

31 January 2018

**360 Capital Group (ASX: TGP)
Special Dividend and Capital Reallocation**

360 Capital Group (ASX: TGP) (Group) advises that correspondence in relation the Special Dividend and associated Capital Reallocation as announced on 5 January 2018 will be dispatched to securityholders today.

The document dispatched is provided as an attachment to this announcement and will be posted on the Group website at www.360capital.com.au.

More information on the Group can be found on the ASX's website at www.asx.com.au using the Group's ASX code "TGP", on the Group's website www.360capital.com.au, by calling the 360 Capital investor enquiry line on 1300 082 130 or by emailing investor.relations@360capital.com.au

Alternatively, please contact:

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About 360 Capital Group (ASX: TGP)

360 Capital Group is an ASX-listed, property investment and funds management group concentrating on strategic investment and active investment management of property assets. The Group actively invests in direct property assets, property securities, real estate debt and various corporate real estate investments within Australian real estate markets on a private and public equity basis.

360 Capital Group

Incorporating 360 Capital Group Limited ABN 18 113 569 136 & 360 Capital Investment Trust ARSN 104 552 598

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ASX Release



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Dear Securityholder

Special Dividend and Capital Reallocation Proposal

We refer to the capital reallocation proposal approved by 360 Capital Group (Group) Securityholders at the General Meeting held on 29 December 2017 (Capital Reallocation).

The payment of the 360 Capital Group Limited (Company) fully franked special dividend of 21.01 cents per share (franking rate of 27.5%) and associated capital reallocation to 360 Capital Investment Trust (Trust) of 21.01 cents per unit, which equates to approximately \$47.7 million, was announced to the Australian Securities Exchange ("ASX") on 5 January 2018 and was implemented on 31 January 2018.

The Capital Reallocation is described in more detail in the Groups Notice of Meetings which was released to the ASX on 28 November 2017 (NOM).

The Group implemented the Capital Reallocation in January 2018. The record date of the special dividend from the Company was 24 January 2018 and payment date for the special dividend and reinvestment of the capital reallocation amount to the Trust occurred on 31 January 2018.

It is important to note that:

- You did not receive any cash as part of the Capital Reallocation;
- You did receive a franking credit of 7.97 cents per share associated with the fully franked special dividend;
- The cost base of your units in the Trust increased by 21.01 cents per unit;
- You will continue to hold the same amount of Group securities; and
- The implementation of the Capital Reallocation did not result in a change in the Net Tangible Assets per Group security.

The taxation impact of the Capital Reallocation was set out in the NOM. Further information regarding the taxation impact will be included in the 2018 Annual Taxation Statement to be provided to Securityholders in late August 2018.

The final ATO class ruling will be made available on the Group website www.360capital.com.au and announced on the ASX, when it is received. Please note the Group cannot offer taxation advice. Should you have any further questions about how the Capital Reallocation will affect your tax position we recommend you seek financial and/or taxation advice.

If you have any questions on the matters discussed in this letter, please do not hesitate to contact 360 Capital Investor Services on 1300 082 130 or email investor.relations@360capital.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Glenn Butterworth'.

Glenn Butterworth
Chief Financial Officer