Abacus Group Holdings Limited
ACN 080 604 619
Abacus Group Projects Limited
ACN 104 066 104
Abacus Funds Management Limited
ACN 007 415 590
Abacus Property Services Pty Limited
ACN 050 739 001
Abacus Storage Funds Management Limited
ACN 109 324 834
Abacus Storage Operations Limited
ACN 112 457 075

ASX ANNOUNCEMENT

Successful completion of $75 million equity raising to provide growth capital

Abacus Property Group (**Abacus**) announces the successful completion of a $75 million placement of approximately 33.5 million new stapled securities to institutional and sophisticated investors (**Placement**).

Highlights

- $75 million Placement at $2.24 per new Abacus stapled security (**New Securities**)
- New Securities placed at a 3.3% discount to 10 day VWAP[1]
- Placement represents 7.3% of current issued capital
- Proceeds will be used to increase the Group's capacity for anticipated core plus acquisitions

Equity raising

New Securities were offered at $2.24 per security, representing a 3.3% discount to the Abacus 10 day volume weighted average price (VWAP) to 11 November 2013. New Securities will rank equally with existing stapled securities on issue and will be eligible to participate in any distributions for the six month period to 31 December 2013.

The issue price is in line with the Group's last reported NTA at 30 June 2013 of $2.23, after payment of its FY13 final distribution.

The Placement was conducted by joint lead managers J.P. Morgan and Shaw Corporate Finance. The Kirsh Group, which holds approximately 48% of Abacus, participated in the Placement for a corresponding percentage of New Securities.

Settlement of stapled securities issued under the Placement is expected to occur on Friday, 15 November 2013, with allotment to occur on Monday, 18 November 2013.

The Board currently intends to offer all eligible securityholders the opportunity to acquire securities under a Security Purchase Plan early in 2014.

[1] 10 day VWAP to 11 November 2013.

Use of Funds

The proceeds of the equity raising will provide growth capital for anticipated acquisitions, including some that are currently being actively investigated and negotiated, and third party capital ventures in the short to medium term following a number of acquisitions and capital management initiatives during 2013. In 2013 Abacus has settled and committed to a number of acquisitions and projects across its businesses including:

- Brown Road, Clayton VIC
- 33 Queen Street, Brisbane QLD
- Bacchus Marsh Village Shopping Centre in Bacchus Marsh VIC
- 169 Australis Drive, Derrimut VIC
- Development projects in Cheltenham (Jack Road) and Carlton in Victoria
- Quay Street and Bouquet Street development projects in Brisbane QLD
- Storage facilities in St Peters and Rouse Hill in Sydney NSW.

Based upon the current pipeline and our expectation of a large number of acquisition opportunities in early 2014, we consider it prudent to enhance our acquisition capacity.

Impact of the raising

The Placement will have a marginal negative impact on the Group's last stated NTA per security. Group gearing will initially reduce to around 28% from 32% following the settlement of the Placement but, once the proceeds are fully invested, gearing is likely to rise to around the 30% level.

Based on the performance of the Group during the current financial year and after allowing for the impact of the Placement we expect to declare a distribution for the half year ending 31 December 2013 of no less than 8.25 cents per security.

Commenting on the Placement, Dr Frank Wolf said, "We are very pleased with the strong support shown for Abacus through demand for the Placement."

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12 November 2013

Ellis Varejes
Company Secretary

Neil Summerfield
Head of Investor Relations
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