



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

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12 December 2014

ASX / Media Release

GALILEO JAPAN TRUST

Sale of Doshoumachi, Osaka and on-market buy-back

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

Investor and media enquiries:

Peter Murphy
Chief Operating Officer
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About Galileo Japan Trust

The Trust is listed on the Australian Securities Exchange with an indirect interest in a portfolio of 19 Japanese Real Estate investments valued at approximately ¥55.4 billion as at 30 June 2014 (approximately \$563 million)¹. The portfolio is diversified by both sector and geography, however, retains a bias to Tokyo.

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

¹ All JPY amounts in this release have been translated at AUDJPY ¥98.4 the exchange rate as at 11 December 2014

12 December 2014

GALILEO JAPAN TRUST

Sale of Doshoumachi, Osaka and on-market buy-back

Galileo Japan Funds Management Limited (“GJFML”), as responsible entity of Galileo Japan Trust (ASX: GJT), today announced the Japanese TK business has sold Doshoumachi, located in Osaka, for ¥800 million (\$8.1 million).

The sale price represents a 14% premium to GJT’s last reported book value of ¥702 million (\$7.1million) as at 30 June 2014. The transaction is consistent with the Trust’s strategy of divesting non-core assets in circumstances where capital can be recycled to enhance unitholder returns.

The net proceeds available to GJT are estimated to be ¥190 million (approximately \$1.9 million) derived as follows:

	¥ million
Sale price	800
TSD liability transferred	(38)
Senior and mezzanine loan repayment	(376)
Top up to TSD reserve	(182)
Released from trust bank reserves	21
Transaction costs	(32)
TK operator interest	(3)
Net proceeds available to GJT	190

GJFML intends to reinstate the on-market buy-back of GJT units which was recently terminated following the refinance of the Japanese TK Business Eurobonds. The buy-back will be funded through the net proceeds released from the sale of Doshoumachi.

Should market conditions permit, GJT intends to buy-back up to the lesser of \$1.9 million worth of units, and 10% of the Trust’s present issued capital. Further details are set out in the attached Appendix 3C.

Mr Peter Murphy, Chief Operating Officer of GJFML, said “The sale represents an attractive 14% premium to book value for one of the Trust’s smallest assets and the only office investment located outside of Tokyo.”

The buy-back will commence no earlier than 14 days after the date of this announcement and end no later than 12 months from the date of this announcement. The timing and number of units actually purchased under the buy-back (if any) will depend on the prevailing unit price, market conditions and alternative uses available for redeployment of the capital.

GJFML has appointed Macquarie Securities (Australia) Limited to act as broker in respect of the buy-back.

GJFML reserves the right to amend, suspend or terminate the buy-back at any time, and there is no guarantee that GJFML will repurchase the full value of, or any of, the units referred to above.

Doshoumachi property summary

The property is a small office asset located in Osaka. The asset was built in 1989 and comprises a total net rentable area of 1,863 square metres and 2 car spaces.

ENDS

Appendix 3C

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

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

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

Name of entity	ABN/ARSN
Galileo Japan Funds Management Limited (<i>GJFML</i>) (ABN 59 121 567 244) as responsible entity for Galileo Japan Trust (ARSN 122 465 990)	59 121 567 244

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On market buy back (within 10/12 limit)
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Fully paid ordinary units
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the ⁺ class on issue	106,444,665 units
6	Whether shareholder/unitholder approval is required for buy-back	Not required
7	Reason for buy-back	Ongoing capital management

⁺ See chapter 19 for defined terms.

- | | | |
|---|--|--|
| 8 | Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid) | Pursuant to ASIC Class Order 07/422 the following information is provided:
(a) The responsible entity and associates of the responsible entity hold 3,916,367 units in GJT.
(b) The buy-back will be funded using proceeds from a recent asset sale (refer ASX announcement dated 12 December 2014). |
|---|--|--|

On-market buy-back

- | | | |
|----|---|---|
| 9 | Name of broker who will act on the company's behalf | Macquarie Securities (Australia) Limited |
| 10 | Deleted 30/9/2001. | |
| 11 | If the company/trust intends to buy back a maximum number of shares - that number

<small>Note: This requires a figure to be included, not a percentage.</small> | Up to the lesser of:
(a) \$1.9 million worth of units; and
(b) 10% of the smallest number of units on issue at any time during the last 12 months (i.e. the "10/12limit"), being 10,644,466 units in GJT. |
| 12 | If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention | The buy-back will commence in 14 days from the publication of this notice, and will end on the first anniversary of this notice.

GJFML reserves the right to amend, suspend or terminate the buy back at any time. |
| 13 | If the company/trust intends to buy back shares/units if conditions are met - those conditions | Not applicable. |

Employee share scheme buy-back

- | | | |
|----|---|----------------|
| 14 | Number of shares proposed to be bought back | Not applicable |
| 15 | Price to be offered for shares | Not applicable |

Selective buy-back

- 16 Name of person or description of class of person whose shares are proposed to be bought back Not applicable
- 17 Number of shares proposed to be bought back Not applicable
- 18 Price to be offered for shares Not applicable

Equal access scheme


- 19 Percentage of shares proposed to be bought back Not applicable
- 20 Total number of shares proposed to be bought back if all offers are accepted Not applicable
- 21 Price to be offered for shares Not applicable
- 22 ⁺Record date for participation in offer Not applicable
Cross reference: Appendix 7A, clause 9.

Compliance statement

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

or, for trusts only:

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

Sign here: 
 (Director/Company secretary)

Date: 12/12/14...

Print name: Peter Murphy

⁺ See chapter 19 for defined terms.