting standards allow a period of 12 months to finalise the accounting adjustments from the date of acquisition.

For the purposes of calculating the intangible assets and goodwill for the Combined Group on consolidation, the book value of CPA's assets and liabilities, as reported in the audited accounts as at 30 June 2013, and subsequent revaluations publicly disclosed, is assumed to be equal to their fair value at the date of acquisition. The amount of total intangible assets, including goodwill, relating to the acquisition will change once the fair value of all assets and liabilities are determined as at the acquisition date.

The value for accounting purposes of the consideration issued to CPA Unitholders will be measured based upon the value of GPT Securities at close of trading on the date control passes. For the purposes of the Pro Forma Financial Information, a value of \$3.68 per GPT Security has been assumed, being the closing price of GPT Securities on 18 November 2013, the day prior to the announcement of the GPT Proposal.

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<sup>13</sup> Assuming GPT reaches compulsory acquisition

The ultimate value of the purchase consideration for accounting purposes as at the date control passes may differ from the amount assumed for the purposes of the Pro Forma Financial Information.

***Accounting policies***

In preparing the Pro Forma Financial Information, GPT has undertaken a review based on publicly available information to identify accounting policy differences where the impact was potentially material to the Combined Group and could be reliably estimated.

No such material differences have been identified by GPT, however further accounting policy differences may be identified after the implementation of the Bidder's Statement.

***Purchase Consideration***

GPT has offered 0.141 GPT Securities and \$0.72<sup>14</sup> cash as consideration for each CPA unit.

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<sup>14</sup> Excluding assumed half year distribution of 3.325cpu

(d) **Pro Forma Historical Statement of Financial Position**

The table below outlines the Pro forma Historical Statement of Financial Position:

	Pro Forma Note	Reviewed GPT	Audited CPA	Pro Forma Adjustments	Pro Forma Combined Group	
					100%	50.1%
		As at 30 June 2013 \$m	As at 30 June 2013 \$m	100% Interest \$m	As at 30 June 2013 \$m	As at 30 June 2013 \$m
<b>Current assets</b>						
Cash and cash equivalents	3	300.8	9.6	(250.0)	60.4	60.4
Loans and receivables		76.6	20.2		96.8	96.8
Other current assets	2	10.1	7.0	17.3	34.4	34.4
Non-current assets held for sale	1	113.5	-	(103.2)	10.3	10.3
<b>Total current assets</b>		<b>501.0</b>	<b>36.8</b>	<b>(335.9)</b>	<b>201.9</b>	<b>201.9</b>
<b>Non-current assets</b>						
Investment properties	1, 2, 7	6,311.6	3,377.5	(776.0)	8,913.1	9,973.1
Equity accounted investments	1, 7	1,906.3	358.9	128.6	2,393.8	2,285.2
Loans and receivables		156.8	-		156.8	156.8
Other non-current assets		180.1	-		180.1	180.1
Intangible assets	4	50.9	-	112.2	163.1	107.1
<b>Total Non-Current Assets</b>		<b>8,605.7</b>	<b>3,736.4</b>	<b>(535.2)</b>	<b>11,806.9</b>	<b>12,702.3</b>
<b>Total Assets</b>		<b>9,106.7</b>	<b>3,773.2</b>	<b>(871.0)</b>	<b>12,008.9</b>	<b>12,904.3</b>
<b>Current liabilities</b>						
Payables		126.0	136.4	-	262.4	262.4
Borrowings		416.0	100.0	-	516.0	516.0
Other current liabilities		15.6	17.0	-	32.6	32.6
<b>Total current liabilities</b>		<b>557.6</b>	<b>253.4</b>	<b>0.0</b>	<b>811.0</b>	<b>811.0</b>
<b>Non-current liabilities</b>						
Borrowings	1, 5, 7	1,629.9	816.4	888.9	3,335.2	3,415.4
Other non-current liabilities		77.5	-		77.5	77.5
<b>Total non-current liabilities</b>		<b>1,707.4</b>	<b>816.4</b>	<b>888.9</b>	<b>3,412.7</b>	<b>3,492.9</b>
<b>Total Liabilities</b>		<b>2,265.0</b>	<b>1,069.8</b>	<b>888.9</b>	<b>4,223.7</b>	<b>4,303.9</b>
<b>Net assets</b>		<b>6,841.7</b>	<b>2,703.4</b>	<b>(1,759.9)</b>	<b>7,785.2</b>	<b>8,600.4</b>
<b>Equity</b>						
Contributed equity		8,115.6	2,383.3	(1,341.3)	9,157.6	8,549.9
Reserves		25.5	-	-	25.5	25.5
Retained Earnings	6,7	(1,299.4)	320.1	(418.7)	(1,398.0)	(1,341.0)
Minority Interest		-	-	0.0	0.0	1,366.0
<b>Total equity</b>		<b>6,841.7</b>	<b>2,703.4</b>	<b>(1,759.9)</b>	<b>7,785.2</b>	<b>8,600.4</b>
<b>Securities on issue (millions)</b>		<b>1,743.5</b>	<b>2,347.0</b>		<b>2,025.8</b>	<b>1,860.7</b>
<b>Gearing (net)<sup>(a)</sup></b>		<b>19.9%</b>	<b>24.1%</b>		<b>32.2%</b>	<b>30.4%</b>
<b>NTA per security (\$)</b>		<b>\$3.76</b>			<b>\$3.65</b>	<b>\$3.70</b>

Note (a): Gearing (net) is calculated as (borrowings less cash)/(total tangible assets less cash). Above 50.1% ownership, for every additional 10% additional ownership up to 90.0% the gearing ratio increases by approximately 1.3%.



## Notes to Pro Forma Historical Statement of Financial Position

### *Pro forma adjustments*

1. GPT adjustments for events post 30 June 2013:
  - Non-current assets held for sale adjusted for the sale of Homemaker Fortitude Valley in July 2013;
  - Investment properties have been adjusted to reflect acquisitions of the Yennora, Yatala and Green Square properties;
  - GPT's subscription to an additional \$20.0 million of securities as part of the GWSCF capital raising in July 2013; and
  - Borrowings and contributed equity adjusted to reflect the buy back of \$175.8 million of GPT securities which occurred post 30 June 2013.
2. CPA adjustment to NTA per unit from \$1.15 as at 30 June 2013 to \$1.19 as a result of the uplifts in value of properties as per CPA's ASX announcements dated 23 October 2013 and 18 November 2013.
3. GPT will fund \$250 million of the acquisition of CPA through the use of existing cash.
4. The Pro Forma Historical Statement of Financial Position assumes the acquisition of CPA occurred on 30 June 2013. The acquisition adjustments assume a GPT security price of \$3.68 (being the closing price of GPT securities on 18 November 2013, the day prior to the announcement of the GPT Offer). GPT acquires 100% of CPA Units at an exchange ratio of 0.141 GPT Securities and cash of \$0.72<sup>15</sup>. The number of Units in CPA is 2,347 million Units. Additionally, it is assumed that the CPA Convertible Notes will convert on a change of control and will be paid in cash.

The calculation of intangible assets and goodwill is as follows:

<b>GPT Ownership % of CPA</b>	<b>100%</b>	<b>50.1%</b>
Number of Units in CPA at acquisition date	2,347 million	2,347 million
Exchange ratio of CPA Units to GPT Securities	0.141	0.141
Exchange ratio of CPA Units to cash	\$0.720	\$0.720
Number of new GPT Securities to be issued	330.9 million	165.8 million
GPT Security price at 18 November 2013	\$3.68	\$3.68
Total value of new GPT Securities to be issued to CPA Unitholders	\$1,217.8 million	\$610.1 million
Total value of cash to be paid to CPA Unitholders	\$1,689.8 million	\$846.6 million
<b>Total Consideration</b>	<b>\$ 2,907.6 million</b>	<b>\$1,456.7 million</b>
Adjusted Pro Forma Historical CPA Net Assets	\$2,795.4 million	\$1,400.5 million
<b>Goodwill and intangibles on acquisition</b>	<b>\$112.2 million</b>	<b>\$56.2 million</b>

<sup>15</sup> Assuming CPA declares a half yearly distribution of 3.325cpu in December 2013

5. Total debt required to fund the acquisition reflects the \$1,689.8 million plus \$111.6 million of transaction costs, less \$250 million of existing cash used to fund the acquisition of CPA (on a 50.1% basis, total debt required to fund the acquisition reflects the \$846.6 million plus \$70.6 million of transactions costs, with costs incurred by CPA minorities being reflected in minority interest).
6. Retained earnings have been reduced by \$111.6 million for transaction costs related to the payments required for the CPA Convertible Notes, stamp duty and other transaction costs (on a 50.1% basis, retained earnings have been reduced by \$41.6 million for GPT's share of transaction costs related to the payments required for the CPA Convertible Notes (with costs incurred by CPA minorities being reflected in minority interest) and other transaction costs).
7. The intended sale to GWOFF results in the following pro forma adjustments (100% basis only):
  - \$1.1 billion reduction to investment properties for the sale to GWOFF;
  - \$1.1 billion reduction to borrowings reflective of the consideration;
  - GWOFF equity raising results in a \$120.6 million increase in the GWOFF investment and borrowings; and
  - GPT's share of stamp duty costs incurred in GWOFF and the profit on the sale are reflected in retained earnings.

(e) **FFO per Security Guidance**

GPT's FFO per security guidance for the 12 months ending 31 December 2014 (on an annualised basis) is shown below:

	<b>Guidance GPT</b>	<b>Guidance CPA</b>	<b>Guidance Combined Group<sup>(2)</sup></b>
	<b>Year ending 31 Dec 2014</b>	<b>Year ending 30 June 2014</b>	<b>Year ending 31 Dec 2014</b>
	<b>cps</b>	<b>cps</b>	<b>cps</b>
FFO per security	26.5	8.87 <sup>(1)</sup>	27.4
Distribution per security	21.0	6.65	21.7

(1) Based on CPA stated payout ratio of 75%

(2) CPA Unitholders who accept the Offer will receive 0.141 GPT Securities (in addition to the cash consideration) in accordance with the Offer Consideration. Accordingly, CPA Unitholders will receive a proportion of the Combined Group guidance for each CPA Unit held.

(f) **Directors' assumptions underlying the FFO per Security Guidance**

In preparing the FFO per Security Guidance, the following best estimate assumptions have been adopted:

**GPT standalone assumptions**

- FFO per security of 26.5cps and DPS of 21.0cps for the year ending 31 December 2014

**CPA standalone assumptions**

- CPA implied guidance of 8.9cpu based on CPA's broker consensus adjusted for December 2014 year end

**Pro forma assumptions**

- Acquisition of CPA occurs on 31 December 2013, CPA declares and pays a distribution for the 6 months to 31 December 2013 of 3.325cpu
- Incremental cost of debt of 5.5%
- Incremental GPT operating expenses of \$3 million per annum
- Cost savings of \$19.8 million per annum which predominantly relates to CPA's Responsible Entity fees which are assumed not to be paid post acquisition of CPA
- Incremental funds management net income from GWOFF of \$4.5 million per annum

**FFO per Security Sensitivity analysis**

Sensitivities to the FFO per security accretion guidance are shown below for cost of debt and CPA FFO per security. The accretion as per the guidance above is for at least 3.5% FFO accretion in 2014 on an annualised basis.

**Impact to FFO Accretion (annualised)**

Base Case 3.5%		GPT Ownership of CPA		
		50.1%	75%	100%
Incremental Cost of Debt	-0.50%	0.7%	1.1%	0.5%
	-0.25%	0.3%	0.5%	0.3%
	0.00%	0.0%	0.0%	0.0%
	+0.25%	(0.3%)	(0.5%)	(0.3%)
	+0.50%	(0.7%)	(1.1%)	(0.5%)

**Impact to FFO Accretion (annualised)**

Base Case 3.5%		GPT Ownership of CPA		
		50.1%	75%	100%
CPA FFO Per Security (Year ending June 2014)	8.5	(1.0%)	(1.4%)	(1.8%)
	8.7	(0.5%)	(0.7%)	(0.9%)
	8.9	0.0%	0.0%	0.0%
	9.1	0.5%	0.7%	0.9%
	9.3	1.0%	1.4%	1.8%

## 7. Australian Tax Considerations

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The following is a general summary of the CGT consequences for CPA Unitholders that dispose of their CPA Units as a result of accepting the Offer (or as a consequence of the compulsory acquisition of their CPA Units). The Australian taxation consequences for CPA Unitholders will depend upon their individual circumstances. CPA Unitholders should make their own enquiries and seek independent professional advice concerning their particular circumstances.

The comments set out below regarding the consideration received in exchange for the disposal of the CPA Units are relevant only to those CPA Unitholders that hold their CPA Units as capital assets for the purpose of investment and that do not hold their CPA Units in connection with the conduct of a business, or on revenue account or as part of a profit making undertaking or scheme.

Certain CPA Unitholders (such as those engaged in a business of trading or investment, those that acquired their CPA Units for the purpose of resale at a profit or those which are banks, insurance companies, tax exempt organisations or superannuation funds) will or may be subject to special or different taxation consequences peculiar to their circumstances (including whether they have made an election available to them to apply the CGT provisions as the primary code for assessing gains and losses on certain of their assets such as any CPA Units held by them).

CPA Unitholders that are not residents of Australia for Australian tax purposes should also take into account the tax consequences under the laws of their country of residence, as well as under Australian law, in respect of their disposal of CPA Units pursuant to the Offer and in respect of holding GPT Securities.

The following summary is based upon Australian taxation law and practice in effect as at the date of this Bidder's Statement, but this law and practice is subject to change. In particular, it does not anticipate the proposed new tax regime for managed investment trusts that the Government has recently announced that it will proceed with on the basis that it will increase certainty for taxpayers and reduce compliance costs. This summary is not intended to be an authoritative or complete statement or analysis of the taxation laws applicable to the particular circumstances of every CPA Unitholder.

### 7.1 CGT consequences for resident CPA Unitholders

#### (a) Capital gain or capital loss upon disposal of CPA Units

If a CPA Unitholder disposes of their CPA Units pursuant to the Offer (or as a consequence of the compulsory acquisition of their CPA Units) then that disposal will constitute a CGT event for Australian taxation purposes. Where a CPA Unitholder accepts the Offer, the date of disposal of their CPA Units will be the date on which they accept the Offer. Where a CPA Unitholder does not accept the Offer but has their CPA Units compulsorily acquired by GPT, the date of disposal of their CPA Units will be the date that GPT becomes the owner of those CPA Units.

CPA Unitholders will:

- (i) make a capital gain if the capital proceeds from the transfer of their CPA Units to GPT are greater than the cost base of those CPA Units; and

- (ii) make a capital loss if the reduced cost base of their CPA Units is greater than the capital proceeds from the transfer of those CPA Units to GPT.

Any capital gain realised in respect of the disposal of the CPA Units will be included in the calculation of the CPA Unitholder's net capital gain. Any net capital gain is included in the CPA Unitholder's assessable income for the income tax year in which the date of disposal of the CPA Units occurs.

A capital loss may not be deducted against other income for income tax purposes but may be offset against capital gains realised in the same income year in the calculation of any net capital gain (or the losses can be carried forward to offset against future capital gains).

The capital proceeds in respect of the disposal of the CPA Units will be the sum of:

- the cash component of the Offer Consideration; and
- the market value of the GPT Securities received in exchange for the CPA Units. The market value of a GPT Security will be its closing price on the ASX on the date the Offer is accepted. The closing price of a GPT Security on a particular day is available on the GPT website at [www.gpt.com.au/Investor-Centre/Security-Price](http://www.gpt.com.au/Investor-Centre/Security-Price).

The cost base and reduced cost base of CPA Units will generally equal the amount of cash paid, or the market value of property given, by CPA Unitholders for those CPA Units plus certain incidental costs incurred.

Certain CPA Unitholders that have held their CPA Units for at least 12 months when they dispose of the CPA Units to GPT, will be eligible to claim the 'CGT discount' in respect of that disposal. If they are eligible and choose to apply the CGT discount, this will mean that:

- (iii) in the case of an individual (and, generally speaking, a trustee of a trust), only one half ( $\frac{1}{2}$ ) of their net capital gain on those CPA Units (after deducting available capital losses) will be taxable; and
- (iv) in the case of a complying superannuation entity, only two thirds ( $\frac{2}{3}$ ) of the net capital gain on those CPA Units (after deducting available capital losses) will be taxable.

The CGT discount methodology for trustees is complex and any such CPA Unitholders should obtain specific advice. CPA Unitholders should also note that any available capital losses will be deducted from the gross capital gain before the CGT discount is applied.

The CGT discount is not available to companies.

(b) **No scrip for scrip roll-over relief**

It is not intended that scrip for scrip roll-over relief will be available to CPA Unitholders in respect of any capital gain realised by them as a result of the disposal of their CPA Units pursuant to the Offer (or as a consequence of the compulsory acquisition of their CPA Units).

(c) **Subsequent disposal of GPT Securities**

Any subsequent disposal by former CPA Unitholders of their GPT Securities will generally have the same CGT consequences as for the disposal of their CPA Units (as described in (a) above). Whether a capital gain will be made and whether the CGT discount will be available to those GPT Securityholders that are eligible for it will depend upon the cost base of the GPT Securities and the capital proceeds received in respect of their disposal, as well as on whether the 12 month holding period rule is satisfied. For these purposes the 12 month period will be calculated from the date of acquisition of the GPT Securities, not the date of acquisition of the CPA Units. The date of acquisition of the GPT Securities will be the date on which the Offer is accepted.

The cost base of the GPT Securities acquired by a CPA Unitholder will be based upon the market value of the CPA Units provided as consideration less the cash component of the Offer Consideration.

(d) **Sale of GPT Securities by Sale Nominee**

For CPA Unitholders that are Ineligible Foreign Unitholders or Unmarketable Parcel Securityholders, the capital proceeds from the disposal of their GPT Securities will equal the proceeds received from the Sale Nominee for disposing of the GPT Securities to which they would otherwise be entitled.

## **7.2 CGT consequences for non-resident CPA Unitholders**

CPA Unitholders that are not residents of Australia for Australian taxation purposes will not make a taxable capital gain on the disposal of CPA Units unless their CPA Units are taxable Australian property.

CPA Units will not be taxable Australian property of a non-resident CPA Unitholder that has never used their CPA Units in carrying on a business through any permanent establishment in Australia unless they pass the 'non-portfolio interest test'. In broad terms, this requires that a CPA Unitholder (either alone or together with its associates) has held 10% or more of CPA Units on issue throughout a twelve month period during the 2 years prior to the disposal of the CPA Units, or at the time of that disposal.

Any CPA Unitholder that is not a resident of Australia for Australian tax purposes and that passes the non-portfolio interest test should seek their own advice as to the tax consequences, both in Australia and in their country of residence, of disposing of their CPA Units (and in respect of any future disposal of GPT Securities).

## **7.3 Goods and Services Tax**

Apart from any fees that you may be charged by your stock broker if it accepts the Offer on your behalf, GST will not apply to any of the following security dealings either because the dealing will be a 'financial supply' that is exempt from GST or an 'out of scope' supply (a supply which cannot generate a GST liability as it does not meet the definition of 'taxable supply'):

- (a) the transfer of CPA Units to GPT; and
- (b) the issue of GPT Securities and any future disposal of GPT Securities.

## **7.4 Stamp Duty**

No Australian stamp duty will be payable by CPA Unitholders in respect of the disposal of their CPA Units or acquisition of GPT Securities pursuant to the Offer.

## **7.5 Future distributions on GPT Securities**

### **(a) Distributions on GPT Units**

It is intended that the General Property Trust will be taxed on a "flow through" basis such that its responsible entity will not be liable to Australian tax on the taxable income of the General Property Trust.

A responsible entity may be liable for income tax at the corporate tax rate in any year where the relevant trust is classified as a "public trading trust" for that year. It is intended that the activities of the General Property Trust will be limited to "eligible investment business" so that it will not be a public trading trust. These tests are applied each income year so the tax position of the General Property Trust in any year will depend on its activities in that year.

GPT Securityholders will generally be assessed on their proportionate share of the taxable income of the General Property Trust. That taxable income may include non-cash income or capital gains in certain circumstances.

If a GPT Securityholder receives a distribution in excess of the GPT Securityholder's share of the taxable income of the General Property Trust, the excess will represent a "tax deferred" distribution. The receipt of a tax deferred distribution will generally not be included in a GPT Securityholder's assessable income. However, the tax deferred component will reduce the cost base of the GPT Units held by that GPT Securityholder. Where the cost base of a GPT Unit is reduced to zero, any further receipt of the tax deferred distributions in respect of that GPT Unit will be assessable to the GPT Securityholder in that year as a capital gain.

The capacity of the General Property Trust to make tax deferred distributions to holders of GPT Units will vary from year to year. CPA Unitholders should note that the level of tax deferred distributions made by the General Property Trust in the past may not be representative of the level of tax deferred distributions that it may be able to make in the future.

Further information on the Australian tax treatment of distributions on the GPT Units, including information relevant to GPT Securityholders that are not residents of Australia for Australian taxation purposes, is contained in the "General Summary of Australian Income Tax Implications for GPT Securityholders" available on the GPT website at [www.gpt.com.au/Investor-Relations/Security-Holder-Services/Tax-Information](http://www.gpt.com.au/Investor-Relations/Security-Holder-Services/Tax-Information).

### **(b) Distributions on GPT Shares**

Any dividends paid on GPT Shares held by a GPT Securityholder will be included in their assessable income. Franking credits will be attached to such dividends to the extent that they are franked.

Fully franked dividends paid to GPT Securityholders that are not residents of Australia for Australian tax purposes, and do not hold their GPT Securities as part of a business carried on by them through a permanent establishment in Australia, will not be subject to further Australian tax. However, to the extent that dividends paid to such GPT Securityholders are not franked (or are not declared to be foreign conduit income), those dividends will be subject to dividend withholding tax. The rate of dividend withholding tax is 30%, unless it is reduced by an applicable tax treaty, in which case it is generally reduced to 15%.

## 8. Risk factors

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### 8.1 Overview

In deciding whether or not to accept the Offer, you should read this entire Bidder's Statement carefully. You should also carefully consider the risk factors outlined in this section 8 and your personal circumstances. This section 8 is general only and does not take into account your individual objectives, financial situation or needs.

If the Offer becomes unconditional, CPA Unitholders who accept the Offer (other than an Ineligible Foreign Unitholder or an Unmarketable Parcel Securityholder) will become GPT Securityholders.

A number of risks and uncertainties, which are both specific to the GPT Group and of a more general nature, may affect the future operating and financial performance of the GPT Group and the value of GPT Securities.

This section 8 outlines the:

- risks that are specific to GPT (see section 8.2);
- specific risks that are common to the existing businesses of GPT and CPA, and which will therefore be risks to which the Combined Group will be exposed (see section 8.3);
- risks that arise from the Offer (see section 8.4);
- general and industry risks of the Combined Group (see section 8.5); and
- general investment risks (see section 8.6).

Many of these risks are outside the control of GPT and CPA. Although the Combined Group will have in place a number of strategies to minimise exposure to, and mitigate the effects of, some of the risks outlined in this section, there can be no guarantee that such arrangements will protect the Combined Group from these risks.

### 8.2 Risks specific to the GPT Group

#### (a) Asset class

GPT owns a diversified portfolio of high quality Australian real estate in the Retail, Office and Logistics & Business Park sectors.

Ownership of GPT will expose CPA Unitholders to the Retail and Logistics & Business Park sectors which are different from the office sector.

#### (b) Funds under management

The GPT Group derives a proportion of its earnings from fees and charges from its funds management division. CPA Unitholders will be exposed to funds management earnings which can be more volatile than passive property earnings.

The amount of funds under management, and fees earned, will reflect the investment performance of the funds managed by the GPT Group. Changes in the performance of those funds and changes in domestic and/or global market conditions and investor sentiment could lead to a decline in the GPT Group's funds under management.

GPT's continued role as manager may also be impacted by its management performance. Any decline in the GPT Group's brand and reputation could also



contribute to reduced inflows of investment funds. These could then impact the amount of fees and charges earned by the GPT Group, which may in turn impact the future profitability and financial position of the GPT Group.

(c) **Highpoint put option**

The co-owners of the Highpoint Shopping Centre have the right to put the balance of their 50% interest, or a part thereof (but not less than 8.33%) to GWSCF at the market price at the time. The put option is only exercisable during a 30 day window each year commencing on 1 July, and expires in 2016. Three months notice of exercise of the put must be given. If GWSCF does not acquire the interest, and another person is not nominated to acquire it, GPT is required to do so. If GPT was required to acquire the remaining interest in the Highpoint Shopping Centre, estimated by GPT to be approximately \$600 million, this may increase GPT's gearing.

(d) **Regulatory risk**

Changes to legislation, regulation or government policy and their interpretation either generally or directed at the funds management sector may affect the demand for services from the GPT Group, add additional costs to the delivery of services by the GPT Group or require restructuring to the way in which the GPT Group operates its funds management business going forward.

(e) **Reputation of financial services industry**

The overall performance of the GPT Group's funds management business may also be adversely affected if the financial services industry as a whole sustains any material damage to its reputation.

### **8.3 Risks relating to the Combined Group**

The following risks have been identified as being key potential risks that are common to CPA and GPT, which will therefore potentially affect the performance of the Combined Group and the value of GPT Securities if the Offer is accepted.

(a) **Rental demand**

A reduction in rental and/or occupancy levels in the Combined Group's properties may adversely impact revenue levels of the Combined Group. A failure to lease properties owned by the Combined Group at the expected rentals or in the expected timeframe may have a material adverse effect on the Combined Group.

(b) **Counterparties and joint venture parties**

Both GPT and CPA currently undertake joint ventures with co-owners on asset ownership and business partners on development projects. At times, major decisions are and will be required to be made in respect of these joint venture arrangements. The interests of the Combined Group may not always be the same as those of joint venture partners in relation to these matters.

Pre-emptive provisions or first rights of refusal may apply to sales or transfers of interests in co-owned assets and businesses. Additionally, as GPT has not had access to any non-public information in relation to CPA, there may be pre-emptive provisions triggered in relation to some of the CPA joint ventures as a result of the Offer.

There is always a risk that, notwithstanding appropriate safeguards, parties with whom the Combined Group has dealings may experience financial or other difficulties, with consequential adverse effects for the relevant project or asset.

(c) **Loss of personnel**

The Combined Group's future success will depend in part on its continued ability to attract and retain highly skilled and qualified personnel. There can be no assurance that key personnel, in particular, key senior executives, will continue to be employed by, or contracted to, the Combined Group or that the Combined Group will be able to attract and retain qualified personnel in the future. Failure to retain or attract key personnel could have an adverse impact on the Combined Group's business, reputation and financial performance.

(d) **Liquidity and gearing**

Liquidity risk is the potential inability to meet the Combined Group's payment obligations, which could potentially arise as a result of a mismatch between those obligations and access to liquid assets, funding on acceptable terms or cash flows generated by the business.

An inability to obtain necessary funding for the business or a material increase in the cost of the funding through an increase in interest rates may have a material adverse impact on the Combined Group's activities and financial position particularly given the increased level of gearing in the Combined Group.

However, it is expected that the Combined Group will be in a sound financial position during and following the successful completion of the Offer.

(e) **Development risks**

The development activities of the Combined Group are dependent on the supply and demand dynamics of specific markets.

A general decline, or declines in the specific markets in which the Combined Group operates, in the level of demand for property developments may adversely impact the Combined Group's development activities. There is the risk that tenants will not be obtained for the redeveloped space. The Combined Group's income and asset value could be adversely affected if these risks were to eventuate.

(f) **Risk of litigation**

The Combined Group is subject to the usual business risk that disputes or litigation may arise from time to time in the course of its business activities. The extent of those disputes and litigation cannot be ascertained at this time but there exists a risk that a material or costly dispute or litigation could affect the value of the assets or expected income in the Combined Group.

Litigation risks relating to the Combined Group include, but are not limited to, the possibility that tenants or other groups may default on their obligations to the Combined Group, which may lead to a loss of income and increased costs as a result of enforcement action being required.

The GPT Group is not currently a party to any material litigation, is not involved in any material disputes and is not aware of any facts or circumstances that appear likely to give rise to any material litigation or dispute.

GPT is not in a position to comment on the potential or actual litigation or disputes facing CPA. For further information please refer to CPA's periodic and continuous disclosure announcements and its target's statement.

(g) **Other potential risks**

Other risks that may arise in relation to the Combined Group include, but are not limited to:

- unforeseen capital expenditure requirements that would increase the Combined Group's funding costs; and
- environmental or government regulation issues which may affect the Combined Group's assets or projects.

#### **8.4 Risks that arise from the Offer**

Risks that may arise as a result of the Offer include:

(a) **Acquisition of less than 100% of CPA**

If GPT acquires less than 90% of all of the CPA Units on issue under the Offer, this would prevent GPT compulsorily acquiring all remaining CPA Units. On 21 November 2013, DEXUS, which as at the date of the Bidder's Statement had a relevant interest in 14.9% of CPA, announced that its current intention is not to accept the GPT Offer, but reserved its right to change its intention if new information about the GPT Offer is released to the market or the terms of the GPT Offer change.

The GPT Group will still seek to have an appropriately licensed GPT Group entity appointed as Responsible Entity of CPA.

CPA Unitholders should note that there is a risk that the CPA Unit price may fall below the value of the Offer and that they may become minority unitholders in a less liquid investment if GPT acquires more than 50% of CPA.

(b) **Availability of financing**

GPT has financing commitments in place to fund the acquisition of CPA detailed in section 10.2. If any of this financing becomes unavailable for any reason and GPT cannot put in place alternative sources of financing under similar terms, GPT may not be able to complete the acquisition of CPA as planned.

(c) **Reliance on public information**

In preparing the information relating to CPA contained in this Bidder's Statement, GPT has relied on publicly available information relating to CPA. Risks may exist in relation to CPA (which may affect the Combined Group) of which GPT may be unaware. However, as CPA is an ASX listed entity, any substantial threats to CPA's business should have been disclosed pursuant to CPA's periodic and continuous disclosure obligations.

If any material risks are known to CPA Directors, they must be disclosed in the target's statement to be issued by CPA.

(d) **Triggering change of control provisions**

As the Offer may result in a change in control of CPA there could be consequences for the Combined Group.

GPT is not aware of the specific terms of pre-emptive rights or change of control provisions affecting CPA's assets or agreements that would be triggered by GPT obtaining control of CPA. The operation of these change of control provisions, if triggered, could have consequences including a co-owner having the right to acquire CPA's stake in an asset or the counter-party terminating the relevant agreement.

If these change of control provisions can be waived by the relevant counter-party, GPT would consider seeking such waivers. However, if waivers of counter-party rights under the pre-emptive rights or change of control provisions cannot be obtained, then this could alter the profile of the Combined Group.

(e) **Integration of CPA**

As GPT has not conducted due diligence on CPA, and has not engaged with CPA or CMIL in relation to the integration of CPA and GPT there are risks associated with integrating GPT and CPA, leading to unanticipated costs and potential business interruptions. GPT has not entered into any arrangements with CBA in relation to the replacement of the responsible entity of CPA, and is therefore relying on the statutory obligations of CMIL to provide reasonable assistance to a new responsible entity to facilitate the change.

(f) **CPA Convertibles**

The CPA Convertible Notes contain change of control provisions, the terms of which were publicly disclosed at the time of issuance. In the event of a change of control, which includes GPT acquiring a relevant interest of greater than 50% of CPA units and the offer being declared unconditional, noteholders have the ability to convert the notes at an adjusted conversion price which would be dilutive to CPA's NTA. Further details in relation to the convertible notes are set out in Section 4.9.

(g) **Assumptions by GPT**

In making the Offer, GPT has made certain assumptions in estimating the accretion to GPT's FFO per security and distribution per security for the year ending 31 December 2014 (on an annualised basis). This includes assumptions in relation to GPT's FFO per Security Guidance and CPA's guidance FFO per security and distribution per security for the year ending 31 December 2014, as well as adjustments as a result of the acquisition of CPA. This includes transaction costs such as stamp duty, costs to refinance the CPA Convertible Notes and costs to refinance the US medium term notes issued by CPA. An estimate of these and other transaction costs are referred to in section 6.6(d). There is a risk that the assumptions may not be accurate and the accretion to GPT's FFO per security and distribution per security for the year ending 31 December 2014 (on an annualised basis) may be higher or lower than estimated.

(h) **Issue of GPT Securities as consideration**

CPA Unitholders are being offered GPT Securities as consideration under the Offer. As a result, the value of the consideration will fluctuate depending upon the market value of GPT Securities.

Accordingly, the market value of the GPT Securities at the time you receive them may vary significantly from their market value on the date of your acceptance of the Offer, and the tax treatment of the GPT Securities you receive may be different from your CPA Units.

(i) **Sale of GPT Securities**

Under the Offer, GPT will issue a significant number of new GPT Securities. Some CPA Unitholders may not intend to continue to hold their GPT Securities and may wish to sell them. There is a risk that increased sales of GPT Securities may adversely impact on the price of, and demand for, GPT Securities.

## **8.5 General and industry risks of the Combined Group**

The business activities of the Combined Group will be subject to various general economic and industry specific risks that may impact on the future performance of the Combined Group. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Combined Group and cannot be mitigated.

The general risks to which participants in the property investment and development industry are exposed include the following (which you are currently exposed to through your holding of CPA Units and will continue to be exposed to as a GPT Securityholder):

(a) **Returns from investments**

The value, expectations of capital growth, and returns from GPT's and CPA's property assets will fluctuate depending on property market conditions. Rental and occupancy levels may change as a result of changes in the property market and general economic conditions (including conditions relating to Retail, Office, Logistics & Business Park and development assets), and this may affect the distributions paid by GPT Group and the market price of GPT Securities.

The ability to procure tenants (including timing and rental paid), demand for property from investors, expenses in operating, refurbishing and maintaining properties, and timing of receiving sale proceeds may influence the value of the Combined Group's assets. The supply of competing buildings, both existing or new, may also affect the ability to secure lease renewals, retain existing tenants or obtain new tenants.

(b) **Changing investor demand for property investments**

The demand for property and listed property securities may change as investor preferences for particular sectors and asset classes change. The demand for property as an asset class changes over time and can be influenced by general economic factors such as interest rates, stock market cycles and exchange rates.

(c) **Land values**

From time to time unanticipated events occur that affect the value of land or development costs which may in turn affect the financial returns from property investment, projects and property related business. For example, land resumption, major infrastructure requirements or unanticipated environmental issues may affect these financial returns.

(d) **Time delays**

Development approvals, slow decision-making by counterparties, complex construction specifications, changes to design briefs, legal issues and other documentation changes may give rise to delays in completion of projects, loss of revenue and cost overruns. Additionally, delays in completion of projects may, in turn, result in liquidated damages and termination of lease agreements and pre-sale agreements.

Other time delays that may arise in relation to construction and development projects include supply of labour, scarcity of construction materials, lower than expected productivity levels, inclement weather conditions, land contamination, difficult site access or industrial relations issues.

Objections raised by community interest groups, environmental groups and neighbours may also delay the granting of planning approvals or the overall progress of a project.

(e) **Property liquidity**

The Combined Group may be required to dispose of some of its property assets in response to adverse business conditions. Given the relatively illiquid nature of property investments, the Combined Group may not be able to achieve the disposal of the property asset(s) in a timely manner or at an optimal sale price. This may affect the Combined Group's net asset value or market price of GPT Securities.

(f) **Competition**

The Combined Group will face competition from other property groups active in Australia. Such competition could lead to the following adverse outcomes:

- loss of tenants to competitors;
- a reduction in rents; and
- an inability to secure new tenants resulting from oversupply of space.

## **8.6 General Investment risks**

(a) **Government policy and taxation**

Changes in relevant taxation laws, accounting standards, other legal, legislative and administrative regimes, and government policies, may have an adverse effect on the assets, operations and, ultimately, the financial performance of the Combined Group. These factors may ultimately affect the Combined Group's financial position and performance and the market price of GPT Securities.

(b) **General economic conditions**

The operating and financial performance of the Combined Group is influenced by a variety of general economic conditions and business conditions, including the level of inflation, interest rates and exchange rates and government fiscal, monetary and regulatory policies. A prolonged deterioration in general economic conditions could materially and adversely affect the Combined Group's operations and/or financial position and performance.

(c) **Equity market conditions**

The market price of GPT Securities will be affected by the financial performance of the Combined Group and also varied and often unpredictable factors influencing the equity market generally. These factors include international stock markets, interest rates, domestic and international economic conditions, domestic and international political stability, investor sentiment, and the demand for equities generally.

(d) **The Combined Group may lack liquidity**

GPT will apply to the ASX for Official Quotation of all GPT Securities issued under the Offer. Official Quotation of these GPT Securities will depend on the ASX exercising its discretion. However, as GPT is already admitted to the official list of the ASX and GPT Securities are already quoted, GPT is of the view that quotation of the securities to be issued under the Offer will be granted.

Even if your new GPT Securities are quoted on the ASX, there is no guarantee that there will be an ongoing liquid market for GPT Securities. Accordingly, there is a risk that, should the market for GPT Securities become illiquid, GPT Securityholders will be unable to realise their investment in GPT.

## 9. Investigating Accountant's Report



### KPMG Transaction Services

A division of KPMG Financial Advisory Services  
(Australia) Pty Ltd  
Australian Financial Services Licence No. 246901  
10 Shelley Street  
Sydney NSW 2000

PO Box H67  
Australia Square 1213  
Australia

ABN: 43 007 363 215  
Telephone: +61 2 9335 7000  
Facsimile: +61 2 9335 7001  
DX: 1056 Sydney  
www.kpmg.com.au

The Directors  
GPT Management Holdings Limited and GPT RE  
Limited (as Responsible Entity of General Property  
Trust)  
Level 51, MLC Centre  
19 Martin Place  
Sydney, NSW 2000

3 December 2013

Dear Directors

### Limited Assurance Investigating Accountant's Report and Financial Services Guide

#### Introduction

KPMG Financial Advisory Services (Australia) Pty Ltd (of which KPMG Transaction Services is a division) ("KPMG Transaction Services") has been engaged by GPT Management Holdings Limited and GPT RE Limited (as Responsible Entity of General Property Trust) to prepare this report for inclusion in the Bidder's Statement to be dated 3 December 2013 ("Bidder's Statement") in respect of the GPT Group's ("GPT") proposed acquisition of the Commonwealth Property Office Fund ("CPA") ("the Transaction").

Expressions defined in the Bidder's Statement have the same meaning in this report.

#### Scope

You have requested KPMG Transaction Services to perform a limited assurance engagement in relation to the pro forma historical statement of financial position described below and disclosed in the Bidder's Statement.

The pro forma historical statement of financial position is presented in the Bidder's Statement in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

#### *Compilation of the Pro Forma Historical Statement of Financial Position*

You have requested KPMG Transaction Services to perform limited assurance procedures in relation to the compilation of the Pro Forma Historical Statement of Financial Position of GPT (the responsible party) included in the Bidder's Statement.

KPMG Financial Advisory Services (Australia) Pty Ltd is affiliated with KPMG. KPMG is an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.



The Pro Forma Historical Statement of Financial Position has been derived from the historical financial information of GPT and CPA, after adjusting for the effects of pro forma adjustments described in section 6.6 of the Bidder's Statement. The pro forma financial information consists of GPT's Pro Forma Historical Statement of Financial Position as at 30 June 2013 and related notes as set out in section 6.6 of the Bidder's Statement issued by GPT. The basis on which GPT has compiled the Pro Forma Historical Statement of Financial Position is specified in section 6.6 of the Bidder's Statement.

The Pro Forma Historical Statement of Financial Position has been compiled by GPT to illustrate the impact of the Transaction on GPT's financial position as at 30 June 2013. As part of this process, information about GPT's and CPA's financial position has been extracted by GPT from GPT's financial statements for the period ended 30 June 2013 and from CPA's financial statements for the period ended 30 June 2013.

The financial statement of GPT for the half year ended 30 June 2013 was reviewed by GPT's external auditor in accordance with Australian Auditing Standards. The review opinions issued to the members of GPT relating to those financial statements were unqualified. The financial statements of CPA for the year ended 30 June 2013 were audited by CPA's external auditor in accordance with Australian Auditing Standards. The audit opinions issued to the members of CPA relating to those financial statements were unqualified.

For the purposes of preparing this report we have performed limited assurance procedures in relation to the Pro Forma Historical Statement of Financial Position in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the Pro Forma Historical Statement of Financial Position has not been properly compiled on the basis stated in section 6.6 of the Bidder's Statement.

We have conducted our procedures in accordance with the Standard on Assurance Engagements ASAE 3420 *Assurance Engagements To Report on the Compilation of Pro Forma Historical Financial Information included in a Prospectus or other Document* (ASAE 3420).

Our limited assurance engagement has involved performing procedures to assess whether the applicable criteria used by GPT in the compilation of the Pro Forma Historical Statement of Financial Position provides a reasonable basis for presenting the significant effects directly attributable to the event(s) or transaction(s), and that the:

- related pro forma adjustments give appropriate effect to those criteria; and
- resultant Pro Forma Historical Statement of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The engagement has also involved evaluating the overall presentation of the Pro Forma Historical Statement of Financial Position.

The procedures we performed were based on our professional judgement and included:

- consideration of whether the unadjusted historical financial information, which forms the basis for the Pro Forma Historical Statement of Financial Position, has been extracted from an appropriate source;
- consideration of work papers, accounting records and other documents, including those dealing with the extraction of the historical financial information of GPT from its reviewed financial statement for the half year ended 30 June 2013, and those dealing with the extraction of historical financial information of CPA from its audited financial statement for the year ended 30 June 2013;
- consideration of the pro forma adjustments described in the Bidder's Statement;
- enquiry of directors, management, personnel and advisors;
- the performance of analytical procedures applied to the Pro Forma Historical Statement of Financial Position; and
- a review of accounting policies for consistency of application in the preparation of the pro forma adjustments.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, an audit. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed an audit. Accordingly, we do not express an audit opinion about whether the Pro Forma Historical Statement of Financial Position has been properly compiled on the basis stated in section 6.6 of the Bidder's Statement.

We have not performed an audit or review of the historical financial information used in compiling the Pro Forma Historical Statement of Financial Position, or of the Pro Forma Historical Statement of Financial Position itself. Also, our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used in compiling the Pro Forma Historical Statement of Financial Position. Further, we have not had access to the audit workpapers of CPA's auditor.

The purpose of the Pro Forma Historical Statement of Financial Position being included in the Bidder's Statement is solely to illustrate the impact of the Transaction on the unadjusted financial information of GPT. Accordingly, we do not provide any assurance that the actual outcome of the Transaction would have been as presented.

#### **Directors' responsibilities**

The directors of GPT are responsible for the preparation of the Pro Forma Historical Statement of Financial Position, including the selection and determination of the pro forma transactions and/or adjustments, and for properly compiling the Pro Forma Historical Information of the basis stated in section 6.6 of the Bidder's Statement;

The directors' responsibility includes establishing and maintaining such internal controls as the directors determine are necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

#### **Basis of qualified conclusion**

As described in section 6.6 of the Bidder's Statement, the Pro Forma Historical Statement of Financial Position has been prepared by GPT management with only limited access to financial information of CPA. Consequently we have been unable to obtain access to the underlying financial information and audit working papers of CPA (together "Underlying Financial Information"), or to the external auditor of CPA, which constitutes a limitation of scope in relation to our procedures.

#### **Qualified Conclusion in relation to the Compilation of the Pro Forma Historical Statement of Financial Position**

Based on our procedures, which are not an audit, and except for any adjustments that might arise had we been able to access the Underlying Financial Information of CPA, nothing has come to our attention that causes us to believe that the Pro Forma Historical Statement of Financial Position is not properly compiled on the basis stated in section 6.6 of the Bidder's Statement.

We have not audited or reviewed the historical financial information extracted from the financial statements of GPT for the half year ended 30 June 2013 or CPA for the year ended 30 June 2013, and we do not express any opinion, or make any statement of negative assurance, as to whether the Pro Forma Historical Statement of Financial Position is prepared or presented fairly, in all material respects, in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, and GPT's accounting policies.

#### **Emphasis of Matter**

As described in section 6.6 of the Bidder's Statement, the Pro Forma Historical Statement of Financial Position has been prepared by GPT management with no access to financial information of CPA. Consequently, GPT management has not had an opportunity to:

- verify that the information sourced from publicly available information, has been prepared in accordance with Australian Accounting Standards; or
- assess the fair values of the assets and liabilities of CPA, and therefore has not been able to ensure that the acquisition has been accounted for in accordance with AASB 3 "Business Combinations".

Therefore, in relation to the Pro Forma Historical Statement of Financial Position, GPT has not had detailed information to fully assess and determine the fair value adjustments that may be required to recognise the identifiable assets, liabilities and contingent liabilities of CPA, or to determine the goodwill arising on the acquisition of CPA.

As a consequence of these circumstances, KPMG Transaction Services has reported, in this report, on the compilation of the Pro Forma Historical Statement of Financial Position from various sources, but is not able to report on the compliance of that pro forma historical financial information with the requirements of Australian Accounting Standards.

#### **Independence**

KPMG Transaction Services does not have any interest in the outcome of the proposed takeover, other than in connection with the preparation of this report and participation in due diligence procedures for which normal professional fees will be received. KPMG is the auditor of some of GPT's underlying funds and from time to time, KPMG also provides GPT with certain other professional services for which normal professional fees are received.

#### **General advice warning**

This report has been prepared, and included in the Bidder's Statement, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on the information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

#### **Restriction on use**

Without modifying our conclusions, we draw attention to section 6.6 of the Bidder's Statement, which describes the purpose of the financial information, being for inclusion in the Bidder's Statement. As a result, the financial information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the financial information to which it relates, for any purpose other than that for which it was prepared.

KPMG Transaction Services has consented to the inclusion of this Investigating Accountant's Report in the Bidder's Statement in the form and context in which it is so included, but has not authorised the issue of the Bidder's Statement. Accordingly, KPMG Transaction Services makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Bidder's Statement.

Yours faithfully



Craig Mennie  
Authorised Representative

**KPMG Transaction Services**

A division of KPMG Financial Advisory Services  
(Australia) Pty Ltd  
Australian Financial Services Licence No. 246901  
10 Shelley Street  
Sydney NSW 2000

ABN: 43 007 363 215  
Telephone: +61 2 9335 7000  
Facsimile: +61 2 9335 7001  
DX: 1056 Sydney  
www.kpmg.com.au

PO Box H67  
Australia Square 1213  
Australia

## Financial Services Guide

### Dated 3 December 2013

**What is a Financial Services Guide (FSG)?**

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by **KPMG Financial Advisory Services (Australia) Pty Ltd ABN 43 007 363 215**, Australian Financial Services Licence Number 246901 (of which KPMG Transaction Services is a division) (**'KPMG Transaction Services'**), and Craig Mennie as an authorised representative of KPMG Transaction Services (**Authorised Representative**), authorised representative number 404257.

This FSG includes information about:

- KPMG Transaction Services and its Authorised Representative and how they can be contacted
- the services KPMG Transaction Services and its Authorised Representative are authorised to provide
- how KPMG Transaction Services and its Authorised Representative are paid
- any relevant associations or relationships of KPMG Transaction Services and its Authorised Representative
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that KPMG Transaction Services has in place.

The distribution of this FSG by the Authorised Representative has been authorised by KPMG Transaction Services. This FSG forms part of an Investigating Accountant's Report (Report) which has been prepared for inclusion in a disclosure document or, if you are offered a financial product for issue or sale, a Product Disclosure Statement (PDS). The purpose of the disclosure document or PDS is to help you make an informed decision in relation to a financial product. The contents of the disclosure document or PDS, as relevant, will include details such as the risks, benefits and costs of acquiring the particular financial product.

**Financial services that KPMG Transaction Services and the Authorised Representative are authorised to provide**

KPMG Transaction Services holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for the following classes of financial products:

- deposit and non-cash payment products;
- derivatives;
- foreign exchange contracts;
- government debentures, stocks or bonds;
- interests in managed investments schemes including investor directed portfolio services;
- securities, and
- superannuation.

KPMG Financial Advisory Services (Australia) Pty Ltd is affiliated with KPMG. KPMG is an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

to retail and wholesale clients. We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of financial products. The Authorised Representative is authorised by KPMG Transaction Services to provide financial product advice on KPMG Transaction Services' behalf.

#### **KPMG Transaction Services and the Authorised Representative's responsibility to you**

KPMG Transaction Services has been engaged by GPT Management Holdings Limited and GPT RE Limited (as Responsible Entity of General Property Trust) to provide general financial product advice in the form of a Report to be included in the Bidder's Statement (Document) prepared by GPT Management Holdings Limited and GPT RE Limited (as Responsible Entity of General Property Trust) in relation to the GPT's Group (GPT) the proposed acquisition of Commonwealth Property Office Fund (CPA) (Transaction).

You have not engaged KPMG Transaction Services or the Authorised Representative directly but have received a copy of the Report because you have been provided with a copy of the Document. Neither KPMG Transaction Services nor the Authorised Representative are acting for any person other than GPT.

KPMG Transaction Services and the Authorised Representative are responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

#### **General Advice**

As KPMG Transaction Services has been engaged by the GPT, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Document before making any decision in relation to the Transaction.

#### **Fees KPMG Transaction Services may receive and remuneration or other benefits received by our representatives**

KPMG Transaction Services charges fees for preparing reports. These fees will usually be agreed with, and paid by, the client. Fees are agreed on either a fixed fee or a time cost basis. In this instance, GPT has agreed to pay KPMG Transaction Services approximately \$250,000 for preparing the Report. KPMG Transaction Services and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of the Report.

KPMG Transaction Services officers and representatives (including the Authorised Representative) receive a salary or a partnership distribution from KPMG's Australian professional advisory and accounting practice (the KPMG Partnership). KPMG Transaction Services' representatives (including the Authorised Representative) are eligible for bonuses based on overall productivity. Bonuses and other remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

Further details may be provided on request.

#### **Referrals**

Neither KPMG Transaction Services nor the Authorised Representative pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

#### **Associations and relationships**

Through a variety of corporate and trust structures KPMG Transaction Services is controlled by and operates as part of the KPMG Partnership. KPMG Transaction Services' directors and Authorised Representatives may be partners in the KPMG Partnership. The Authorised Representative is a partner in the KPMG Partnership. The financial product advice in the Report is provided by KPMG Transaction Services and the Authorised Representative and not by the KPMG Partnership.

From time to time KPMG Transaction Services, the KPMG Partnership and related entities (KPMG entities) may

provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses.

KPMG entities have provided, and continue to provide, a range of audit, tax and advisory services to the GPT for which professional fees are received. Over the past two years professional fees of \$121,000 and \$15,000 have been received from the GPT respectively. None of those services have related to the transaction or alternatives to the transaction.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, GPT or has other material financial interests in the transaction.

#### **Complaints resolution**

##### Internal complaints resolution process

If you have a complaint, please let either KPMG Transaction Services or the Authorised Representative know. Formal complaints should be sent in writing to The Complaints Officer, KPMG, PO Box H67, Australia Square, Sydney NSW 1213. If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer on 02 9335 7000 and they will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

##### External complaints resolution process

If KPMG Transaction Services or the Authorised Representative cannot resolve your complaint to your satisfaction within 45 days, you can refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website [www.fos.org.au](http://www.fos.org.au) or by contacting them directly at:

Address: Financial Ombudsman Service Limited, GPO  
Box 3, Melbourne Victoria 3001

Telephone: 1300 78 08 08  
Facsimile: (03) 9613 6399  
Email: [info@fos.org.au](mailto:info@fos.org.au).

The Australian Securities and Investments Commission also has a freecall infoline on 1300 300 630 which you may use to obtain information about your rights.

#### **Compensation arrangements**

KPMG Transaction Services has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

#### **Contact Details**

You may contact KPMG Transaction Services or the Authorised Representative using the contact details:

KPMG Transaction Services  
A division of KPMG Financial Advisory  
Services (Australia) Pty Ltd  
10 Shelley St  
Sydney NSW 2000  
PO Box H67  
Australia Square  
NSW 1213  
Telephone: (02) 9335 7000  
Facsimile: (02) 9335 7200

Craig Mennie  
C/O KPMG  
PO Box H67  
Australia Square  
NSW 1213  
Telephone: (02) 9335 7000  
Facsimile: (02) 9335 7200

## 10. Other Material Information

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### 10.1 Rights and liabilities attaching to GPT Stapled Securities

The GPT Stapled Securities issued under the Offer will be issued fully paid and will rank equally for distributions and other rights in all respects with existing GPT Stapled Securities from the date of issue.

Since the GPT Stapled Securities issued as consideration under the Offer will be issued credited as fully paid, no monetary liability attaches to them.

The rights and restrictions attaching to GPT Stapled Securities are set out in the constituent documents of the GPTMHL and the Trust and, in certain circumstances, are regulated by the Corporations Act, ASX Listing Rules, ASX Settlement Operating Rules and general law.

The following is a summary of the principal rights attaching to GPT Stapled Securities. It does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of GPT Securityholders.

Securityholders should seek their own advice when trying to establish their rights in specific circumstances.

#### **Trust Constitution**

##### **(a) Interest of Trust Unitholders**

###### **Units**

The beneficial interest in the Trust is divided into units and no unit confers an interest in a particular part of the Trust or the trust property. The Trust Constitution allows units to be issued in fractions and also allows the issue of partly paid units.

###### **Limited Liability**

The liability of each unitholder of the Trust is limited to that unitholder's investment in the Trust (subject to any calls made by GPT RE in respect of partly paid units or any separate arrangement between a unitholder and GPT RE).

###### **Classes**

GPT RE may at any time issue further classes of units, and may convert any class of units from one class to another class, or reclassify units from one class to another.

###### **Partly Paid Units and Forfeiture**

Provision is made for GPT RE to make calls in respect of partly paid units. If payment is not received, such units will be forfeited and may be offered for sale by GPT RE.

###### **Transfer**

All transfers of units and options must be effected by a proper instrument of transfer and in a manner approved by GPT RE.

While units are quoted on the ASX, subject to stapling provisions, there are no restrictions on the transfer of units which are not "restricted securities" (as defined in the ASX Listing Rules). Apart from special provisions applying to restricted securities and the stapling provisions of the Trust Constitution, GPT RE must not do anything which may prevent, delay or in any way



interfere with, the registration of a transfer of units effected in accordance with the ASX Listing Rules.

Whilst stapling applies, units forming part of a stapled security will only be accepted as a proper transfer in registrable form if accompanied by a transfer of the corresponding number of attached securities which also form part of a stapled security from the same transferor in favour of the same transferee.

### **Joint Holders**

Where two or more persons are registered as the holders of a unit or an option, they are, for the purposes of the administration of the Trust and not otherwise, deemed to hold the unit or option as joint tenants. GPT RE is not bound to register more than three persons as joint holders. Joint holders will be jointly and severally liable in respect of all payments, including payment of tax, which ought to be made in respect of a unit or option. Only the person whose name appears first in the register as one of the joint holders is entitled to notices, cheques and other communications from GPT RE.

### **Redemption**

There is no general power to redeem units in the Trust. However, GPT RE is given the power to cancel or redeem options.

While the units are quoted on the ASX, GPT RE may in its discretion (only once in a 12-month period and not during the offer period of a takeover bid for GPT Group) sell or redeem any units held by a unitholder (provided that at the same time the securities attached to the relevant units are also sold or redeemed, as the case may be) if those units constitute less than a marketable parcel. The costs and expenses of any sale or redemption of units constituting less than a marketable parcel are payable by the purchaser or by GPT RE, as GPT RE decides.

### **Meetings**

A Trust Unitholder's right to requisition, attend and vote at a Trust meeting is primarily governed by the Corporations Act. The Trust Constitution provides that the quorum for a meeting of unitholders is 10 unitholders generally or 20 unitholders in the case of a special resolution to modify the Trust Constitution or consider any other special or extraordinary resolution. Provision has been made for holding meetings of GPT Securityholders (while units in the Trust are stapled).

While units in the Trust are stapled, the directors, auditors and representatives of each stapled entity may attend and speak at any meeting, or invite any other person to attend and speak. Meetings of unitholders may be held in conjunction with meetings of holders of attached securities which also form part of GPT Stapled Securities.

#### **(b) Stapling**

### **Power to Staple Securities**

Subject to the Trust Constitution, the Corporations Act and the ASX Listing Rules, GPT RE may cause the stapling of the units to other securities. The stapling provisions of the Trust Constitution will apply for so long as the unit is a component of a stapled security.

## **Stapling Provisions Paramount**

The stapling provisions will have effect notwithstanding any inconsistency with any other provision of the Trust Constitution (except for the provisions giving GPT RE the power to implement the internalisation of the Trust's management and/or stapling and certain introductory provisions applying the Corporations Act and the ASX Listing Rules).

## **Mechanics of Stapling**

While stapling applies:

- subject to the Corporations Act, while the Trust is admitted to an uncertified trading system, a joint holding statement may be issued to evidence the holding of stapled securities;
- the number of issued units at any time must equal the number of issued attached securities divided by the number of those attached securities that are to be stapled to an issued unit at that time;
- GPT RE must not issue units unless GPT RE is satisfied that each of those units is stapled to a corresponding number of each attached security to form a stapled security; and
- GPT RE and unitholders must not do any act, matter or thing (nor refrain from so doing) that would result in any unit no longer being part of a stapled security.

## **Unstapling Date**

Following approval by special resolution of unitholders (and the members of other stapled entities), GPT RE may determine a date on which the stapling provisions of the Trust Constitution will cease to apply. Stapling also ceases to apply on the winding up of a stapled entity. This provision will not prevent GPT RE subsequently determining that the stapling provisions should recommence.

## **GPT Stapled Security Register**

GPT RE must cause a GPT Stapled Security register to be set up and maintained.

## **GPT RE's Duties**

In exercising any power or discretion or in fulfilling any of its obligations, GPT RE may, except to the extent otherwise required by law, have regard to the interests of Trust Unitholders as holders of other attached securities (eg, GPT Shares) that comprise GPT Stapled Securities.

### **(c) Issue and Issue Price**

#### **Power to Issue**

The Trust Constitution allows for the issue of both units and options over units. A unit or option created is regarded as issued or granted only when the person entitled to it is recorded in the register. GPT RE may, in its absolute discretion, accept or refuse to accept applications or subscriptions for units or options (other than on exercise of an option).

The Trust Constitution prevents GPT RE from issuing units in the Trust after the 80<sup>th</sup> anniversary from the day before the date the Trust commenced if the issue will contravene the rule against perpetuities or any other rule of law or equity.

## **Issue Price**

The Trust Constitution includes provisions specifying the price at which units in the Trust may be issued in certain situations.

### **(d) Income and Distributions**

GPT RE must pay each unitholder a distribution entitlement by a date not more than two calendar months after the end of each distribution period (currently every six months), or at such other times as GPT RE determines. On 18 November 2013, GPT Group announced a change to its six-monthly distribution announcement dates. The total distribution entitlement is the gross income realised by the Trust from its operations less expenses arising in deriving that income plus any additional amount (including capital) that GPT RE determines is distributable. Each unitholder's distribution entitlement is calculated by multiplying that total distribution entitlement by the proportion that the aggregate paid up proportion of the unitholder's holding of units bears in relation to the total paid up amount of units on issue.

### **(e) Valuation**

GPT RE may at any time cause the valuation of any assets of the Trust, to be valued at its market value unless GPT RE determines there is no market for the asset or the market value is not a fair representation of the value of the asset. Where the calculation of the issue price of a unit is to be made as at a particular date, GPT RE may rely on the most recent valuations for the purposes of that calculation.

### **(f) Trustee's Powers, Remuneration, Costs and Indemnity**

#### **Powers**

GPT RE has all the powers it is possible to confer upon a trustee and has all the powers that are incidental to the ownership of the Trust fund as if it were the absolute and beneficial owner of the Trust fund. GPT RE may delegate to another person to exercise its powers and perform its obligations.

#### **Borrowings**

GPT RE must ensure that the borrowings of the Trust do not exceed 50% of the Trust's Total Tangible Assets as defined in the Trust Constitution, and that if the borrowings of the Trust exceed 40% of the Total Tangible Assets of the Trust, GPT RE will use reasonable endeavours to reduce borrowings of the Trust to below 40% as soon as possible.

#### **On-market Buy Back of Units**

GPT RE may buy back units on market to the extent permitted by the ASX Listing Rules, the Corporations Act and the terms and conditions of any relevant ASIC exemption. Immediately after registration of the transfer to GPT RE of any units acquired under a buy back, the units must be cancelled for no consideration.

#### **Remuneration**

GPT RE is entitled to receive a fee of 0.30% of the Gross Asset Value (as that term is defined in the Trust Constitution) of the Trust for each six-month period ending 30 June and 31 December. However, GPT RE may waive the whole or any part of the remuneration to which it is entitled.

## **Costs and Indemnity**

GPT RE is entitled to be indemnified and reimbursed from the Trust for all expenses incurred in the proper performance of its duties or the exercise of its powers, the course of its office or in relation to the management of the Trust.

## **Limitation of Liability**

The Trust Constitution provides that GPT RE (and each director and officer of GPT RE) is not personally liable to Trust Unitholders or any other person in connection with its office and GPT RE will not be liable to any Trust Unitholder to any greater extent than that to which it is entitled to be and is in fact indemnified out of the assets of the Trust fund.

## **Advice**

GPT RE may take and act upon advice and will not be liable for things done, suffered or omitted by it in good faith in reliance upon such advice.

## **Retirement and Removal**

GPT RE as responsible entity may only retire in accordance with the Corporations Act. On retirement or removal, GPT RE must give the new responsible entity all books, documents and records relating to the Trust.

## **Term of the Trust and Termination**

The term of the Trust ends on the earlier of the date determined by GPT RE as the date on which the Trust is to be terminated and the date on which the Trust is terminated under the Trust Constitution or by law.

In a winding up, GPT RE must realise the Trust fund, pay costs incurred in winding up the Trust and pay amounts due to GPT RE or other creditors of the Trust or creditors of GPT RE in relation to the Trust. Then, subject to any special rights or restrictions attached to any unit or the direction in writing of all unitholders, GPT RE must distribute the net proceeds of realisation among unitholders pro rata in accordance with the paid up portion of units held by unitholders.

## **GPTMHL Constitution**

### **(a) Stapling**

#### **Stapling of shares**

The directors of GPTMHL may, subject to the Corporations Act and the ASX Listing Rules, cause the stapling of GPT Units to its ordinary shares to form GPT Stapled Securities.

#### **Registration**

GPT Stapled Securities held by a member must be registered in a GPT Stapled Security register.

#### **Transfer**

An ordinary share must not be issued or transferred to a person unless, at the same time, that person is issued with or receives a transfer of a GPT Unit which is stapled to the ordinary share to form a GPT Stapled Security.

**Number of issued shares**

The number of issued ordinary shares must equal the number of issued GPT Units (excluding the unstapled GPT units).

**Shares to continue stapled**

GPTMHL and its shareholders must not do anything which would result in GPTMHL's ordinary shares no longer forming part of a GPT Stapled Security.

**Reorganisation**

GPTMHL must not reorganise its ordinary shares unless there is a corresponding reorganisation of GPT Units at the same time.

**Stapled entity consents**

The Trust's consent must be obtained prior to any amendment to the GPTMHL Constitution which directly affects the terms on which ordinary shares are stapled, or removes any restriction on the transfer of ordinary shares which also applies to the transfer of GPT Units, unless that restriction is removed from the GPT Units at the same time.

**Securities to be dealt with consistently**

GPTMHL must use every reasonable endeavour to procure that GPT Stapled Securities are dealt with under the GPTMHL Constitution in a manner which is consistent with the manner in which GPT Units are dealt with under the Trust Constitution.

**Cessation of stapling provisions**

GPTMHL is empowered to determine that the stapling provisions in the GPTMHL Constitution cease to have effect on a particular date, subject to the prior approval by special resolution of shareholders and Trust unitholders.

**Stapling provisions prevail**

Subject to law, the ASX Listing Rules and the ASX Settlement Operating Rules, the stapling provisions prevail over any other provisions of the GPTMHL Constitution to the extent of any inconsistency.

**(b) Shares****Share issues**

Subject to the stapling provisions, the directors may issue securities with preferred or other special rights as the directors may determine.

**Effect of issuing further shares**

The issue of new shares ranking equally with existing shares is not a variation of rights of the existing shares.

**Alterations of share capital**

Subject to the stapling provisions and the Corporations Act, the directors may do anything necessary to give effect to a resolution altering GPTMHL's share capital.

**Lien**

GPTMHL has a first and paramount lien over every share for all due and unpaid calls and instalments, amounts outstanding on loans made by GPTMHL to acquire shares under an employee incentive scheme or other scheme, any amounts GPTMHL is called upon to pay by any law and all reasonable interest and expenses incurred because the amount is unpaid.

## **Forfeiture**

If a shareholder fails to pay any sum payable in respect of any GPTMHL shares, on or before the day for payment, the directors may serve a notice on the shareholder requiring payment of the unpaid sum, together with interest accrued and all expenses of the company incurred by reason of the non-payment.

## **Share plans**

Directors may as permitted by the Corporations Act and the ASX Listing Rules, implement an employee share plan on such terms as they determine and provide financial assistance in connection with the acquisition of shares in GPTMHL or a related body corporate under that plan.

## **(c) General meetings**

### **Convening and notice of meetings**

Notice of a general meeting of GPTMHL may be given in the form and manner the directors determine, and in accordance with the Corporations Act. The directors may convene a general meeting at the time or place the directors think fit, and otherwise be convened in accordance with the Corporations Act. While stapling applies, the directors may convene a meeting of shareholders in conjunction with a meeting of Trust unitholders and can determine the rules for the conduct for those meetings.

### **Proxy**

Shareholders may be present at a meeting in person or by proxy, attorney or representative. A form of appointment of a proxy is valid if it is in accordance with the Corporations Act or any form the directors may prescribe.

### **Quorum**

A quorum for all matters other than the election of the chairperson and adjournment of a meeting is:

- 20 shareholders present for a general meeting convened to consider any special resolution;
- 10 shareholders present for any general meeting convened to consider an ordinary resolution; and
- two shareholders present if there are any class A or class B shares on issue.

### **Voting**

Subject to any rights or restrictions attached to any shares or class of shares, each shareholder is entitled to attend and vote at a general meeting of GPTMHL. Unless a poll is demanded, resolutions are decided at a general meeting on a show of hands. Each shareholder present at a general meeting has:

- on a show of hands, one vote;
- on a poll, one vote for each fully paid share held and in respect of which the shareholder is entitled to vote; and
- on a poll, a fraction of a vote for each partly paid share held by the shareholder and in respect of which the shareholder is entitled to vote.

(d) **Directors**

**Number of directors**

The directors may determine the number of directors on the board, not being less than three, however, the directors may not reduce the number below those in office at the time of the reduction.

**Appointment and retirement of directors**

A director (excluding an exempt Managing Director) may not hold office for a continuous period in excess of three years or past the third annual general meeting following the director's appointment, whichever is longer, without submitting for re-election.

**Casual vacancy**

The directors may appoint a director to fill a casual vacancy. Any director (excluding an exempt Managing Director) so appointed must retire at the next general meeting following his or her appointment.

**Remuneration**

Non-executive directors are entitled to such directors' fees as they determine. However, the total amount or value paid to non-executive directors in any year must not exceed an amount fixed by the directors prior to GPTMHL being admitted to the official list of the ASX, unless an increase in the total amount payable is approved by shareholders in general meeting:

- Each director is entitled to be paid or reimbursed for all travelling and other expenses properly incurred in connection with the affairs of GPTMHL. The directors may arrange for additional payments to be made to a director who performs additional services or makes any special exertions for the benefit of GPTMHL.
- GPTMHL may pay, provide or make any payment, pension or retirement allowance to any director of GPTMHL or any other person in connection with a director's retirement, resignation from or loss of office, or death while in office.

**Indemnity and insurance**

GPTMHL is to indemnify, and where the directors consider it appropriate enter into a deed indemnifying, officers of GPTMHL against any liability incurred in or arising out of the discharge of duties by the officer, to the extent permitted by law. Similarly, where the directors consider it appropriate, GPTMHL may purchase and maintain insurance or pay or agree to pay a premium for insurance for such liabilities incurred by an officer of GPTMHL.

(e) **Dividends and capitalisation of profits**

**Dividends**

The directors may from time to time determine that a dividend is payable, and fix the amount, the time for payment and the method of payment. No interest is payable by GPTMHL in respect of dividends.

**Dividend reinvestment plan**

The directors may establish one or more dividend reinvestment plans, which shall take effect in accordance with its terms. The directors may do all things necessary for the purposes of implementing a dividend reinvestment plan.

## **Capitalisation of profits**

Subject to the ASX Listing Rules and any rights or restrictions attached to any shares or class of shares, the directors may resolve to capitalise and distribute among shareholders amounts which form part of any reserve account, profits arising from an ascertained accretion to capital or revaluation of assets, or arise from a realisation of assets, or are otherwise available for distribution to shareholders.

## **Stapling Deed**

The Stapling Deed entered into between GPTMHL and GPT RE sets out the terms of the relationship between GPT RE and GPTMHL in respect of the GPT Stapled Securities.

### **(a) Stapling**

GPT Shares and GPT Units will remain stapled unless stapling becomes unlawful or prohibited by the ASX Listing Rules, or on the commencement of a winding up of GPTMHL or the Trust, or on the termination of the Trust. Upon stapling terminating, each party must take all steps to ensure that all GPT Shares and GPT Units cease to be stapled and the parties are discharged from further performance of their obligations under the Stapling Deed.

### **(b) Cooperation and consultation**

GPTMHL and GPT RE must take all reasonable steps which are necessary to assist each other to perform their duties under the Stapling Deed and consult each other before engaging in any act of omission which may materially affect the value of the GPT Stapled Securities.

### **(c) Dealings in GPT Stapled Securities**

The component GPT Share and GPT Unit of each GPT Stapled Security are stapled to one another and must accordingly be dealt with together. The Stapling Deed sets out various restrictions on dealings in the GPT Shares and the GPT Units (including issuing a GPT Share or GPT Unit without the equivalent number of the other and cancelling a GPT Share or GPT Unit without the equivalent cancellation of the other).

### **(d) Mutual financial support**

Whether either GPTMHL or GPT RE requests financial support from the other, that other must procure members of its group to do all things necessary and execute agreements or arrangements necessary to give effect to the transactions contemplated by the Stapling Deed (including providing financial accommodation and incurring financial debt).

### **(e) Allocation of issue price**

GPTMHL and GPT RE must allocate the subscription amount received on issue of any GPT Stapled Security between a GPT Share component and a GPT Unit component on the basis of the relevant fair values of those components as agreed by the parties before the relevant issue or cancellation.

### **(f) Dispute resolution**

Where a dispute arises, GPTMHL and GPT RE must use best endeavours to resolve the dispute or negotiate in good faith to resolve the dispute prior to commencing legal proceedings.



## 10.2 Overview of the GPT Group's funding arrangements

The maximum cash amount that GPT may be required to pay as a result of acceptances of the Offer is \$1.8 billion (the **Maximum Amount**).

GPT has funding commitments in excess of the Maximum Amount to pay the Offer Consideration.

GPT can fund the Offer Consideration, associated transaction costs and, if required, to refinance CPA's existing finance debt, from borrowings under bilateral revolving loan facilities (**Loan Facilities**) that GPT will enter into with Australia and New Zealand Banking Group Limited, National Australia Bank Limited and Westpac Banking Corporation (together, the **Banks**).

Binding letters of commitment (**Commitment Letters**) have been signed by each Bank pursuant to which each Bank has agreed to enter into a formal facility agreement to provide the Loan Facilities to GPT (the **Loan Facility Agreements**).

Subject to the terms of those Loan Facility Agreements, GPT will be able to borrow an amount:

- in excess of the Maximum Amount to pay the Offer Consideration;
- required to meet GPT's associated transaction costs; and
- to refinance CPA's existing finance debt, if required.

The Loan Facility Agreements will be substantially consistent with the terms of existing bilateral facility agreements between GPT and each respective Bank and the existing common terms deed poll executed by GPT.

The Banks' commitments are provided subject to satisfaction of specified conditions precedent. The conditions precedent are usual for a facility of this nature and include:

- duly executed Loan Facility Agreements and ancillary documentation;
- procedural and mechanical conditions precedent (such as verification certificates, legal opinions, corporate authorisations and required know your client and anti-money laundering deliverables);
- the absence of the following in relation to GPT or a guarantor:
  - limited specified misrepresentations (including status, power, documents binding and solvency);
  - limited specified breaches of undertakings (including negative pledge, disposals and restrictions on distributions); and
  - limited specified events of default (including insolvency, failure to pay, enforcement against assets and change in control); and
- payment of all fees and expenses then payable in connection with the Loan Facilities.

In addition, the conditions precedent include:

- that the Offer is unconditional; and
- that it is not illegal for the relevant Bank to fund.

GPT has no reason to believe that these conditions precedent will not be satisfied.

On the basis of the arrangements described in this section 10.2, GPT believes that it has reasonable grounds for holding the view, and holds the view, that GPT will be able to fund the Offer Consideration, as well as associated transaction costs and expenses and, if required, to refinance CPA's existing finance debt.

### 10.3 Fees and other costs

#### DID YOU KNOW?

**Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.**

**For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).**

**You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.**

**You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.**

#### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC) website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au))** has a managed investment fee calculator to help you check out different fee options.

The table below shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the fund assets as a whole.

You should read all the information about fees and costs as it is important to understand their impact on your investment.

Type of fee or cost	Amount <sup>(1)</sup>	How and when paid
<b>Fees when your money moves in or out of the fund</b>		
<i>Establishment fee</i> The fee to open your investment	Nil	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	Not applicable
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	Not applicable
<i>Termination fee</i> The fee to close your investment	Nil	Not applicable

Type of fee or cost	Amount <sup>(1)</sup>	How and when paid
<b>Management costs<sup>(2)</sup></b> The fees and costs for managing your investment		
<i>Management fee</i>	<p>Due to the internalised management structure of the GPT Group, the management fees payable to GPT RE described below do not represent a cost to GPT Securityholders.</p> <p>Under the Trust Constitution, a management fee of up to 0.30% of the gross asset value of the Trust for each six-month period ending 30 June and 31 December.</p> <p>This fee relates to the actual expenses incurred by GPT RE in managing the Trust that are not ongoing expenses (see below). To the extent that these actual expenses are less than 0.30% of the gross asset value for each six-month period, some or the entire fee may be waived or rebated.</p>	Paid to GPT RE in arrears at six-monthly intervals from the assets of the Trust.
<i>Ongoing expenses</i>	Ongoing expenses of the Trust are estimated to be 0.11% per annum of the gross asset value of the Trust. Actual expenses may be higher than this estimate.	Ongoing expenses associated with management or administration of the Trust will be reimbursed from the assets of the Trust when incurred.
<b>Service fees</b>		
<i>Investment switching fee</i> The fee for changing investment options	Nil	Not applicable

(1) All fees, unless otherwise indicated, are inclusive of GST less any input tax credits.

(2) For more detail on the fees and costs comprising management costs, refer to the 'Additional explanation of fees and costs' section below.

### Example of annual fees and costs

The table below gives an example of how the fees and costs for this product can affect your investment over a one-year period. You should use this table to compare this product with other managed investment products.

<b>EXAMPLE</b>		<b>BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR</b>
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
<b>PLUS</b> Management costs	Estimated at 0.11% per annum of the gross asset value of the Trust <sup>(1)</sup>	<b>And</b> , for every \$50,000 you have in the Trust you will be charged \$81 <sup>(2)</sup>
<b>EQUALS</b> Cost of the fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of between \$81 and \$89 <sup>(3)</sup> .

(1) Management fees payable to GPT RE have not been included in this example because due to the internalised management structure of the GPT Group, the fees do not represent a cost to GPT Securityholders.

(2) This calculation assumes the Trust has a gearing ratio of 32%.

(3) The applicable amount will depend on when the additional \$5,000 contribution is made during the year.

### Additional explanation of fees and costs

This section provides important information about fees and other costs that you may be charged. All fees, unless otherwise indicated, are inclusive of GST less any input tax credits allowed.

#### **Management fees**

Due to the internalised management structure of the GPT Group, management fees payable to GPT RE do not represent a cost to GPT Securityholders.

The Trust Constitution provides that GPT RE may receive a management fee of up to 0.30% of the gross asset value of the Trust calculated for each six-month period ending 30 June and 31 December.

This fee relates to the actual expenses incurred by GPT RE in managing the Trust that are not ongoing expenses. To the extent that these actual expenses are less than 0.30% of the gross asset value for each six-month period, some or the entire fee may be waived or rebated.

Any management fees are currently paid to GPT RE in arrears at six-monthly intervals from the assets of the Trust. Under the Trust Constitution, the amount of this fee is payable to GPT RE in two equal instalments on the days on which GPT RE pays to each Trust unitholder its distribution entitlement following the end of the distribution period which ends in the applicable six-month period or two months after the end of the distribution periods whichever is earlier.

The remuneration of GPT RE has priority over the payment of all other amounts payable out of the assets of the Trust.

### ***Ongoing expenses***

Under the Trust Constitution, GPT RE is entitled to be indemnified and reimbursed from the assets of the Trust for all expenses incurred in the proper performance of its duties or the exercise of its powers, the course of its office or in relation to the administration and management of the Trust. These expenses include any money paid or payable to any property manager, valuer, solicitor, accountant, surveyor, contractor; expenses associated with the acquisition or sale of any other dealing with any asset of the Trust; any valuation or commercial appraisal of any asset or investment or proposed asset of the Trust; any money payable to the ASX; establishment and maintenance of the register; production, printing and distribution of all reports, notices and communications with unitholders; the convening and holding of any unitholders' meetings; the issue of securities, notes debentures or making arrangements for underwriting of these issues; and the satisfaction of tax and custody expenses.

As it is not possible to determine the quantum of expenses which may be incurred, the Responsible Entity has estimated that expenses incurred by it will be 0.11% per annum of the gross asset value of the Trust. Due to their one-off nature, the fees and costs associated with the Offer have not been included in this estimate. For detail on these fees and costs, refer to section 10.5.

### ***GST***

If GPT RE becomes liable to pay GST on fees not described in this document as GST inclusive, it is entitled to be reimbursed out of the assets of the Trust for the amount of GST.

#### **10.4 Disclosure of interests/fees and benefits payable to GPT Directors and advisers**

Other than as set out below or elsewhere in this Bidder's Statement, no:

- (a) Director of GPT;
- (b) person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement;
- (c) promoter of GPT; or
- (d) broker or underwriter in relation to the issue of GPT Securities pursuant to the Offer, has, or had within 2 years before the date of this Bidder's Statement, any interest in:
- (e) the formation or promotion of GPT;
- (f) any property acquired or proposed to be acquired by GPT in connection with its formation or promotion or in connection with the issue of GPT Securities under the Offer; or
- (g) the offer or issue of GPT Securities under this Bidder's Statement,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons as an inducement to become, or to qualify as, a Director of GPT or otherwise for services rendered by him or her in connection with the formation or promotion of GPT or the issue of GPT Securities under this Bidder's Statement.

## **10.5 Fees and other expenses of the Offer**

Allens has acted as legal advisor, KPMG Transaction Services has acted as Investigating Accountant and Fort Street Advisers and Merrill Lynch have each acted as financial advisers to GPT in relation to the Offer. Each of these advisers is entitled to receive the usual professional fees in accordance with either time-based or success-based charges. These fees are included in the total estimated transaction costs referred to in section 6.6(d).

## **10.6 Brokers commission**

GPT may offer to pay a commission to brokers who solicit acceptances of the Offer from their clients, but has made no final decision in relation to the matter at this stage.

Any commission payments will be paid only in respect of parcels of CPA Units held by retail unitholders who accept the Offer.

If such arrangements are put in place, commission payments will not exceed 0.75% of the value of the consideration payable for parcels of CPA Units held by retail unitholders who accept the Offer, and will be subject to minimum payments of \$50 and maximum payments of \$750 for each acceptance.

If a commission is offered, it will be payable to brokers only and subject to the condition that no part of the fee will be able to be passed on, or paid, to CPA Unitholders.

If and when GPT decides to offer such a commission to any broker, it will make an announcement to the ASX.

It is GPT's intention that, if and when an offer of commission has been made to any broker by GPT, the commission arrangement will remain in place for the balance of the Offer Period and the amount of the commission offered will not be increased during the Offer Period.

## **10.7 Social security and superannuation implications of Offer**

Acceptance of the Offer may have implications under your superannuation or pension arrangements or on your social security entitlements. If in any doubt, CPA Unitholders should seek specialist advice before accepting the Offer.

## **10.8 ASIC relief**

ASIC has published various 'Class Order' instruments providing for modifications and exemptions that apply generally to all persons, including GPT, in relation to the operation of Chapter 6 of the Corporations Act.

Amongst others, GPT has relied on the modification to section 636(3) of the Corporations Act set out in paragraph 5(d) of ASIC Class Order 13/521 'Takeover Bids' to include references to certain statements by CPA, DEXUS and others in this Bidder's Statement based on documents announced to the ASX, without obtaining the consent of those persons.

As required by Class Order 13/521, GPT will make available a copy of these documents (or relevant extracts of these documents), free of charge, to CPA Unitholders who request them during the Bid Period. To obtain a copy of these documents (or the relevant extracts), CPA Unitholders may telephone the Offer Information Line on 1800 660 083 (toll-free within Australia) or +61 2 8767 1211 (from outside Australia).

### **10.9 Potential for waiver of Defeating Conditions**

The Offer is subject to a number of conditions set out in section 11.8 including a minimum acceptance condition (see section 11.8(a)). Under the terms of the Offer and the Corporations Act, any or all of those Defeating Conditions may be waived by GPT.

If an event occurs which results (or would result) in the non fulfilment of a Defeating Condition, GPT might not make a decision as to whether it will either rely on that occurrence, or instead waive the Defeating Condition in respect of that occurrence, until the date for giving notice as to the status of the conditions of the Offer under section 630(3) of the Corporations Act (see section 11.9(e)). If GPT decides that it will waive a Defeating Condition it will announce that decision to the ASX in accordance with section 650F of the Corporations Act.

If any of the Defeating Conditions is not fulfilled, and GPT decides to rely on that non fulfilment, then any contract resulting from acceptance of the Offer will become void at (or, in some cases, shortly after) the end of the Offer Period, and the relevant CPA Units will be returned to the holder.

### **10.10 Status of Defeating Conditions**

The Offer is subject to a number of conditions set out in section 11.8. Set out below is the status of key conditions as at the day before the date of this Bidder's Statement. GPT will provide updates on any material developments relating to the status of these conditions through announcements to the ASX. As at the date of this Bidder's Statement, GPT is not aware of any events or circumstances which would result in the non fulfilment of any of the Defeating Conditions. If the Defeating Condition in section 11.8(b) is not fulfilled, then no contract will be capable of arising at all from acceptance of the Offer.

#### **FIRB Approval**

GPT has lodged an application with the Foreign Investment Review Board in respect of the acquisition by GPT or one of its Related Bodies Corporate of up to all of the CPA Units.

### **10.11 Approvals for payment of consideration**

GPT is not aware of any CPA Unitholders who require any approval referred to in section 11.10(f) in order to be entitled to receive any consideration under the Offer.

### **10.12 Withholding of consideration**

GPT is not currently aware of any amounts that are or would be treated as withholding amounts under section 11.10(g). However, it is possible that GPT may become aware of an obligation in this regard after the date of this Bidder's Statement.

For example, under section 255 of the *Income Tax Assessment Act 1936* (Cth), the ATO may notify GPT that all or part of the consideration otherwise payable under the Offer to CPA Unitholders who are non residents of Australia is to be retained by GPT, or paid to the Australian Taxation Office, instead of being paid to the relevant CPA Unitholders. Similarly, under section 260 5 of Schedule 1 to the *Taxation Administration Act 1953* (Cth), the Australian Taxation Office may require GPT to pay to the Australian Taxation Office all or part of the consideration otherwise payable under the Offer to CPA Unitholders who owe tax related debts to the Australian Government.

### 10.13 Date for determining holders of units

For the purposes of 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) for each Offer is the Register Date.

### 10.14 Consents

The following firms and companies have given, and have not at the date of this Bidder's Statement withdrawn, their written consent to being named in this Bidder's Statement:

Name of person	Named as	Reports or statements
Allens	Australian Legal Adviser	
KPMG Transaction Services	Investigating Accountant	Investigating Accountant's Report set out in Section 9
Fort Street Advisers	Financial adviser	
Merrill Lynch	Financial adviser	
Link Market Services	Registry Manager	

None of these firms and companies have caused or authorised the issue of this Bidder's Statement or have in any way been involved in the making of the Offer. The Offer is made by GPT.

Each of the above firms and companies:

- other than the reports referred to in the table above, does not make, or purport to make, any statement in this Bidder's Statement, or any statement on which a statement in this Bidder's Statement is based, other than a reference to its name; and
- to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this document, other than a reference to its name.

In addition, this Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to the ASX. Under the terms of ASIC Class Order [13/521], the persons making those statements are not required to consent to, and have not consented to, the inclusion of those statements, or of statements based on those statements, in this Bidder's Statement. See section 10.8 for further information.

### 10.15 GPT is a disclosing entity

Due to the fact that GPT is offering GPT Securities as consideration for the acquisition of CPA Units under the Offer, the Corporations Act requires that this Bidder's Statement must include all information that would be required for a prospectus and a product disclosure statement for an offer of GPT Securities under sections 710 to 713 or Subdivision C of Part 7.9 of the Corporations Act.

GPT is not required to issue a prospectus or product disclosure statement for the Offer of the GPT Securities as the Offer is occurring under a takeover bid.



GPT is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of sections 713 and 1013FA of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all disclosing entities, GPT is required to continuously disclose any information (subject to certain exceptions) it has to the market which a reasonable person would expect to have a material effect on the price or the value of GPT Securities.

GPT has been quoted on the Official List of the ASX during the 3 months prior to the date of this Bidder's Statement. For this reason, GPT is only required to disclose information in this Bidder's Statement that would usually be required where GPT Securities have been continuously quoted securities.

In general terms where GPT Securities are continuously quoted securities the Bidder's Statement is only required to contain information in relation to the effect of the Offer and the rights and liabilities attaching to GPT Securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of GPT unless such information has been excluded from a continuous disclosure notice in accordance with the Listing Rules and it is information:

- (a) that investors and their professional advisers would reasonably require for the purposes of making an informed assessment of such matters; and
- (b) relating to the rights and liabilities attaching to GPT Securities.

Having made such enquiries as are reasonable, GPT believes that it has complied with the general and specific requirements of the ASX as applicable from time to time throughout the 12 months before the issue of this Bidder's Statement which required GPT to notify the ASX of information about specified events or matters as they arise for the purpose of the ASX making that information available to the stock market conducted by the ASX.

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules or the Bidder's Statement that CPA Unitholders and their professional advisers would reasonably require for the purpose of making an informed assessment of:

- (a) the assets and liabilities, financial position and performance, profits and losses and prospects of GPT; and
- (b) the rights and liabilities attaching to GPT Securities to be issued pursuant to the Offer.

Information that is already in the public domain has not been reported in this Bidder's Statement, other than that which is considered necessary to make this Bidder's Statement complete.

GPT, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to GPT (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Bidder's Statement and the date the offer closes:

- (i) the half yearly financial report most recently lodged by GPT with ASIC; and
- (ii) any documents used to notify the ASX of information relating to GPT during that period in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with ASIC in relation to GPT can be inspected at the registered office of GPT during normal office hours.

A list of announcements made by GPT between 12 August 2013 and the date of this Bidder's Statement appears in the Annexure to this Bidder's Statement.

Copies of these announcements are available from GPT's website [www.gpt.com.au](http://www.gpt.com.au) or alternatively from the ASX at [www.asx.com.au](http://www.asx.com.au).

#### 10.16 Valuation Date – Reliance on ASIC Class Order 00/2338

For the purposes of the Offer, GPT may rely on the provisions of ASIC Class Order [00/2338] entitled 'Relief from the Minimum Bid Price Principle – s621(3)'.

The Class Order provides relief from the requirement in section 621(4) of the Corporations Act and allows a bidder to nominate a date up to five Business Days before the date of a takeover bid for the purpose of valuing quoted securities that it is offering as part of its bid consideration.

Relying on the relief, GPT may value GPT Securities to be provided as consideration under the Offer at any time nominated by GPT (the **Valuation Date**) up to five Business Days before the date of the Offer. The valuation is determined by calculating the VWAP of GPT Securities in the ordinary course of trading on the ASX during the two full trading days before the Valuation Date.

In accordance with section 621(4A) (as inserted in the Corporations Act by Class Order [00/2338]) the following information is provided:

Valuation of fully paid GPT Securities under section 621(4A)	\$[*] per GPT Security
Valuation Date	[*] 2013
Trading days on which valuation based	[*] 2013

The value of the Offer consideration per CPA Unit for the purposes of section 621 of the Corporations Act using the valuation is therefore \$[\*]. This value equals or exceeds the maximum value of consideration paid or agreed to be paid by GPT and its associates for CPA Units in the four months prior to the date of the Offer, described in section 4.6 of this Bidder's Statement.

#### 10.17 Certain investment considerations

The GPT Group takes account of relevant labour standards and environmental, social and ethical considerations in considering investments. The GPT Group is committed to operating in a safe and sustainable manner and to minimising the environmental impact of its activities. Further information is outlined on GPT's website at [www.gpt.com.au](http://www.gpt.com.au).

### **10.18 Complaint handling procedures**

GPT RE has procedures in place to consider and deal with any complaints received from GPT Securityholders in connection with an investment in GPT. If you have a complaint about the General Property Trust or GPT RE in connection with your investment in GPT you can:

- contact the Compliance Manager on +61 2 8239 3555 between 8:30am and 5:30pm (Sydney time); or
- write to the Compliance Manager at:

Compliance Manager  
GPT RE Limited  
Level 51, MLC Centre  
Sydney NSW 2000

The complainant should provide GPT RE with all relevant information that GPT RE may require to properly deal with, and resolve, the complaint.

The Compliance Manager will inform the complainant by notice in writing of its decision in relation to the complaint.

If you are dissatisfied with the response or the complaint is not resolved within 45 days, you may raise the matter directly with the Financial Ombudsman Service Limited (FOS). The FOS's contact details are:

Financial Ombudsman Service Limited  
GPO Box 3  
Melbourne VIC 3001  
Telephone: 1300 78 08 08

GPT RE is a member of the Financial Ombudsman Service Limited.

### **10.19 Expiry Date**

No GPT Securities will be issued on the basis of this Bidder's Statement after the date that is 13 months after the date of this Bidder's Statement.

### **10.20 Other material information**

Except as disclosed in this Bidder's Statement, there is no other information that:

- is material to the making of the decision by a CPA Unitholder whether or not to accept the Offer;
- is known to GPT; and
- does not relate to the value of GPT Securities,

which has not previously been disclosed to CPA Unitholders.

## 11. Offer Terms

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### 11.1 Offer

- (a) GPT offers to acquire all of your CPA Units on the terms and subject to the conditions set out in this section 11.
- (b) If GPT acquires your CPA Units under this Offer, it will also be entitled to all Rights in respect of your CPA Units.
- (c) This Offer is dated [\*] 2013.
- (d) In making this Offer, GPT may nominate a Related Body Corporate of GPT to accept your CPA Units or act in any manner on its behalf.

### 11.2 Consideration

- (a) The consideration offered for each of your CPA Units, subject to section 11.10(d), is \$0.75325 in cash and 0.141 GPT Securities (subject to section 11.2(b) and to rounding in accordance with section 11.2(c)).
- (b) If you are an Ineligible Foreign Unitholder or an Unmarketable Parcel Securityholder then, despite any other provision of this Offer, you will not receive GPT Securities under this Offer. Instead, if you accept this Offer, you will receive a cash amount determined in accordance with section 11.10(e).
- (c) If you would otherwise be entitled to a fraction of a GPT Security as a result of your acceptance of this Offer in respect of your CPA Units, then that fractional entitlement will be rounded down to zero.
- (d) The GPT Securities issued under the Offer will be issued by GPT fully paid and will rank equally with existing GPT Securities from the date of issue.

### 11.3 Offer Period

- (a) This Offer will remain open for acceptance during the period that commences on the date of this Offer and ends at 7:00pm on 24 January 2014, unless this Offer is withdrawn or that period is extended in accordance with the Corporations Act.
- (b) GPT may, in accordance with the Corporations Act, extend the period during which this Offer remains open for acceptance.

### 11.4 How to accept this Offer

- (a) **Accept for all of your CPA Units**  
Subject to sections 11.11(c) and section 11.11(d), you may **only** accept this Offer for **all** of your CPA Units.
- (b) **Issuer Sponsored Holdings**  
If your CPA Units are held in an Issuer Sponsored Holding (in which case your Securityholder Reference Number will commence with 'I'), to accept this Offer in respect of those CPA Units you must:
  - (i) **complete** and **sign** the enclosed accompanying Acceptance Form in accordance with the instructions on it; and

- (ii) **return** the Acceptance Form (using the enclosed reply paid envelope if you wish), together with all other documents required by the instructions on it, so that they are **received** before the end of the Offer Period at the address given on the Acceptance Form.

(c) **CHESS Holdings**

If your CPA Units are held in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), to accept this Offer in respect of those CPA Units you must either:

- (i) **instruct** your Controlling Participant, in accordance with the sponsorship agreement between you and the Controlling Participant, to initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules, so as to be effective before the end of the Offer Period; or
- (ii) **complete, sign and return** the enclosed Acceptance Form (using the enclosed reply paid envelope if you wish) in accordance with the instructions on the Acceptance Form, together with all other documents required by those instructions, so that they are **received** before the end of the Offer Period at the addresses on the Acceptance Form. This will authorise GPT to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period. You must ensure that the Acceptance Form (and the other required documents) are received in sufficient time for GPT to give instructions to your Controlling Participant, and for your Controlling Participant to carry out those instructions, before the end of the Offer Period.

However, if you are the Controlling Participant in respect of your CPA Units, to accept this Offer you must yourself initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

## **11.5 Status and effect of the Acceptance Form**

(a) **Status of Acceptance Form**

The Acceptance Form that accompanies this Bidder's Statement forms part of this Offer, and the instructions on the Acceptance Form must be followed in using it to accept this Offer.

(b) **Effect of Acceptance Form**

By signing and returning the Acceptance Form in accordance with section 11.4, you irrevocably authorise GPT and its nominees:

- (i) to rectify any errors in, or omissions from, the Acceptance Form that are necessary to make it an effective acceptance of this Offer or to enable registration of the transfer of all of your CPA Units to GPT; and
- (ii) (in respect of any of your CPA Units in a CHESS Holding) to:
  - (A) initiate, or alternatively instruct your Controlling Participant to initiate, acceptance of this Offer in respect of all such CPA Units in accordance with Rule 14.14 of the ASX Settlement Operating Rules; and

- (B) give any other instructions concerning those CPA Units to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant, as determined by GPT acting in its own interests as a beneficial owner and intended registered holder of your CPA Units,

and acknowledge that:

- (C) with respect to sub-paragraph (A) above, GPT (or its agents or nominees) will merely forward your Acceptance Form to your Controlling Participant (being the only person who can accept this Offer on your behalf) and that it is your responsibility to allow sufficient time for your Controlling Participant to initiate acceptance of this Offer; and
- (D) GPT (or its agents or nominees) is not responsible for any delays incurred by the process described in sub-paragraph (B) above or any losses whatsoever you incur by the fact that your acceptance is not processed before the end of the Offer Period; and

you must promptly give any further instructions or take any further actions necessary concerning your CPA Units to your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules prior to the end of the Offer Period.

(c) **Validation of Acceptance Form**

Notwithstanding sections 11.4(b) and 11.4(c)(ii), GPT may (except in relation to CPA Units in a CHESS Holding) treat the receipt by it of a signed Acceptance Form either:

- (i) before the end of the Offer Period; or
- (ii) after the end of the Offer Period but where the Acceptance Form is sent by post and the envelope in which it is posted is post marked before the end of the Offer Period,

as valid even though it does not receive the other documents required by the instructions on the Acceptance Form or there is non-compliance with any one or more of the other requirements for acceptance.

Subject to section 11.10, if GPT does treat such an Acceptance Form as valid, GPT will not be obliged to give the Offer Consideration to you until:

- (iii) GPT receives all those documents; and
- (iv) all of the requirements for acceptance referred to in section 11.4 (and in the Acceptance Form) have been met (other than the requirement of your Acceptance Form to be received before the end of the Offer Period).

(d) **Risk in Acceptance Form**

The transmission by you of the Acceptance Form and any other documents in accordance with section 11.4 is at your own risk. No acknowledgement of receipt of any such documents will be given to you by or on behalf of GPT.

(e) **Revocation of acceptance**

Once you have accepted this Offer and the Defeating Condition set out in section 11.8(b) has been fulfilled, you will be unable to revoke your acceptance other than as set out in this section 11.5(e) and the contract resulting from your acceptance will be binding on you.

In addition, once the Defeating Condition set out in section 11.8(b) has been fulfilled, you will be unable to withdraw your acceptance of this Offer or otherwise dispose of your CPA Units, except as follows:

- (i) if a Defeating Condition, as set out in section 11.8, is not fulfilled or waived, then this Offer will automatically terminate and your CPA Units will be returned to you; or
- (ii) if the Offer Period is extended for more than one month and, at the time, this Offer is subject to one or more Defeating Conditions, as set out in section 11.8, then you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act.

The Defeating Condition set out in section 11.8(b) is a condition precedent to GPT's acquisition of any interest in CPA Units under this Offer. Notwithstanding your acceptance of the Offer, unless and until this Defeating Condition is fulfilled or waived, you will be able to withdraw your acceptance of the Offer. Please see section 11.9(a)(i) for further information as to how to withdraw your acceptance in these circumstances.

**11.6 Power of attorney or deceased estate**

When accepting this Offer, you should forward for inspection:

- (a) if the Acceptance Form is executed by an attorney, a certified copy of the power of attorney; and
- (b) if the Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased CPA Unitholder, the relevant grant of probate or letters of administration.

**11.7 Agreement resulting from acceptance**

By signing and returning the Acceptance Form or initiating or causing acceptance of this Offer under the ASX Settlement Operating Rules in accordance with section 11.4:

- (a) you accept this Offer in respect of all of your CPA Units at the date your acceptance is processed (even if the number of CPA Units specified on the Acceptance Form differs from the number of your CPA Units) and agree to the terms and conditions of this Offer;
- (b) subject to all of the Defeating Conditions being fulfilled or waived, you transfer, and consent to the transfer in accordance with the ASX Settlement Operating Rules of, all of your CPA Units to GPT or its nominee in accordance with this Offer and subject to the conditions of the constitution of CPA on which they were held immediately before your acceptance of this Offer (and GPT agrees to take those CPA Units subject to those conditions);

- (c) you represent and warrant to GPT that, at the time of your acceptance and at the time the transfer of your CPA Units to GPT is registered:
  - (i) all of your CPA Units are and will be fully paid and their current market value at the time of transfer will reflect the value of the Offer Consideration;
  - (ii) you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership of your CPA Units to GPT or its nominee; and
  - (iii) GPT or its nominee will acquire good title to them and full beneficial ownership of them free from all Encumbrances, interest of third parties of any kind (whether legal or otherwise), and restrictions on transfer;
- (d) unless section 11.10(e) applies to you, you irrevocably authorise GPT to issue to you the GPT Securities you are entitled to receive under this Offer and to enter (or to cause the entry of) your name and address (as shown in the register of unitholders of CPA last notified to GPT by CPA) in the register of unitholders of GPT in respect of those GPT Securities, and agree to be bound by the constitutions of GPT;
- (e) you agree that, if you are an Ineligible Foreign Unitholder, or if GPT believes that you are an Ineligible Foreign Unitholder, section 11.10(e) applies to you;
- (f) you agree that, if you are an Unmarketable Parcel Securityholders, or if GPT believes that you are an Unmarketable Parcel Securityholder, section 11.10(e) applies to you;
- (g) subject to all of the Defeating Conditions being fulfilled or waived, you irrevocably appoint GPT or its nominee, and each of its directors and nominees severally as your attorney to exercise all powers and rights that you have as the registered holder of your CPA Units, including:
  - (i) attending any meeting of CPA, and voting in respect of your CPA Units, proposing or seconding any motion, and demanding a poll for any vote at, any such meeting;
  - (ii) requisitioning the convening of any general meeting of CPA and convening a general meeting pursuant to any such requisition; and
  - (iii) signing any form, notice, instrument or other document (including any proxy appointment) relating to your CPA Units.

Such appointment will terminate on the earlier of the withdrawal of your acceptance of this Offer (either in accordance with its terms or under section 650E of the Corporations Act) and the end of the Offer Period or, if all Defeating Conditions of the Offer have been fulfilled or waived, the registration of GPT as the holder of your CPA Units;

- (h) you agree that, in exercising the powers and rights conferred by the power of attorney in section 11.7(g), each attorney may act in the interests of GPT as the intended registered holder and beneficial owner of your CPA Units;
- (i) except as contemplated by section 11.7(g) and while the appointment in that section continues, you agree not to attend or vote in person or by proxy, attorney or corporate representative at any meeting of CPA, or to exercise or purport to exercise (in person



or by proxy, attorney, or corporate representative or otherwise) any of the powers conferred by the power of attorney in section 11.7(g);

- (j) you irrevocably authorise and direct CPA to pay to GPT or its nominee, or to account to GPT or its nominee for, all Rights in respect of your CPA Units (except to the extent that GPT elects to waive its entitlement to those Rights), subject, however, to any such Rights received by GPT or its nominee being accounted for by GPT or its nominee to you if any contract resulting from your acceptance of this Offer is rescinded or rendered void;
- (k) subject to all of the Defeating Conditions being fulfilled or waived, you irrevocably authorise GPT and its nominees to do all things necessary to transfer your CPA Units to GPT or its nominee (including to cause a message to be transmitted in accordance with ASX Settlement Operating Rule 14.17.1 so as to transfer your CPA Units, if held in a CHESS Holding, to the Takeover Transferee Holding), even if GPT has not at that time paid or provided the consideration due to you under this Offer; and
- (l) you agree to indemnify GPT, and each of its officers and agents in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or your Securityholder Reference Number or in consequence of the transfer of your CPA Units to GPT being registered by CPA without production of your Holder Identification Number or your Securityholder Reference Number.

The representations, warranties, authorities and indemnity referred to in this section 11.7 will (unless otherwise stated) remain in force after you receive the Offer Consideration for your CPA Units and after GPT becomes the registered holder of them.

## 11.8 Defeating Conditions

Subject to section 11.9, this Offer and any contract resulting from your acceptance of this Offer are subject to the fulfilment of the following Defeating Conditions.

- (a) Minimum Relevant Interest

During, or at the end of, the Offer Period, GPT and its Related Bodies Corporate together have relevant interests (disregarding any relevant interests which GPT has or acquires merely because of the operation of section 608(3) of the Corporations Act) in at least 50.1% of the CPA Units.

- (b) Foreign Investment Approval - GPT

One of the following occurs before the end of the Offer Period:

- (i) the Treasurer of the Commonwealth of Australia or his agent notifies GPT to the effect that there are no objections to the proposed acquisition by GPT (whether directly or via its Related Bodies Corporate) of interests in up to all of the CPA Units on issue pursuant to or as a result of the Offer (or by any other means permitted under the Corporations Act) (the **Proposed Acquisitions**) under the Commonwealth Government's foreign investment policy, and such notice is unconditional; or

- (ii) the Treasurer of the Commonwealth of Australia is or, by passage of time becomes, precluded from making an order under the FATA in respect of the Proposed Acquisitions.

(c) No Regulatory Action

Between the Announcement Date and the end of the Offer Period (each inclusive):

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Public Authority;
- (ii) no action or investigation is announced, threatened or commenced by any Public Authority; and
- (iii) no application is made to any Public Authority (other than by GPT or any of its Related Bodies Corporate),

(other than an application to, or a decision or order of, ASIC or the Australian Takeovers Panel under, or relating to a breach of Chapter 6A, 6B or 6C of the Corporations Act or relating to unacceptable circumstances within the meaning of section 657A of the Corporations Act in consequence of, or in connection with, the Offer) that restrains, impedes or prohibits (or if granted could restrain, impede or prohibit), or otherwise materially adversely impacts upon, the making of the Offer, the acquisition of CPA Units under the Offer or any transaction contemplated by the Bidder's Statement, the Offer or the rights of GPT or any of its Related Bodies Corporate in respect of CPA Units, or requires the divestiture by GPT of any CPA Units, or requires the divestiture of any assets of the GPT Group or CPA Group.

(d) Capped break fee

Between the Announcement Date and the end of the Offer Period (each inclusive), neither CMIL nor any member of the CPA Group agrees (whether conditionally or unconditionally) to make, or does make, any payment constituting, or equivalent to, a break fee, an inducement fee, a cost reimbursement or otherwise, to any person, or forgo an amount to which it would otherwise be entitled, in connection with a proposal or transaction under which a third party would, if the proposal or transaction were ultimately completed, directly or indirectly:

- (i) acquire a relevant interest in or become the holder of 50% or more of the issued ordinary units in CPA; or
- (ii) acquire all, or a majority, of the assets or operations of the CPA Group, or a similar economic outcome would eventuate, where such payment, or amount forgone, is an amount exceeding \$5 million.

(e) No Material Adverse Change

Between the Announcement Date and the end of the Offer Period (each inclusive), no event, change or condition occurs, is announced or becomes known to GPT (whether or not it becomes public) where that event, change or condition has had, or could reasonably be expected to have, either individually or in aggregate with all such events, changes and conditions:

- (i) an adverse financial effect of A\$11 million or more on the funds from operations (calculated on a basis consistent with that applied in the audited

financial report of the CPA for the year ended 30 June 2013) of the CPA Group in any financial year; or

- (ii) an adverse financial effect of A\$140 million or more on the value of the net assets of the CPA Group,

other than:

- (A) mark to market movements relating to investment properties, financial derivatives and foreign exchange rates; or
- (B) events, changes and conditions publicly announced by CPA to the ASX prior to the Announcement Date or otherwise disclosed in public filings by CPA or any of its Subsidiaries prior to the Announcement Date where the relevant disclosure is not, and is not likely to be, incomplete, incorrect, untrue or misleading.

- (f) No Material Acquisitions or Disposals

Except to the extent fully and fairly disclosed in any announcement made to the ASX prior to the Announcement Date, none of the following events occurs during the period from the Announcement Date to the end of the Offer Period (each inclusive):

- (i) CMIL or any entity within the CPA Group acquires, or an agreement is entered into under which it is agreed that CMIL or any entity within the CPA Group will or offers to acquire, any one or more entities or assets (or any interest in one or more entities, businesses or assets) for an amount or consideration in excess of A\$50 million for any individual item;
- (ii) CMIL or any entity within the CPA Group disposes of, or an agreement is entered into under which it is agreed that CMIL or any entity within the CPA Group will or offers to dispose of, any one or more entities or assets (or any interest in one or more entities, businesses or assets):
  - (A) for an amount or consideration in excess of A\$50 million for any individual item; or
  - (B) in respect of which the book value (as recorded in CPA's statement of financial position as at 30 June 2013) is in excess of A\$50 million for any individual item;
- (iii) the commitment by the CPA Group to a new development project in excess of A\$50 million.

- (g) No Internalisation

Between the Announcement Date and the end of the Offer Period (each inclusive):

- (i) CMIL does not implement, or agree or propose to implement, any transaction or proposal under which the management of CPA is 'internalised', or CMIL is otherwise removed or replaced; or
- (ii) a Change of Control does not occur in respect of CMIL.

- (h) Competing Proposal

Between the Announcement Date and the end of the Offer Period (each inclusive), CMIL does not enter into any agreement for the purposes of implementing a

transaction under which, if that agreement were completed substantially in accordance with its terms, DEXUS, CPPIB or one of their associates would acquire all, or a majority of, the CPA Units.

(i) No Distributions

Between the Announcement Date and the end of the Offer Period (each inclusive), CMIL does not make, determine as payable or declare any CPA distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie) other than a half yearly distribution in the ordinary course.

(j) No Prescribed Occurrences

Between the period from the date on which the Bidder's Statement is given to CMIL and the end of the Offer Period (each inclusive), none of the following events occur:

- (i) CPA converts all or any of its units into a larger or smaller number of units;
- (ii) CPA or a Subsidiary of CPA resolves to reduce its capital in any way;
- (iii) CPA or a Subsidiary of CPA enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act or otherwise;
- (iv) CPA or a Subsidiary of CPA issues units or shares or grants an option over its units or shares, or agrees to make such an issue or grant such an option in each case, other than the issue of CPA Units as a result of the exercise of CPA Options which are on issue as at the Announcement Date;
- (v) CPA or a Subsidiary of CPA issues, or agrees to issue, convertible notes;
- (vi) CPA or a Subsidiary of CPA disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (vii) CPA or a Subsidiary of CPA grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property;
- (viii) CPA or a Subsidiary of CPA resolves to be wound up;
- (ix) a liquidator or provisional liquidator of CPA or of a Subsidiary of CPA is appointed;
- (x) a court makes an order for the winding up of CPA or of a Subsidiary of CPA;
- (xi) an administrator of CPA or of a Subsidiary of CPA is appointed under section 436A, 436B or 436C of the Corporations Act; or
- (xii) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of CPA or a Subsidiary of CPA.

(k) No Prescribed Occurrences Between the Announcement Date and the Date of the Bidder's Statement

During the period beginning on the Announcement Date and ending on the day before the Bidder's Statement is given to CPA, none of the events listed in sub-paragraphs (i) to (xii) of paragraph (j) occurs.

## **11.9 Nature and operation of Defeating Conditions**

### **(a) Nature of Defeating Conditions**

- (i) The Defeating Condition in section 11.8(b) is a condition precedent to GPT's acquisition of any interest in CPA Units. Notwithstanding your acceptance of this Offer, unless and until the Defeating Condition in section 11.8(b) has been fulfilled or waived:
  - (A) no contract for the sale of your CPA Units will come into force or be binding on you or GPT;
  - (B) GPT will have no rights (conditional or otherwise) in relation to your CPA Units;
  - (C) if your CPA Units are held in a CHESS Holding, you will be entitled to withdraw your acceptance in respect of those CPA Units by having your Controlling Participant transmit a valid originating message to ASX Settlement specifying the CPA Units to be released from the sub-position, in accordance with Rule 14.16 of the ASX Settlement Operating Rules, at any time prior to the fulfilment or waiver of that Defeating Condition; and
  - (D) if your CPA Units are not held in a CHESS Holding, you will be entitled to withdraw your acceptance in respect of those CPA Units by sending a notice to that effect signed by you (or on your behalf, in which case documentation proving that the person or persons signing the notice are authorised to do so must accompany the notice) to any of the addresses specified on the Acceptance Form so that it is received at the relevant address at any time prior to the fulfilment or waiver of that Defeating Condition.
- (ii) Each of the other Defeating Conditions is a condition subsequent to the formation of a binding contract upon your acceptance of this Offer. None of those Defeating Conditions prevents a contract to sell your CPA Units resulting from your acceptance of this Offer, but non fulfilment of any of those Defeating Conditions at the end of the Offer Period will have the consequences set out in section 11.9(f):
  - (A) breach of any of those Defeating Conditions entitles GPT to rescind that contract by written notice to you; and
  - (B) non-fulfilment of any of those Defeating Conditions at the end of the Offer Period will have the consequences set out in section 11.9(f).

### **(b) Separate Defeating Conditions for benefit of GPT**

- (i) Each paragraph and each sub-paragraph of section 11.8 constitutes, and is to be construed as, a separate, several and distinct Defeating Condition. No Defeating Condition will be taken to limit the meaning or effect of any other Defeating Condition.
- (ii) Subject to the Corporations Act and to section 11.9(a)(i), GPT alone is entitled to the benefit of the Defeating Conditions and to rely on breach or non-fulfilment of, or to waive, any of those conditions.

(c) **Fulfilment of Defeating Conditions**

GPT will use all reasonable endeavours to ensure that the Defeating Conditions contained in section 11.8(b) is fulfilled as soon as possible after the date of this Bidder's Statement.

(d) **Waiver of Defeating Conditions**

Subject to the Corporations Act, GPT may free this Offer and any contract resulting from your acceptance of this Offer from all or any of the Defeating Conditions generally or in relation to a specific occurrence by giving written notice to CPA:

- (i) in the case of the Defeating Conditions in section 11.8(j) — not later than three business days after the end of the Offer Period; and
- (ii) in the case of the other Defeating Conditions — not less than seven days before the last day of the Offer Period.

(e) **Notice on status of Defeating Conditions**

The date for giving the notice as to the status of the Defeating Conditions required by section 630(1) of the Corporations Act is 16 January 2014 (subject to variation in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

(f) **Contract void if Defeating Conditions not fulfilled**

Your acceptance of this Offer, and any contract resulting from your acceptance of this Offer, will be automatically void if:

- (i) at the end of the Offer Period, any of the Defeating Conditions is not fulfilled; and
- (ii) GPT has not declared this Offer and any contract resulting from your acceptance of it free from that Defeating Condition in accordance with section 11.9(d).

## **11.10 Provision of consideration**

(a) **When you will generally be provided the consideration**

Subject to this section 11.10 and the Corporations Act, if you accept this Offer and the Defeating Conditions are fulfilled or waived, GPT will provide to you the consideration for your CPA Units under this Offer on or before the later of:

- (i) five Business Days after the date this Offer is validly accepted by you; or
- (ii) if the Offer is subject to a Defeating Condition when accepted, within ten Business Days after this Offer or the contract resulting from your acceptance of this Offer becomes, or is declared, unconditional.

(b) **Provision of consideration where additional documents required**

Where additional documents are required, either by the Acceptance Form or otherwise, to be given to GPT with your acceptance to enable GPT to become the holder of your CPA Units (such as a power of attorney) then, subject to sections 11.10(c) to (g) and the Corporations Act):

- (i) if those documents are given to GPT with your acceptance, GPT will provide to you the consideration for your CPA Units in accordance with section 11.10(a);
- (ii) if those documents are given to GPT after your acceptance and before the end of the Offer Period, GPT will provide to you the consideration for your CPA Units by the later of:
  - (A) ten Business Days after GPT is given those documents; or
  - (B) if the Offer is subject to a Defeating Condition when accepted, within ten Business Days after this Offer or the contract resulting from your acceptance of this Offer becomes, or is declared, unconditional.
- (iii) if those documents are given to GPT after the end of the Offer Period, GPT will provide to you the consideration for your CPA Units within ten Business Days after those documents are given. However, if, at the time those documents are given to GPT, the contract resulting from your acceptance of this Offer is still subject to a Defeating Condition in section 11.8(j), GPT will provide to you the consideration for your CPA Units within ten Business Days after the contract becomes, or is declared, unconditional.

(c) **Delivery of consideration**

- (i) Payment of any cash amount to which you are entitled under this Offer will be made by cheque drawn in Australian currency in your favour. The cheque will be sent to you, at your risk, by ordinary mail (or, in the case of CPA Unitholders with addresses outside Australia, by airmail) to your address as recorded in the register of unitholders of CPA on the Register Date, or as shown on the Acceptance Form, or the address for you last notified to GPT by CPA. Payment will be deemed to have been made at the time the cheque is delivered to Australia Post for delivery or placed in an Australia Post postal box.
- (ii) The obligation of GPT to allot and issue any GPT securities to which you are entitled under this Offer will be satisfied by GPT:
  - (A) entering your name on the register of unitholders of GPT in respect of those GPT Securities; and
  - (B) if your name is entered on the Issuer Sponsored Subregister of GPT, no later than ten business days after such entry, despatching or procuring the despatch to you, by pre paid post to your address as shown on the latest copy of the register provided by CPA to GPT before despatch, a holding statement in accordance with the ASX Listing Rules. If your CPA Units are held in joint names and those names are entered on the Issuer Sponsored Subregister of GPT, the holding statement will be issued in the name of, and despatched to, the holder whose name appears first in CPA's register of unitholders.

(d) **Rights**

If GPT becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give to GPT all documents necessary to vest title to those Rights in GPT, or otherwise to give GPT the benefit or value of those Rights. If you do not do so, or if you have received or are entitled to receive (or any previous holder of your CPA Units has received or is entitled to receive) the benefit of those Rights, GPT will be entitled to deduct the amount (or an amount equal to the value, as reasonably assessed by GPT) of those Rights from any consideration otherwise due to you under this Offer. If GPT does not, or cannot, make such a deduction, you must pay that amount to GPT, except to the extent that GPT elects to waive its entitlement to those Rights.

(e) **Ineligible Foreign Unitholders and Unmarketable Parcel Securityholders**

If you are an Ineligible Foreign Unitholder or Unmarketable Parcel Securityholder (or if GPT believes that you are an Ineligible Foreign Unitholder or Unmarketable Parcel Securityholder) and you accept this Offer, you will not be entitled to receive GPT Securities as part of the consideration for your CPA Units. Instead, you agree that:

- (i) GPT will arrange for the issue to a nominee approved by ASIC (the **Sale Nominee**) of the GPT Securities to which you and all other Ineligible Foreign Securityholders and Unmarketable Parcel Securityholders would have been entitled but for this section 11.10(e) and the equivalent section in each other offer under the Offer;
- (ii) GPT will cause those GPT Securities to be offered for sale by the Sale Nominee on the ASX or another relevant financial market licensed under section 795B of the Corporations Act through which retail clients may trade in securities as soon as practicable and otherwise in such manner, at such price and on such terms as are determined by the Sale Nominee;
- (iii) GPT will cause the amount ascertained in accordance with the formula below to be paid to you:

$$\text{net proceeds of sale} \times \frac{\text{your GPT Securities}}{\text{total GPT Securities}}$$

where:

**net proceeds of sale** is the amount (if any) remaining after deducting the expenses of sale and any costs of appointing the Sale Nominee from the total proceeds of sale of the GPT Securities issued to the Sale Nominee under this section 11.10(e) and the equivalent provision in each other offer under the Offer;

**your GPT Securities** is the number of GPT Securities that would, but for this section 11.10(e), have been issued to you under this Offer;  
and



**total GPT Securities** is the total number of GPT Securities issued to the Sale Nominee under this section 11.10(e) and the equivalent provision in each other offer under the Offer;

- (iv) payment of the amount calculated in accordance with section 11.10(e)(iii) will be made by cheque drawn in Australian currency in your favour that is sent to you, at your risk, by ordinary mail (or, in the case of CPA Unitholders with addresses outside Australia, by airmail) to your address shown on the latest copy of the register provided by CPA to GPT, and that under no circumstances will any interest be paid on or in relation to that amount, regardless of any delay in the remittance of the amount to you; and
- (v) you irrevocably appoint GPT as your agent to receive any notice, including a Financial Services Guide (if any) (and any update of any such notice or document), that the Sale Nominee and/or its broker may provide under the Corporations Act and you acknowledge and agree that any such notice or document will be made available by GPT on GPT's website ([www.gpt.com.au](http://www.gpt.com.au)).

Neither GPT nor the Sale Nominee makes any representation, warranty, undertaking or assurance as to the price that will be achieved for the sale of CPA Units described in this section 11.10(e).

(f) **Non-Australian residents**

If, at the time of acceptance of this Offer, any authority or clearance of a Public Authority is required for you to receive any consideration under this Offer or you are resident in or a resident of a place to which, or you are a person to whom:

- (i) the Autonomous Sanctions Regulations 2011 (Cth);
- (ii) the Banking (Foreign Exchange) Regulations 1959 (Cth);
- (iii) Part 4 of the Charter of the United Nations Act 1945 (Cth);
- (iv) the Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);
- (v) the Charter of the United Nations (Sanctions – Al-Qaida and the Taliban) Regulations 2008 (Cth);
- (vi) the Charter of the United Nations (Sanctions – Cote d'Ivoire) Regulations 2008 (Cth);
- (vii) the Charter of the United Nations (Sanctions – Democratic People's Republic of Korea) Regulations 2008 (Cth);
- (viii) the Charter of the United Nations (Sanctions – Democratic People's Republic of the Congo) Regulations 2008 (Cth);
- (ix) the Charter of the United Nations (Sanctions – Eritrea) Regulations 2010 (Cth);
- (x) the Charter of the United Nations (Sanctions – Iran) Regulations 2008 (Cth);
- (xi) the Charter of the United Nations (Sanctions – Iraq) Regulations 2008 (Cth);
- (xii) the Charter of the United Nations (Sanctions – Lebanon) Regulations 2008 (Cth);

- (xiii) the Charter of the United Nations (Sanctions – Liberia) Regulations 2008 (Cth);
- (xiv) the Charter of the United Nations (Sanctions –Libyan Arab Jamahiriya) Regulations 2011 (Cth);
- (xv) the Charter of the United Nations (Sanctions – Somalia) Regulations 2008 (Cth);
- (xvi) the Charter of the United Nations (Sanctions – Sudan) Regulations 2008 (Cth);
- (xvii) the Charter of the United Nations (Sanctions – the Taliban) Regulation 2013; or
- (xviii) any other law of Australia that would make it unlawful for GPT to provide consideration for your CPA Units,

applies then acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive the consideration specified in this Offer unless and until all requisite authorities or clearances have been obtained by GPT.

(g) **Withholding of consideration by GPT**

If any amount (the ***withholding amount***) is required, under any Australian law or by any Public Authority, to be:

- (i) withheld from any consideration otherwise due to you under this Offer and paid or provided to a Public Authority; or
- (ii) retained by GPT out of any consideration otherwise due to you under this Offer,

the payment, provision or retention by GPT of the withholding amount (as applicable) will constitute full discharge of GPT's obligation to provide the consideration to you to the extent of the withholding amount.

## 11.11 Offerees

(a) **Registered holders**

GPT is making an offer in the form of this Offer to:

- (i) each person registered as the holder of CPA Units in the register of unitholders of CPA as at the Register Date; and
- (ii) each person who, during the period from the Register Date to the end of the Offer Period, becomes registered or entitled to be registered as the holder of CPA Units (whether or not they are registered or entitled to be registered as the holder of other CPA Units) due to the conversion of, or exercise of rights attached to, other securities convertible into CPA Units (including CPA Options) that are on issue at the Register Date.

(b) **Transferees**

If at any time during the Offer Period another person is able to give good title to some or all of your CPA Units, and that person has not already accepted an offer in the form

of this Offer for those CPA Units, then that person may accept as if an offer in the form of this Offer had been made to them in respect of those CPA Units.

(c) **Trustees and nominees**

If at any time during the Offer Period and before you accept this Offer your CPA Units consist of two or more separate parcels within the meaning of section 653B of the Corporations Act (for example, because you hold your CPA Units as trustee or nominee for, or otherwise on account of, several distinct beneficial owners), then you may accept as if a separate offer in the form of this Offer had been made in relation to each of those parcels (including any parcel you hold in your own right). Acceptance for any parcel of CPA Units (including any parcel consisting of two or more parcels) is ineffective unless:

- (i) you give GPT notice stating that the CPA Units consist of a separate parcel, such notice being:
  - (A) in the case of CPA Units not in a CHESS Holding, in writing; or
  - (B) in the case of CPA Units in a CHESS Holding, in an electronic form approved by the ASX Settlement Operating Rules for the purposes of Part 6.8 of the Corporations Act; and
- (ii) your acceptance specifies the number of CPA Units in the distinct parcel.

(d) **CPA Units subject to CPA transfer restrictions**

If at any time during the Offer Period some of your CPA Units are subject to transfer restrictions imposed by CPA (for example, because you hold some of your CPA Units under an employee incentive plan), then you may accept as if a separate offer in the form of this Offer had been made in relation to the balance of your CPA Units. Acceptance for the balance of your CPA Units is ineffective unless you give GPT notice stating the number of your CPA Units that are subject to a transfer restriction and explaining the nature of the restriction, and your acceptance specifies the balance of your CPA Units.

## **11.12 Additional copies of Offer documents**

If, for the purpose of accepting the Offer, you require additional copies of this Bidder's Statement and the Acceptance Form, please call the Offer Information Line on 1800 660 083 (toll-free within Australia) or +61 2 8767 1211 (from outside Australia) to request those additional copies.

## **11.13 Official quotation of GPT Securities**

- (a) This Offer and any contract resulting from your acceptance of this Offer are subject to the condition set out in section 625(3) of the Corporations Act. If that condition is not fulfilled, any contract resulting from your acceptance of this Offer will be automatically void.
- (b) The condition set out in section 625(3) of the Corporations Act is not a defeating condition for the purposes of the Corporations Act, and is not of the same nature as the conditions set out in section 11.8. Section 625(3) of the Corporations Act provides that this Offer cannot be freed of the condition prescribed in that section, and

consequently no statement made by GPT, or any other member of the GPT Group, can be taken to be a waiver of that condition.

- (c) GPT has been admitted to the Official List of the ASX and securities in GPT of the same class as those to be issued as consideration under this Offer have been granted official quotation by the ASX. An application will be made within seven days of the date of this Bidder's Statement for granting of Official Quotation of the GPT Securities to be issued as security under this Offer. However, official quotation of securities by the ASX is not granted automatically on application.

#### **11.14 Variation and withdrawal of Offer**

- (a) **Variation**

GPT may vary this Offer in accordance with the Corporations Act.

- (b) **Withdrawal**

This Offer may be withdrawn with the written consent of ASIC, which consent may be subject to conditions. If so, GPT will give notice of the withdrawal to the ASX and to CPA and will comply with any other conditions imposed by ASIC.

#### **11.15 Costs and stamp duty**

GPT will pay all costs and expenses of the preparation and circulation of this Offer and any Australian stamp duty payable on the transfer of any CPA Units to GPT under this Offer.

#### **11.16 Governing law and jurisdiction**

This Offer and any contract resulting from your acceptance of this Offer are governed by the laws of NSW. In relation to them and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

## 12. Definitions and Interpretation

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### 12.1 Definitions

In this Bidder's Statement and in the Acceptance Form, unless the context requires otherwise:

**A grade** has the meaning given in the Property Council of Australia's 'A Guide to Office Building Quality'.

**Acceptance Form** means the acceptance form enclosed with this Bidder's Statement or, as the context requires, any replacement or substitute acceptance form provided by or on behalf of GPT.

**AFFO or Adjusted Funds From Operations** means FFO less maintenance capex, leasing incentives and one-off items calculated in accordance with the PCA "Voluntary best practice guidelines for disclosing FFO and AFFO".

**Announcement Date** means the date of announcement of GPT's intention to make the Offer on 19 November 2013.

**associate** has the meaning given in section 12 of the Corporations Act.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it.

**ASX Listing Rules** means the Listing Rules of ASX.

**ASX Settlement** means ASX Settlement Pty Ltd (ABN 49 008 504 532).

**ASX Settlement Operating Rules** means the operating rules of the settlement facility provided by ASX Settlement.

**AUM** means assets under management.

**B grade** has the meaning given in the Property Council of Australia's 'A Guide to Office Building Quality'.

**Banks** has the meaning given in section 10.2.

**Bid Period** means the period between the date on which this Bidder's Statement was provided to CPA and the end of the Offer Period (both inclusive).

**Bidder's Statement** means this document, being the statement of GPT under Part 6.5 of the Corporations Act relating to the Offer.

**Business Day** means a day (other than a Saturday or Sunday) on which banks are open for general business in Sydney, Australia.

**CBA** means Commonwealth Bank of Australia (ABN 48 123 123 124).

**CGT** means Australian capital gains tax.

**Change of Control** a Change of Control occurs if a party comes under the control of a third party who did not Control that party at the Announcement Date where Control has the meaning given to it in section 50AA of the Corporations Act.

**CHES** means the Clearing House Electronic Subregister System, which provides for the electronic transfer, settlement and registration of securities in Australia.

**CHESS Holding** means a holding of CPA Units on the CHESS Subregister of CPA.

**CHESS Subregister** has the meaning given in the ASX Settlement Operating Rules.

**CMIL** means Commonwealth Managed Investments Limited (ACN 084 098 180) as responsible entity of CPA.

**Colonial** means Colonial First State Property Limited (ACN 085 313 926).

**Combined Group** means GPT and its Related Bodies Corporate following GPT acquiring control of CPA, and including CPA.

**Commitment Letters** has the meaning given in section 10.2.

**Controlling Participant** has the meaning given in the ASX Settlement Operating Rules. Usually your Controlling Participant is a person, such as a broker, with whom you have a sponsorship agreement (within the meaning of the ASX Settlement Operating Rules).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**CPA** means Commonwealth Property Office Fund (ARSN 086 029 736).

**CPA Group** means CPA and its Subsidiaries.

**CPA Convertible Notes** means the senior, unsecured convertible notes issues by CPA as described in section 4.9.

**CPA Option** means an option to subscribe for a CPA Unit issued by CPA and on issue as at the Announcement Date and includes the CPA Convertible Notes currently on issue.

**CPA Unit** means a fully paid ordinary unit in the capital of CPA.

**CPA Unitholder** means a person who is the registered holder of one or more CPA Units.

**CPPIB** means Canada Pension Plan Investment Board.

**Defeating Condition** means each condition set out in section 11.8.

**DEXUS or DXS** means DEXUS Funds Management Limited (ACN 060 920 783) in its capacity as responsible entity of DEXUS Diversified Trust, DEXUS Industrial Trust, DEXUS Office Trust and DEXUS Operations Trust.

**Directors** means the directors of GPT.

**DPS** means distribution per security.

**EBIT** means earnings before interest and tax.

**Encumbrance** means an interest or power:

- (a) reserved in or over any interest in any asset including any retention of title; or
- (b) created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of security for the payment of debt or any other monetary obligation or the performance of any other obligation and includes any agreement to grant or create any of the above.

**FATA** means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

**FFO or Funds From Operations** means the underlying earnings calculated in accordance with the PCA “Voluntary best practice guidelines for disclosing FFO and AFFO”

**FFO per Security Guidance** has the meaning given in section 6.6(b).

**FIRB** means the Foreign Investment Review Board.

**FUM** means funds under management.

**GIC Exchangeable Securities** means the exchangeable securities issued by GPT described in section 2.4.

**GIC RE** means GIC Real Estate Pte Limited.

**GPT** means GPTMHL and GPT RE as Responsible Entity of General Property Trust.

**GPT Board** means the directors of the board of GPTMHL and of the board of GPT RE.

**GPT Group** means GPT and its Related Bodies Corporate.

**GPTMHL** means GPT Management Holdings Limited (ABN 67 113 510 188)

**GPTMHL Constitution** means the constitution of GPTMHL.

**GPT RE** means GPT RE Limited (ABN 27 107 426 504) as Responsible Entity of General Property Trust (ARSN 090 110 357).

**GPT Security or GPT Stapled Security** means one share in GPTMHL stapled to one unit in the Trust.

**GPT Securityholder** means a person who is the registered holder of one or more GPT Securities.

**GPT Share** means a fully paid ordinary share in the capital of GPTMHL.

**GPT Unit** means a fully paid ordinary unit in the capital of the Trust.

**Gruss** means Gruss Global Investors Master Fund, Ltd. and Gruss Global Investors Master Fund (Enhanced), Ltd.

**GST** means the goods and services tax imposed under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and the related imposition acts of the Commonwealth of Australia.

**GWOFF** means GPT Funds Management Limited (in its capacity as responsible entity of each of the GPT Wholesale Office Fund No. 1 (ARSN 120 538 212) and GPT Wholesale Office Fund No. 2 (ARSN 120 538 365)).

**GWOFF Assets** means the five CPA assets to be acquired by GWOFF from GPT conditional on GPT acquiring 90% of CPA, being:

- 60 Castlereagh Street, Sydney (100%);
- 10 Shelley Street, Sydney (50%);
- 175 Pitt Street, Sydney (100%);
- 750 Collins Street, Melbourne (100%); and
- 2 Southbank Boulevard, Melbourne (50%).

**GWSCF** means GPT Wholesale Shopping Centre Fund.

**Holder Identification Number** means the number used to identify a CPA Unitholder on the CHESSE Subregister of CPA.

**IBC** means the subcommittee of independent directors of CMIL as announced to the ASX on 24 July 2013.

**Ineligible Foreign Unitholder** means a CPA Unitholder whose address as shown in the register of members of CPA is in a jurisdiction other than Australia or its external territories and New Zealand, unless GPT otherwise determines after being satisfied that it is not unlawful, not unduly onerous and not unduly impracticable to make the Offer to a CPA Unitholder in the relevant jurisdiction and for GPT Securities to be issued to such CPA Unitholder on acceptance of the Offer, and that is not unlawful for such a CPA Unitholder to accept the Offer in such circumstances in the relevant jurisdiction.

**Issuer Sponsored Holding** means a holding of CPA Units on the Issuer Sponsored Subregister of CPA.

**Issuer Sponsored Subregister** has the meaning given in the ASX Settlement Operating Rules.

**KPMG Transaction Services** means KPMG Financial Advisory Services (Australia) Pty Limited

**Loan Facilities** has the meaning given in section 10.2.

**Loan Facility Agreements** has the meaning given in section 10.2.

**Marketable Parcel** has the meaning given under the market rules of the ASX.

**Maximum Amount** has the meaning given in section 10.2.

**MER** means management expense ratio, being the management expenses over assets under management.

**NLA** means net leasable area.

**NTA** means net tangible assets.

**Offer** means, as the context requires, the offer for CPA Units contained in section 11, or the off-market takeover bid constituted by that offer and each other offer by GPT for CPA Units in the form of that offer, including in each case as varied in accordance with the Corporations Act.

**Offer Consideration** means 0.141 GPT Securities and \$0.75325<sup>16</sup> cash for every 1 of your CPA Units.

**Offer Information Line** means 1800 660 083 (toll-free within Australia) or +61 2 8767 1211 (from outside Australia).

**Offer Period** means the period during which the Offer will remain open for acceptance in accordance with section 11.3.

**Official Quotation** means official quotation on the ASX.

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<sup>16</sup> Reduced by the amount of any CPA distribution to which you are entitled, and the GPT Securities issued under the Offer will rank equally with existing GPT Securities.



**Pre-Bid Acceptance Agreements** mean the agreements with Morgan Stanley Investment Management Company, SG Hiscock & Company Limited and Gruss as described in section 4.6.

**Premium grade** has the meaning given in the Property Council of Australia's 'A Guide to Office Building Quality'.

**Pro Forma Financial Information** has the meaning given in section 6.6(a).

**Pro Forma Historical Statement of Financial Position** has the meaning given in section 6.6(b).

**Public Authority** means any government or any governmental, semi-governmental, statutory or judicial entity or authority, or any minister, department, office or delegate of any government, whether in Australia or elsewhere. It also includes any self-regulatory organisation established under statute and any stock exchange.

**Register Date** means 9:00 am on 3 December 2013 being the date set by GPT under section 633(2) of the Corporations Act.

**Related Body Corporate** has the meaning given in section 50 of the Corporations Act, interpreted so that the definition given to Subsidiary in this Bidder's Statement applies.

**relevant interest** has the meaning given in the Corporations Act.

**Rights** means all accretions, rights and benefits of whatever kind attaching to or arising from the CPA Units directly or indirectly at or after the date of this Bidder's Statement (including all distributions and all rights to receive them and rights to receive or subscribe for units, notes, bonds, options or other securities or entitlements declared, paid or issued by CPA or any subsidiary of CPA).

**Sale Nominee** has the meaning given in section 11.10(e).

**Securityholder Reference Number** means the number allocated by CPA to identify a CPA Unitholder on the Issuer Sponsored Subregister of CPA.

**Stapling Deed** means the stapling deed between GPTMHL and GPT RE in its capacity as responsible entity of the Trust dated 2 May 2005 which provides for the stapling of the GPT Stapled Securities.

**Subsidiary** has the meaning given in section 9 of the Corporations Act, interpreted so that a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share and a corporation or trust may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation.

**Takeover Transferee Holding** has the meaning given in the ASX Settlement Operating Rules, being the CHESS Holding to which CPA Units are to be transferred pursuant to acceptances of the Offer.

**Total Return** is calculated as distributions plus the increase in the value of the GPT Group's net tangible asset.

**Total Tangible Assets** has the meaning given in the constitution of the Trust and equals Total Assets less Intangible Assets reported in the Statement of Financial Position.

**Treasurer** means the Treasurer of the Commonwealth of Australia.

**Trust** means General Property Trust (ARSN 090 110 357).

**Trust Constitution** means the constitution of the Trust.

**Trust Unitholder** means a person who is the registered holder of one or more GPT Units.

**Unmarketable Parcel** means that number of GPT Securities which is less than a 'marketable parcel' under the market rules of the ASX (currently a parcel of less than \$500) calculated based on the highest closing price of GPT Securities on the ASX during the period from the date of this Bidder's Statement until the earlier of the end of the Offer Period and 5 ASX trading days before the first day on which GPT must provide Offer Consideration under the Offer.

**Unmarketable Parcel Securityholder** means a CPA Unitholder who would be entitled to receive a total number of GPT Securities as consideration under the Offer which is an Unmarketable Parcel.

**VWAP** means volume weighted average price.

**WALE** means weighted average lease term to expiry.

**WACR** means weighted average capitalisation rate.

**your CPA Units** means, subject to section 11.11:

- (a) the CPA Units in respect of which you are registered or entitled to be registered as a holder in the register of members of CPA at the Register Date, and in respect of which no other person becomes registered or entitled to be registered as a holder before you accept the Offer; and
- (b) any other CPA Units to which you are able to give good title at the time you accept the Offer (including any CPA Units in respect of which you become registered or entitled to be registered as a holder due to the conversion of, or exercise of rights attached to, other securities convertible into CPA Units that are on issue at the Register Date).

## 12.2 Interpretation

In this Bidder's Statement and in the Acceptance Form, headings are for convenience only and do not affect interpretation.

- (a) Mentioning anything after **includes, including, for example**, or similar expressions, does not limit what else might be included.

The following rules apply unless the context requires otherwise.

- (b) The singular includes the plural and conversely.
- (c) A reference to a section or Annexure is to a section of, or annexure to, this Bidder's Statement.
- (d) A gender includes all genders.
- (e) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (f) A reference to a person, corporation, trust, partnership, unincorporated body or association or other entity includes any of them.

- (g) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns.
- (h) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.
- (i) A reference to any instrument or document includes any variation or replacement of it.
- (j) A term not specifically defined in this Bidder's Statement has the meaning given to it in the Corporations Act (being, if any special meaning is given for the purposes of Chapter 6 or 6A of the Corporations Act or a provision of those chapters, that special meaning).
- (k) A reference to time is a reference to Sydney time.
- (l) A reference to **\$** is a reference to the lawful currency of Australia.
- (m) A reference to **you** is to a person to whom the Offer under section 11 is (or is deemed to be) made.

### 13. Approval of Bidder's Statement

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This Bidder's Statement has been approved by a unanimous resolution of the directors of GPTRE Limited and a unanimous resolution of the directors of GPT Management Holdings Limited.

**Dated 3 December 2013**

**Signed on behalf of GPT RE Limited:**



**Michael Cameron  
CEO and Managing Director**

**Signed on behalf of GPT Management Holdings Limited:**



**Michael Cameron  
CEO and Managing Director**

## Annexure A

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### ASX Announcements in relation to GPT

ASX Announcements by GPT since the lodgment of its interim report to 30 June 2013 are listed below. These announcements are available from [www.asx.com.au](http://www.asx.com.au) and may be relevant to your assessment of the Offer.

Date	Description
02/12/2013	Change of interests of substantial holder for CPA
25/11/2013	CMIL Terminates Process Agreement with DEXUS and CPPIB
19/11/2013	Notice of Initial Substantial Holder for CPA
19/11/2013	GPT announces Proposal to acquire Commonwealth Property Office Fund
19/11/2013	GPT makes cash and scrip offer for CPA
18/11/2013	Change to Distribution Announcement Dates
13/11/2013	GPT acquires a seed asset for its metropolitan office fund
28/10/2013	2013 September Quarter Result Presentation
28/10/2013	2013 Strategy Update Presentation
28/10/2013	Strategy Update and September Quarter Result
23/09/2013	Buy Back and Cancellation of Securities
16/09/2013	Buy Back and Cancellation of Securities
16/09/2013	Daily share buy-back notice - Appendix 3E
12/09/2013	Daily share buy-back notice - Appendix 3E
11/09/2013	Daily share buy-back notice - Appendix 3E
10/09/2013	Daily share buy-back notice - Appendix 3E
09/09/2013	Change in substantial holding
09/09/2013	Daily share buy-back notice - Appendix 3E
06/09/2013	Daily share buy-back notice - Appendix 3E
06/09/2013	Substantial Shareholder - Restatement from CBA
05/09/2013	Daily share buy-back notice - Appendix 3E
04/09/2013	Tax components for the 2013 June quarter distribution
04/09/2013	Change of Director's Interest Notice
04/09/2013	Change of Director's Interest Notice
04/09/2013	Daily share buy-back notice - Appendix 3E
03/09/2013	Daily share buy-back notice - Appendix 3E

Date	Description
02/09/2013	Daily share buy-back notice - Appendix 3E
30/08/2013	Daily share buy-back notice - Appendix 3E
29/08/2013	Buy Back and Cancellation of Securities
29/08/2013	Daily share buy-back notice - Appendix 3E
28/08/2013	Daily share buy-back notice - Appendix 3E
27/08/2013	Daily share buy-back notice - Appendix 3E
26/08/2013	Daily share buy-back notice - Appendix 3E
23/08/2013	Daily share buy-back notice - Appendix 3E
22/08/2013	Daily share buy-back notice - Appendix 3E
21/08/2013	Daily share buy-back notice - Appendix 3E
20/08/2013	Daily share buy-back notice - Appendix 3E
19/08/2013	Daily share buy-back notice - Appendix 3E
16/08/2013	Daily share buy-back notice - Appendix 3E
15/08/2013	Change of Director's Interest Notice
15/08/2013	Daily share buy-back notice - Appendix 3E
14/08/2013	Daily share buy-back notice - Appendix 3E
13/08/2013	Daily share buy-back notice - Appendix 3E
12/08/2013	2013 Interim Result Presentation with Speaker Notes
12/08/2013	Interim Result Data Pack
12/08/2013	2013 Interim Result Presentation
12/08/2013	June Quarter Distribution
12/08/2013	2013 Interim Result
12/08/2013	GPT Management Holdings Ltd Interim Financial Report 2013
12/08/2013	GPT Group Interim Financial Report 2013
12/08/2013	Appendix 4D GPT Management Holdings Limited June 2013
12/08/2013	Appendix 4D - GPT Group June 2013

# Corporate Directory

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## GPT

### The GPT Group

comprising

### GPT Management Holdings Limited

ABN 67 113 510 188 and

### GPT RE Limited

ABN 27 107 426 504

AFSL 286511

As Responsible Entity for

### General Property Trust

ARSN 090 110 357

### Registered Office

Level 51

MLC Centre

19 Martin Place

Sydney NSW 2000

P: +61 2 8239 3555

## Offer Information Line

If you have any questions in relation to the Offer or how to accept it, or if you have lost your Acceptance Form and require a replacement, please call the Offer Information Line on the following numbers:

Within Australia: 1800 660 083 (toll-free within Australia)

Outside Australia: +61 2 8767 1211

Please note that, for legal reasons, calls to these numbers will be recorded.

## Registry for the Offer

You can contact GPT's registrar (Link Market Services Limited) at the addresses set out below:

### Mailing Address

or

### Hand Delivery

**Link Market Services Limited**

**CPA Takeover**

**Locked Bag A14**

**SYDNEY SOUTH NSW 1235**

**Link Market Services Limited**

**CPA Takeover**

**1A Homebush Bay Drive**

**RHODES NSW 2138**

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## Further Important Instructions

Your Commonwealth Property Office Fund Units are in an Issuer Sponsored Holding. To accept the Offer, you must complete and return this Acceptance Form in accordance with the instructions below.

### Completion instructions

- A**
- **Please check the front page** to ensure that your name and address are correct. If incorrect, please write your correct details and initial the amendments. Amendments to your name can only be processed by your Commonwealth Property Office Fund Registry.
  - **Please note** your consideration will be issued in the names as they appear on the Commonwealth Property Office Fund register.
- D**
- **Please sign this Acceptance Form** in the places for signature(s) out on the front page and in accordance with the following instructions:
    - **Joint Unitholders:** If your Commonwealth Property Office Fund Units are held in the names of more than one person, all of those persons must sign this Acceptance Form.
    - **Corporations:** This Acceptance Form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Alternatively, a duly appointed attorney may sign.
    - **Powers of attorney:** If this Acceptance Form is signed under a power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it. If this Acceptance Form is signed under Power of Attorney, the attorney declares that he/she has no notice of revocation of the Power of Attorney.
    - **Deceased Estates:** All the executors and administrators must sign this Acceptance Form. When you return this Acceptance Form, please attach it to a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of Section 1071B(9)(b)(iii) of the Corporations Act.

Information you supply on this Acceptance Form will be used by GPT Management Holdings Limited and Link Market Services Limited for the primary purpose of processing your acceptance of the Offer and to provide you with the consideration payable under the Offer. This information may be disclosed to GPT's professional advisers, securities brokers, printing and mailing providers and other third parties in connection with the Offer. If you fail to supply this information, your acceptance may not be processed and you may not receive the consideration payable. You have rights to obtain access to the personal information which you have supplied. Please see Link Market Services Limited's privacy policy on its website [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### Lodgement instructions

- Mail or deliver completed Acceptance Form(s) and any other documents required by the above instructions to:

<b>Mailing Address</b>	<b>or</b>	<b>Hand Delivery</b>
Link Market Services Limited		Link Market Services Limited
CPA Takeover		CPA Takeover
Locked Bag A14		1A Homebush Bay Drive
SYDNEY SOUTH NSW 1235		RHODES NSW 2138

- A reply paid envelope is enclosed for use within Australia.

**Your acceptance must be received by no later than the end of the Offer Period.**

**If you have any questions about the terms of the Offer or how to accept, please call the  
GPT Offer Information Line on the following numbers:**

**within Australia: 1800 660 083  
outside Australia: +61 2 8767 1211**

### Need help?

**Contact** GPT Offer Information Line  
**Phone** 1800 660 083 (from within Australia)  
**Phone** +61 2 8767 1211 (from outside Australia)

## A Your name

SAMPLE NAME 1  
SAMPLE NAME 2  
<SAMPLE A/C>  
SAMPLE ADDRESS 1  
SAMPLE ADDRESS 2

## Your holding

Holder Identification Number: X12345678910

Commonwealth Property Office Fund Units  
held as at Tuesday, 3 December 2013 99,999,999

If your holding has changed between record date and time  
of acceptance, then write your current holding here.

**This is an important document. If you are in doubt  
as to how to complete this form, please consult your  
financial or other professional adviser immediately.**

Controlling Participant's Name *Broker's Name and telephone printed here*

Advisor Name:	Contact Number:
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## Transfer and Acceptance Form – CHESS Subregister

This is a personalised form for the sole use of the holder and holding recorded above. This form relates to an offer by GPT Management Holdings Limited and GPT RE Limited, as responsible entity of the General Property Trust (together "GPT") to purchase all of your Commonwealth Property Office Fund Units (the "Offer") pursuant to GPT's Bidder's Statement dated 3 December 2013 and any replacements or supplements (the "Bidder's Statement"). Terms defined in the Bidder's Statement but not in this form have the meanings given in the Bidder's Statement. The Bidder's Statement shall prevail over this form, to the extent of any inconsistency.

## B You must give your instructions to your controlling participant to accept the Offer

If you correctly sign and return this form you will be deemed to have accepted the Offer in respect of **ALL** of your Commonwealth Property Office Fund Units.

**Offer Consideration** – 0.141 GPT Securities and A\$0.75325 cash per CPA Unit (reduced by the amount of any distribution from CPA to which you are entitled and subject to rounding and the treatment of Ineligible Foreign Securityholders and Unmarketable Parcel Securityholders, as described in the Bidders Statement)

To accept the Offer you may either:

- directly instruct your Controlling Participant to accept the Offer on your behalf; or
- sign and return this Acceptance Form to the address shown overleaf so the Bidder can contact your Controlling Participant on your behalf and relay your instructions.

If your Controlling Participant acts on your instruction CHESS will send you a confirmation notice.

## C Contact details

Please provide your contact name and telephone number in case we need to speak to you about this Acceptance Form.

Telephone Number where you can be contacted during business hours

Contact Name (PRINT)



## D You must sign this form for your instructions in this Acceptance Form to be executed

I/We, the person(s) named above, accept the Offer in respect of all my/our Commonwealth Property Office Fund Units and hereby agree to transfer to GPT or its nominee all my/our Commonwealth Property Office Fund Units for the consideration specified in the Offer, and on the terms and conditions of the Offer as set out in the Bidder's Statement.

Unitholder 1 (Individual)

Sole Director & Sole Company Secretary

Unitholder 2 (Individual)

Secretary/Director (delete one)

Unitholder 3 (Individual)

Director

**Please refer overleaf for further important instructions**

REGISTRY USE ONLY



HIN



Broker PID



Holding

CPAT TKO002



## Further Important Instructions

Your Commonwealth Property Office Fund Units are in a CHESS Holding, you do not need to complete and return this Acceptance Form to the registry to accept the Offer. You can instead contact your Controlling Participant and instruct them to accept the Offer on your behalf in sufficient time before the end of the Offer Period to enable your Controlling Participant to give effect to your acceptance of the Offer on CHESS during business hours. If you decide to use this Acceptance Form to authorise us to contact your Controlling Participant on your behalf, follow the instructions below. You should allow Link Market Services Limited ("Link") sufficient time for the delivery of the Acceptance Form to your Controlling Participant on your behalf. Neither GPT Management Holdings Limited, nor Link will be responsible for any delays incurred by this process.

### Completion instructions

- A**
- **Please check the front page** to ensure that your name and address are correct. If incorrect, please write your correct details and initial the amendments. Amendments to your name or address can only be processed by your Controlling Participant.
  - **Please note** your consideration will be issued in the names as they appear on the Commonwealth Property Office Fund register.
- D**
- **Please sign this Acceptance Form** in the places for signature(s) out on the front page and in accordance with the following instructions:
    - **Joint Unitholders:** If your Commonwealth Property Office Fund Units are held in the names of more than one person, all of those persons must sign this Acceptance Form.
    - **Corporations:** This Acceptance Form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Alternatively, a duly appointed attorney may sign.
    - **Powers of attorney:** If this Acceptance Form is signed under a power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it. If this Acceptance Form is signed under Power of Attorney, the attorney declares that he/she has no notice of revocation of the Power of Attorney.
    - **Deceased Estates:** All the executors and administrators must sign this Acceptance Form. When you return this Acceptance Form, please attach it to a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of Section 1071B(9)(b)(iii) of the Corporations Act.

Information you supply on this Acceptance Form will be used by GPT Management Holdings Limited and Link Market Services Limited for the primary purpose of processing your acceptance of the Offer and to provide you with the consideration payable under the Offer. This information may be disclosed to GPT's professional advisers, securities brokers, printing and mailing providers and other third parties in connection with the Offer. If you fail to supply this information, your acceptance may not be processed and you may not receive the consideration payable. You have rights to obtain access to the personal information which you have supplied. Please see Link Market Services Limited's privacy policy on its website [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### Lodgement instructions

- Mail or deliver completed Acceptance Form(s) and any other documents required by the above instructions to:

<b>Mailing Address</b>	<b>or</b>	<b>Hand Delivery</b>
Link Market Services Limited		Link Market Services Limited
CPA Takeover		CPA Takeover
Locked Bag A14		1A Homebush Bay Drive
SYDNEY SOUTH NSW 1235		RHODES NSW 2138

- A reply paid envelope is enclosed for use within Australia.

**Your acceptance must be received by no later than the end of the Offer Period.**

**If you have any questions about the terms of the Offer or how to accept, please call the  
GPT Offer Information Line on the following numbers:**

**within Australia: 1800 660 083  
outside Australia: +61 2 8767 1211**