



Sydney Airport

Full Ownership of Sydney Airport, ATO Resolution and SYD Simplification

14 August 2013

General Securities Warning

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Quote from CEO, Kerrie Mather

“We are pleased to announce that ASX-listed Sydney Airport (SYD) has agreed to purchase the remaining 15.2% interest in Sydney Airport that it does not already own, moving to 100% ownership. The acquisitions have been structured to ensure that there is no ownership dilution of our 38,000 existing SYD investors which include many of the world’s largest superannuation funds and thousands of Australian retail holders. These investors continue to hold the same proportionate interest in Sydney Airport’s predictable, resilient and growing cash flows.

“In addition, after extensive engagement with the Australian Taxation Office (ATO), we have agreed in-principle terms to settle all matters concerning deductibility of distributions paid on SYD Redeemable Preference Shares (RPS). We have also submitted a number of private and class ruling applications related to a corporate simplification which, subject to investor approval, is expected to be implemented by the end of 2013. These initiatives, once implemented will provide investors with tax certainty for past years and a simplified corporate structure going forward.

“SYD also reaffirms its 2013 distribution guidance of 22.5c per stapled security.”

Transaction will provide full ownership of Sydney Airport on attractive terms, tax certainty and a simplified structure

1. Sydney Airport 100% Ownership

- No dilution of existing SYD investor ownership; new SYD securities issued in the same proportion to the underlying minority stakes in Sydney Airport being acquired
 - 247m securities issued to minorities swapping unlisted Sydney Airport securities for SYD securities, retaining their level of investment
 - Opportunity for institutions to participate in an underwritten placement of 86m securities, to raise cash to pay existing unlisted minorities monetising their investment
- On completion¹ SYD will own 100% of Sydney Airport
- SYD transaction costs (excluding ATO settlement) expected to be approximately \$54m

2. Tax Certainty

- In-principle non-binding agreement with ATO to allow for settlement of all matters concerning deductibility of interest paid on SAT2 Group RPS
- SYD and ATO expected to formalise in a binding settlement deed in conjunction with the SYD simplification
- SYD to make a primary tax payment of \$65 million (~\$0.03 per stapled security)

3. SYD Simplification

- Simplification associated with 100% ownership of Sydney Airport
- Proposed restructure increases permitted level of foreign ownership from 40% to 49%
- The ATO has been consulted extensively on the proposed simplification – a number of private and class ruling applications have been submitted, are progressing well and are expected to be finalised at the time of investor approvals related to the simplification

4. Distribution Guidance

- Reaffirmation of 2013 distribution guidance of 22.5c per stapled security, subject to external shocks to the aviation industry and material changes in forecast assumptions

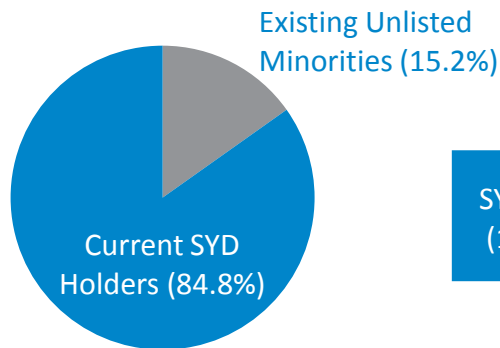
(1) Acquisition of some minority stakes subject to investor approval at an EGM;

1) Full Ownership of Sydney Airport Transaction Parameters

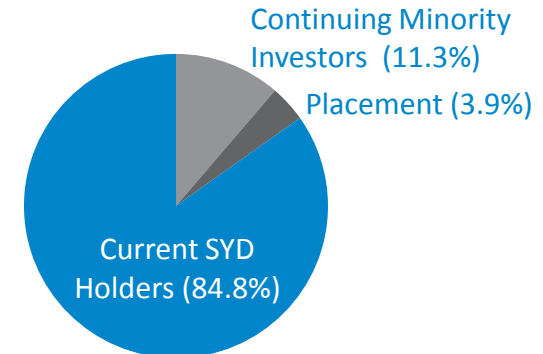
No ownership dilution of existing SYD investors; they will continue to enjoy exactly the same level of economic exposure to Sydney Airport cash flows following the transaction

- SYD has signed binding agreements to move to 100% ownership of Sydney Airport

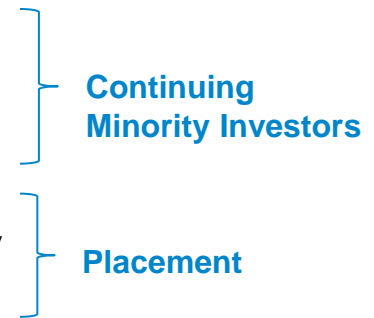
Sydney Airport Structure (Pre)



Sydney Airport Structure (Post)



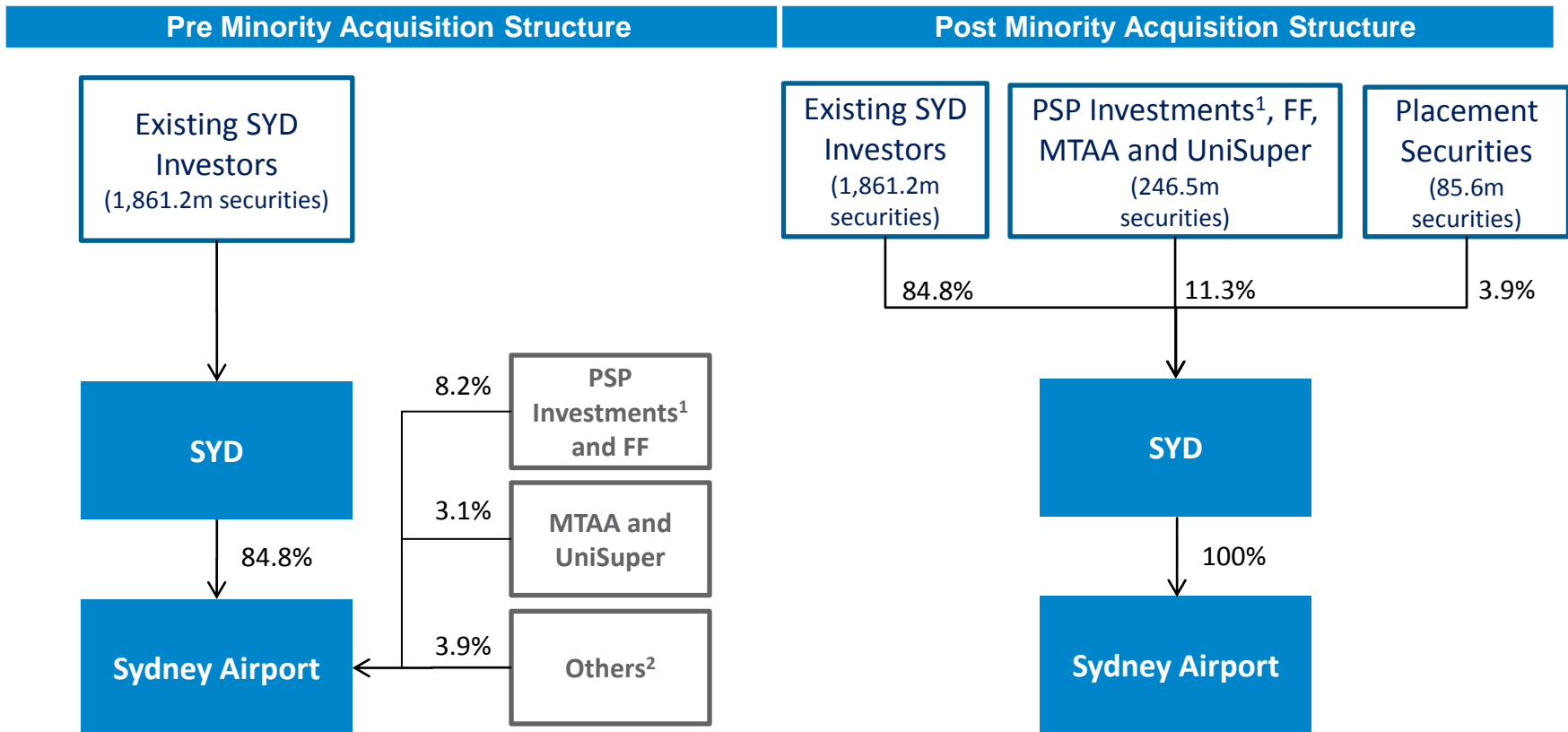
1. 179.2m SYD securities issued unconditionally to facilitate continuing investments for Public Sector Pension Investment Board (PSP Investments)¹ and Future Fund (FF)
2. 67.3m SYD securities issued to Motor Trades Association of Australia Superannuation Fund Pty Ltd (MTAA) and UniSuper
3. 86.5m SYD securities (3.9% of the expanded total securities on issue²) issued via a fully underwritten institutional placement (Placement Securities), to finance minorities who are monetising their Sydney Airport interest



(1) Hochtief AirPort GmbH (Hochtief) and PSP Investments have entered into an agreement pursuant to which it is expected that PSP Investments will acquire Hochtief's indirect interest in Sydney Airport and become a substantial investor in SYD. Hochtief's new SYD Securities will initially be subject to a six month escrow period, however on completion of the PSP Investments acquisition, the escrow will cease to apply; (2) Following the issue of securities to MTAA and UniSuper (subject to investor approval)

1) Full Ownership of Sydney Airport Pre and Post Holding Structure

Following the transaction, existing SYD investors will continue to hold 1.86bn SYD securities with the same indirect economic interest of 84.8% in Sydney Airport



(1) Refer Note 1 on slide 5; (2) Other existing unlisted minority investors who hold their stakes alongside PSP Investments and FF

1) Full Ownership of Sydney Airport Placement Details and Timetable

Placement details

- Fully underwritten Placement of 86.5 million stapled securities to institutional investors, representing 3.9% of the expanded total securities on issue¹
 - Funds raised will be used to acquire those existing unlisted minorities who are monetising their holding in Sydney Airport
- New securities will rank equally with existing SYD securities

Timetable

Process	Date
Trading halt	14 August 2013
Bookbuild opens	7:40am, 14 August 2013
Bookbuild closes	4.30pm (ex EMEA), 7.00pm (EMEA) 14 August 2013
Trading halt lifted and securities recommence trading	15 August 2013
Settlement of new securities issued under Placement	20 August 2013
Allotment and quotation of new securities issued under Placement to institutional investors, PSP Investments ² and Future Fund	21 August 2013

(1) Following the issue of securities to MTAA and UniSuper (subject to SYD investor approval) ; (2) Refer Note 1 on slide 5

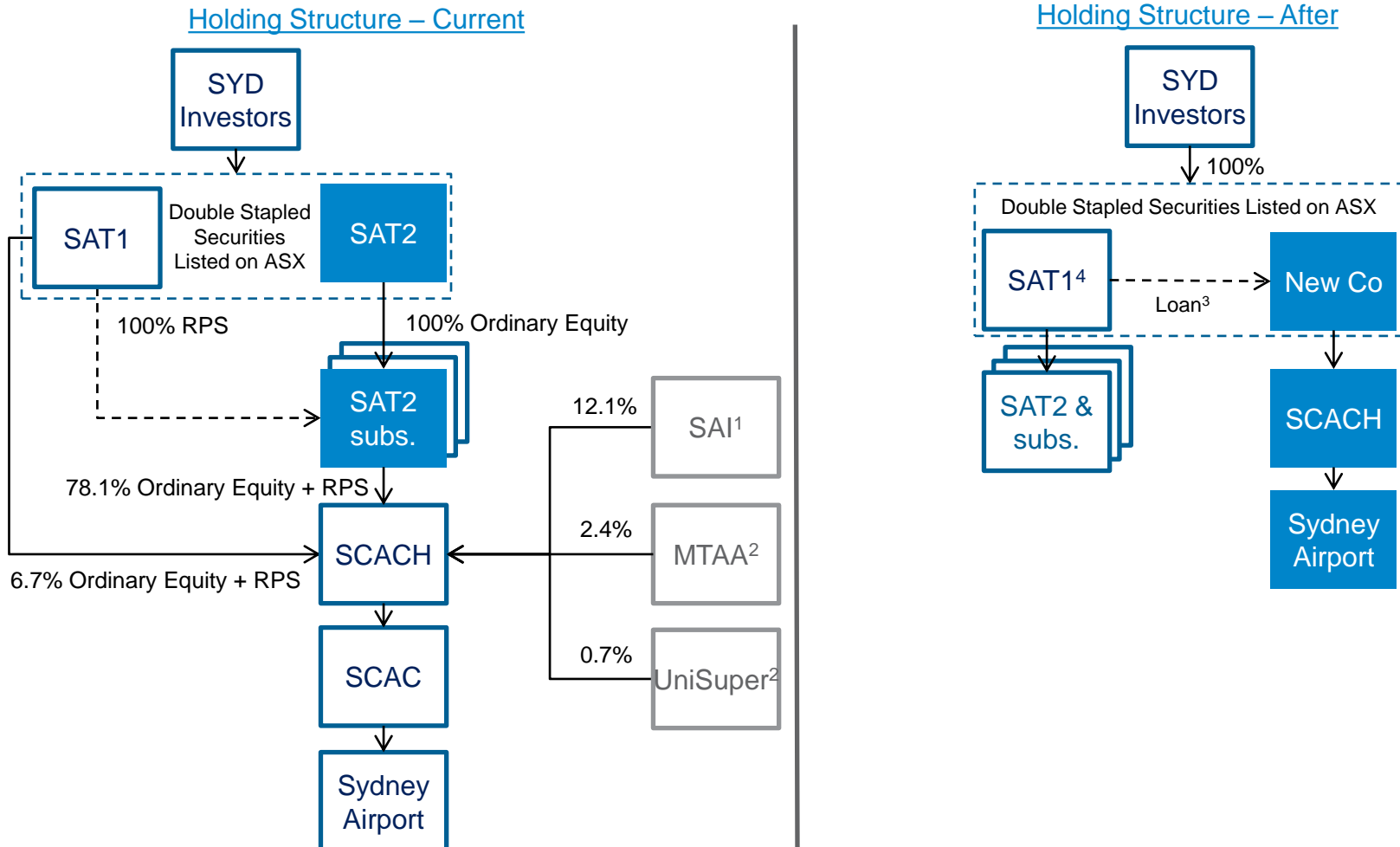
2) Tax Certainty ATO Resolution

In-principle non-binding agreement with the ATO to allow for settlement of all matters concerning deductibility of interest paid on SAT2 Group RPS

- On 21 December 2012, SYD announced that the ATO had delivered it a position paper
 - Related to the tax years ended 31 December 2010 and 31 December 2011
 - Sought to disallow tax deductibility of distributions on certain RPS
 - Audit on all remaining group RPS was to continue
- An in-principle non-binding agreement has now been reached to settle all matters related to the RPS
- SYD has agreed under the in-principle non-binding agreement, amongst other terms, to make a primary tax and interest payment of \$69m to the ATO related to the years 2010 onwards
- A formal binding Settlement Deed is expected to be finalised with the ATO in conjunction with the completion of the private and class rulings related to the SYD simplification

3) Structural Simplification Key Changes

Following the move to 100% ownership of Sydney Airport, SYD's structure will be simplified



(1) SAI investors include PSP Investments and FF; (2) Indirect economic interest; (3) Indicative interest rate of 12-14% p.a.; (4) A new responsible entity of SAT1 is expected to be appointed, subject to Investor approval

3) Structural Simplification

Key Changes

Following SYD's move to 100% ownership of Sydney Airport, further proposed structural simplification leads to a 49% foreign ownership limit

- Significant further simplification of the SYD corporate structure is expected in Q4 2013
- Subject to various investor, lender and regulatory approvals, the new proposed SYD structure results in an increase to SYD's permitted level of Foreign Ownership under the Airports Act from 40% to 49%
 - SYD securities currently comprise one unit in SAT1 stapled to one unit in SAT2, but following simplification will be replaced by one unit in SAT1 stapled to one share in a new parent company (New Co), to be inserted above SAT2
 - All RPS issued by Sydney Airport and members of the SAT2 tax consolidated group (TCG) will be unwound. No RPS will remain in the structure, however it is expected that an ordinary loan of \$1.8 - \$2.0 billion will exist from SAT1 to New Co
 - New Co and its subsidiaries, including Sydney Airport, will automatically form a new TCG (note that SAT1 is not part of this tax consolidated group)
- Simplified diagrams depicting the current structure and the proposed new structure are shown on the preceding page
- SYD continues to work constructively with the ATO to finalise private and class rulings related to the proposed SYD simplification

All steps are expected to be completed prior to 31 December 2013

	Now	In Q3 2013	In Q4 2013
Full Sydney Airport Ownership	<p>Undertake institutional placement to facilitate immediate minority acquisitions</p> <p>Issue securities to PSP Investments¹ and Future Fund</p>	<p>Conduct first EGM to:</p> <ul style="list-style-type: none"> • Approve issue of securities to MTAA and UniSuper under Listing Rule 7.1 • Partial refresh of placement capacity under Listing Rule 7.4 <p>Finalise minority acquisitions</p>	
Tax Certainty		<p>Continue to progress private and class ruling applications related to SYD simplification</p>	<p>Finalisation of the ATO Settlement Deed and ATO rulings</p>
Structural Simplification			<p>Conduct second EGM and Scheme Meeting to approve simplification</p> <p>Implement simplification</p>

Appendix 1

Securities on Issue

Current listed SYD investors continue to enjoy exactly the same economic interest in Sydney Airport

	Number of SYD Securities	% Holding in Sydney Airport
Current SYD Securities on Issue	1,861,210,782	84.8%
- Securities issued to PSP Investments ¹ and Future Fund	180,182,983 ²	8.2%
- Securities issued via Underwritten Bookbuild	85,623,217 ²	3.9%
SYD Securities on Issue before First EGM	2,127,016,982	96.9%
- Securities issued to MTAA and UniSuper	67,305,777	3.1%
SYD Securities on Issue post Minority Acquisitions	2,194,322,759	100.0%

Appendix 2

Sources and Uses of Funds

Transaction will be initially financed through a combination of a placement of securities, existing cash balances not utilised for distributions and debt

Uses of Funds	Value	Sources of Funds	Value
Acquisition of SCACH securities from continuing minority investors	11.3% of SCACH securities	SYD securities issued to facilitate continuing minority investments	11.3% of SYD securities
Acquisition of SCACH securities from other minority investors	3.9% of SCACH securities	SYD securities placed to New Investors	3.9% of SYD securities
ATO Settlement	\$69m	SYD Debt + SYD Cash Balances	\$123m
Duty, Advisory Costs (including Tax, Legal, Accounting and Financial) & Other	\$54m		

- Table reflects current estimates only
- SYD Debt repayment options include Distribution Reinvestment Plan (DRP), future equity raise or refinancing
- SYD intends to reinstate the DRP. DRP participation will be available from the distribution expected to be paid in February 2014

Appendix 3

Risk Factors

Introduction

There are risks associated with an investment in SYD. Whilst this section aims to highlight some of the key risk factors associated with an investment in Sydney Airport, it is not exhaustive. You should consider the risks described here, together with all the other information in this document, the ASX Release entitled 'Minority Acquisitions, ATO Resolution, Simplification' dated 14 August 2013 and other SYD periodic and continuous disclosure announcements, and consult your financial adviser and other professional advisers before you decide to invest.

These risks can be broadly classified as including:

- general market risks of investing in listed securities;
- risks specific to airports and the infrastructure sector; and
- risks specific to Sydney Airport.

General market risks

SYD securities are listed on the Australian Securities Exchange (ASX) and are subject to price fluctuations, which can decrease the market value of your investment. General risk factors which may adversely impact the price of SYD securities include:

- Australian and international economic conditions and outlook, including inflation, interest and exchange rates;
- Global equity and capital market conditions;
- Changes to Australian government regulations and policies;
- Changes to Australian or international fiscal or monetary policy; and
- General operational and business risks.

Liquidity risk

As a listed investment, the market value of SYD securities may be adversely impacted by the volume of securities being bought or sold at any point in time. Where there are relatively few buyers, the price at which an investor may be able to sell their SYD securities may be adversely impacted.

Volatility risk

The price of SYD securities may go up or down even over a short period of time. Recently, markets have become more volatile. Investing in volatile conditions implies a greater level of risk for investors than an investment in a more stable market.

Risks specific to airports and the infrastructure sector

There are a number of factors which will affect the performance of investments in the airport and infrastructure sector, and accordingly returns on an investment in SYD. Some of these factors are discussed below.

Passenger and aircraft movements

The key driver of airport revenues is the number of passengers, particularly international passengers.

The number of passengers using airports may be affected by a number of factors including general economic conditions, demographic changes, changes in preferences of travellers and overall airline costs (including, for example, fuel costs), and globally significant economic, political, social and natural events (for example, the global financial crisis, acts of terrorism or war, pandemic outbreaks such as SARS, bird flu or swine flu, and acts of nature such as volcanic eruptions and earthquakes).

Aeronautical revenue is generated through charges levied for the use of airport infrastructure, with charges typically levied on the basis of total aircraft weight and passenger volumes. Aeronautical revenue is therefore dependent on the number of aircraft movements, aircraft type (as it affects their weight) and number of passengers using the airport.

Appendix 3

Risk Factors

Performance of non-aeronautical revenues

Non-aeronautical revenues include retailing, car parking and property. Retail revenues are driven by passengers and their propensity to spend in the retail outlets provided at the airport. Changes to passenger profiles, economic factors or reduced competitiveness of airport retail offerings may affect levels of expenditure. Car park revenues are driven by the propensity of airport users to park their cars at the airport. Reduced demand from users could result from competition from other modes of transport and lower car park utilisation rates.

Regulatory and government policy

For many airports, a substantial proportion of revenue is generated from regulated activities. There is a risk that airport revenues could be adversely affected by increases in, or changes to, regulations. Airport revenues could also be affected by changes to government aviation policy including route licensing, security, immigration, safety, airport development and changes in tax, duty and other regulatory regimes.

Operational risk

The operation of an airport is a complex undertaking and involves many risks including the effect of poor weather, variable aircraft movements, traffic congestion, reliance on technical equipment, airline hub requirements and design limitations. Changes to the importance of these factors could increase operating costs and potentially impact the profitability or viability of airports.

Competition

The market share of an airport may be adversely affected by competing airports developing or increasing their capacity or expanding their catchment area. Development and expansion of surface transport links such as motorways and high-speed rail may also affect airport market share.

Environmental risk

Airports may attract opposition from environmental groups in relation to various environmental issues, who may attempt to limit the activities of an airport, its hours of operation or its impact on surrounding communities through lobbying and political pressure, litigation or direct action. Changes in environmental and planning regulation may also impact airport development.

Actions by airlines and other third parties

Actions by airlines which affect passenger numbers could adversely affect the financial performance of airports, particularly where airlines have a major presence at an airport, such as Qantas and Virgin Australia at Sydney Airport. Decisions on the timing and origin/destination of services, price of airline seats and the aircraft used may impact on traffic levels at airports.

Decisions and activities of third parties such as government agencies (for example, air traffic control, fire fighting services, customs and quarantine) and others (for example, aircraft fuel suppliers and refuellers, ground handlers, security and ground transport management providers) can also affect the financial performance of airports.

Accidents

Airports are exposed to the risk of accidents, including aircraft crashes, which may result in injury or loss of life, damage to airport infrastructure or the closure of part or all of an airport's facilities and have an impact on ongoing traffic levels.

Appendix 3

Risk Factors

Risks Specific to Sydney Airport

There are a number of specific risk factors which will affect the financial performance of Sydney Airport, and accordingly returns on an investment in SYD. Some of these factors are discussed below.

Valuations

Sydney Airport uses fair value accounting. The valuation of Sydney Airport's investments, which impact on Sydney Airport's financial performance, will be sensitive to any movements in valuation (which may include any change in the choice of discount rate used).

Management

Sydney Airport's financial performance is impacted upon by the effectiveness of its management and Sydney Airport's ability to attract and retain key personnel.

Tax risk

Sydney Airport's structure relies on certain existing treatments for taxation purposes. The tax rules or their interpretation in relation to an investment in Sydney Airport may change. In particular, both the level and basis of taxation may change.

Foreign security holder risks

Sydney Airport is subject to foreign ownership restrictions under the Airports Act 1996 (Cth). There is a risk that those limits may be breached. If the relevant foreign ownership limits are breached, the relevant provisions of the SAT1 and SAT2 constitutions would apply, which could result in Foreign Persons (as defined in the SAT1 and SAT2 constitutions) that are SYD security holders being required to divest some or all of their SYD securities.

Sydney Airport undertakes beneficial interest tracing of its register; however, this is historical information as trades after the date of the tracing report will affect its accuracy.

Sydney Airport lease

The viability of the Sydney Airport business depends on the ability to maintain the lease over Sydney Airport from the Commonwealth of Australia. The lease expires in 2048, with an option exercisable by Sydney Airport to extend it for a further 49 years.

Second Sydney airport

Sydney Airport revenues in the medium to long term could be adversely affected by the development of a second Sydney airport, particularly if the Right of First Refusal to develop and operate such airport which subsists to 2032 is not exercised by the Sydney Airport group.

Significant indebtedness

As at 30 June 2013, Sydney Airport had a total of \$7.5 billion of committed financing facilities (drawn to \$6.5 billion), of which \$0.2 billion is maturing before 31 December 2013 (undrawn facilities already in place to refinance this) and a further \$0.8 billion is maturing before 31 December 2014. If Sydney Airport is unable to refinance maturing indebtedness on commercially favourable terms (or at all) it may be forced to reduce or delay capital expenditure, reduce or delay distributions to shareholders, sell assets, raise additional equity, seek more expensive debt facilities or take other protective measures.

Exposure to interest rate and foreign exchange fluctuations

Sydney Airport's financial performance may be affected by fluctuations in interest rates and foreign exchange rates, primarily due to increases associated with borrowings on a floating rate and in foreign currencies. As at 30 June 2013, Sydney Airport manages these risks by hedging 100% of foreign exchange risk on foreign currency borrowings and 95% of its interest rate risk on borrowings, but there can be no assurance that a hedge counterparty will not default on its obligations.

Appendix 4

Placement Foreign Selling Restrictions

This document does not constitute an offer of new stapled units ("Stapled Units") of SYD ("the Group") in any jurisdiction in which it would be unlawful. Stapled Units may not be offered or sold in any country outside Australia except to the extent permitted below.

Australia

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Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of Stapled Units only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such Stapled Units. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – Prospectus and Registration Exemptions, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the Stapled Units or the offering of Stapled Units and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of Stapled Units or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the Stapled Units in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the Stapled Units outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the Stapled Units.

The Group, and the directors and officers of the Group, may be located outside Canada, and as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Group or its directors or officers. All or a substantial portion of the assets of the Group and such persons may be located outside Canada, and as a result, it may not be possible to satisfy a judgment against the Group or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Group or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Appendix 4

Placement Foreign Selling Restrictions

Statutory rights of action for damages or rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the Stapled Units purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Group if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Group. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the Stapled Units during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Group, provided that (a) the Group will not be liable if it proves that the purchaser purchased the Stapled Units with knowledge of the misrepresentation; (b) in an action for damages, the Group is not liable for all or any portion of the damages that the Group proves does not represent the depreciation in value of the Stapled Units as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the Stapled Units were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the Stapled Units should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding, or disposition of the Stapled Units as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Stapled Units (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

Appendix 4

Placement Foreign Selling Restrictions

China

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- to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments;
- to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, "MiFID"); or
- to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID.

France

This document is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (Code monétaire et financier) and Articles 211-1 et seq. of the General Regulation of the French Autorité des marchés financiers ("AMF"). The Stapled Units have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This document and any other offering material relating to the Stapled Units have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed (directly or indirectly) to the public in France. Such offers, sales and distributions have been and shall only be made in France to qualified investors (investisseurs qualifiés) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2, D.411-1, L.533-16, L.533-20, D.533-11, D.533-13, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the Stapled Units cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

Appendix 4

Placement Foreign Selling Restrictions

Hong Kong

WARNING: This document has not been, and will not be, authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorize this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Stapled Units have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO). No advertisement, invitation or document relating to the Stapled Units has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Stapled Units which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Ireland

The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005, as amended (the "Prospectus Regulations").

The Stapled Units have not been offered or sold and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering except to qualified investors (as defined in Regulation 2(1) of the Prospectus Regulations).

The offer does not facilitate participation by the public and accordingly is not an offer for which approval of any Irish regulatory authority is required under Section 9 of the Unit Trusts Act 1990.

Japan

The Stapled Units have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the Stapled Units may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires Stapled Units may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of Stapled Units is conditional upon the execution of an agreement to that effect.

Korea

The Group is not making any representation with respect to the eligibility of any recipients of this document to acquire the Stapled Units under the laws of Korea, including, without limitation, the Foreign Exchange Transaction Act and regulations thereunder. The Stapled Units have not been, and will not be, registered under the Financial Investment Services and Capital Markets Act of Korea ("FSCMA") and therefore may not be offered or sold (directly or indirectly) in Korea or to any resident of Korea or to any persons for re-offering or resale in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Act of Korea and its enforcement decree), except as permitted under the applicable laws and regulations of Korea.

Accordingly, the Stapled Units may not be offered or sold in Korea other than to "qualified professional investors" (as defined in the FSCMA).

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Placement Foreign Selling Restrictions

Malaysia

This document may not be distributed or made available in Malaysia. No approval from the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Stapled Units. The Stapled Units may not be offered or sold in Malaysia except pursuant to an exemption from the prospectus requirements under the Malaysian Capital Markets and Services Act.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Securities Act 1978 (New Zealand). The Stapled Units are not being offered or sold in New Zealand, or allotted with a view to being offered for sale in New Zealand, and no person in New Zealand may accept a placement of Stapled Units other than to:

- persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; or
- persons who are each required to (i) pay a minimum subscription price of at least NZ\$500,000 for the securities before allotment or (ii) have previously paid a minimum subscription price of at least NZ\$500,000 for securities of the Group ("initial securities") in a single transaction before the allotment of such initial securities and such allotment was not more than 18 months prior to the date of this document.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The Stapled Units may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore ("MAS") and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (the "SFA") in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. The issuer is not authorised or recognised by the MAS and the Stapled Units are not allowed to be offered to the retail public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Stapled Units may not be circulated or distributed, nor may the Stapled Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an institutional investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Stapled Units being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

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Placement Foreign Selling Restrictions

Sweden

This document has not been, and will not be, registered with or approved by Finansinspektionen (the Swedish Financial Supervisory Authority). Accordingly, this document may not be made available, nor may the Stapled Units be offered for sale in Sweden, other than under circumstances that are deemed not to require a prospectus under the Swedish Financial Instruments Trading Act (1991:980) (Sw. lag (1991:980) om handel med finansiella instrument). Any offering of Stapled Units in Sweden is limited to persons who are "qualified investors" (as defined in the Financial Instruments Trading Act). Only such investors may receive this document and they may not distribute it or the information contained in it to any other person.

Switzerland

The Stapled Units may not be distributed in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Stapled Units may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the Stapled Units have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Stapled Units will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA), and the offer of Stapled Units has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Stapled Units.

This document is personal to the recipient only and not for general circulation in Switzerland.

United Arab Emirates

Neither this document nor the Stapled Units have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates, nor has the Group received authorization or licensing from the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates to market or sell the Stapled Units within the United Arab Emirates. No marketing of any financial products or services may be made from within the United Arab Emirates and no subscription to any financial products or services may be consummated within the United Arab Emirates. This document does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the Stapled Units, including the receipt of applications and/or the allotment or redemption of Stapled Units, may be rendered within the United Arab Emirates by the Group.

No offer or invitation to subscribe for Stapled Units is valid in, or permitted from any person in, the Dubai International Financial Centre.

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Placement Foreign Selling Restrictions

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Control Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Stapled Units. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and the Stapled Units may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the Stapled Units has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to the Group.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

You and each other person, if any, for whose account You are acquiring any Securities have conducted and relied upon Your own investigation and assessment of, and have sought any advice You deem necessary from Your own advisors regarding the United States federal income tax consequences of the offer of Securities and the purchase, ownership, and disposition of stapled securities of SYD in light of Your particular situation as well as any consequences arising under the laws of any other taxing jurisdiction. In particular, You are aware that the stapled group for which the Offeror is acting as responsible entity, or either of the entities comprising the stapled group for which the Offeror is acting as responsible entity, may have been a "passive foreign investment company" ("PFIC") (as defined in Section 1297 of the United States Internal Revenue Code of 1986) for United States federal income tax purposes for previous fiscal years, may be a PFIC for its current fiscal year, and may become or continue to be a PFIC in future fiscal years. You (and (if applicable) they) have made and relied entirely upon Your own assessment as to whether, and the consequences to You if, the stapled group for which the Offeror is acting as responsible entity or either of the entities comprising the stapled group for which the Offeror is acting as responsible entity has been, is, continues to be, or becomes a PFIC and You acknowledge that You have not relied and will not rely to any degree upon the Offeror, the Lead Manager or any of their respective Representatives or Affiliates for advice as to any tax consequences related to such investment, or the offer of Securities, or the purchase, ownership or disposition of SYD's stapled securities, including the Securities, or for the preparation and filing of any tax returns and elections required or permitted to be filed by You in connection therewith.

You acknowledge and understand that an investment in a PFIC may result in adverse consequences for U.S. federal income tax purposes and that if one of the entities comprising the stapled group for which the Offeror is acting as responsible entity is required to be treated as a PFIC but not the other, the stapled structure of the Offeror's securities may result in a mark-to-market election not being available to You. You also acknowledge that the availability of a "qualifying electing fund" election requires that the Offeror provides certain information to You, which it is under no obligation to provide and does not expect to provide.