

07.04.2017

Investa Office Fund (ASX:IOF)

Update on proposals

The Independent Directors of Investa Listed Funds Management Limited (**ILFML**), the responsible entity of IOF, refer to the following recent announcements:

- On 3 April 2017, it was announced that the operational and governance review of how IOF works with Investa Office Management had been completed, and that the Independent Directors had commenced negotiations with ICPF in connection with the acquisition of 50% of the Investa Office Management platform, to be operated as a true joint venture on appropriate terms (**Platform JV Proposal**); and
- On 4 April 2017, it was announced that ILFML had received an unsolicited, indicative non-binding proposal from the Cromwell Property Group (ASX: CMW) to acquire all of the outstanding units in IOF by way of trust scheme for cash consideration (**Cromwell Proposal**).

Update on Platform JV Proposal

The Independent Directors continue to engage with ICPF as to the terms of the Platform JV Proposal, with the intent of putting the Platform JV Proposal to unitholders for approval by the end of May 2017 in accordance with the pricing extension agreed with ICPF and announced on 13 December 2016. A further update on the operational and governance review, as well as the key proposed terms of the Platform JV Proposal, will be provided as soon as possible.

Update on Cromwell Proposal

The Independent Directors have met with Cromwell and are willing to provide due diligence to assist Cromwell to formulate a binding all-cash and fully-funded proposal.

Notwithstanding Cromwell's proposed approach of using a form of process deed, the Independent Directors have provided to Cromwell a confidentiality deed to govern access to IOF's confidential information.

The key difference between Cromwell's proposed process deed and the confidentiality deed that ILFML has prepared is that the confidentiality deed does not include any standstill or exclusivity provisions, nor is there an obligation on the Independent Directors to recommend the Cromwell Proposal at this point in time. The Independent Directors do not intend to grant exclusivity to Cromwell at this stage, nor seek standstill obligations, prior to forming a view on whether they would recommend the Cromwell Proposal. This is particularly so when:

- the identity and funding arrangements of the Cromwell Proposal are unknown to the Independent Directors;
- the proposed offer price is non-binding and indicative only; and
- there is no certainty that a transaction with Cromwell will eventuate.

The Independent Directors look forward to continuing to engage with Cromwell and its equity investors, once known and will update the market should Cromwell agree to enter into the confidentiality deed.

Next Steps

IOF's Independent Directors have formed the view that it is in the best interests of IOF unitholders to progress both the Platform JV Proposal and the Cromwell Proposal. As part of this, the Independent Directors have commissioned independent valuations of all of IOF's 20 assets.

At this time IOF unitholders are advised to take no action as there is currently no certainty that either proposal will lead to a recommended transaction. The Board will keep unitholders advised.

ILFML has engaged Macquarie Capital as its financial adviser and Allens as its legal adviser in relation to the proposals.

-ENDS-

About Investa Office Fund

Investa Office Fund (ASX code: IOF) is an ASX-listed real estate investment trust (A-REIT) and is included in the S&P/ASX100 index. IOF is a leading owner of investment grade office buildings and receives rental income from a tenant register comprised predominately of Government and blue chip tenants. As at 31 December 2016, IOF had total assets under management of AU\$3.8 billion with 22 investments located in CBD markets throughout Australia. IOF's focus is on delivering attractive risk-adjusted returns to its unitholders from a portfolio of high quality assets located in the key CBD office markets of Australia. As an externally managed A-REIT, IOF is governed by Investa Listed Funds Management Limited (consisting of Independent Directors) as Responsible Entity and managed by Investa Office (Investa), one of Australia's largest office owners and managers.

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