

15 June 2015

**360 Capital Group (TGP)**  
**360 Capital Retail Fund No.1 Update**  
**Reaffirms FY15 Earnings and Distribution Guidance**

360 Capital Group (ASX code: TGP)('Group') is pleased to provide the following operational update.

***360 Capital Retail Fund No.1***

360 Capital Retail Fund No.1 (Fund) settled the acquisition of Windsor Plaza Marketplace for \$19.6 million on 10 June 2015 and expects to settle the acquisition of Rockhampton City Centre Plaza for \$50.0 million (including incentives) prior to 30 June 2015.

Since exchanging acquisition contracts, Target Australia has entered into a new 10 year lease at Rockhampton City Centre Plaza representing approximately 28% of centre income and Target has also committed to install a "new format" store at the Centre.

Reflecting the new Target lease, other leasing activity and strong improvement in the demand for retail assets since contracting in December 2014,, both centres have been independently valued as at 30 June 2015, resulting in a \$5.7 million (8.2%) increase over the centres' combined purchase price and an increase in the Fund's NTA to \$0.96 per Unit (allowing for all costs associated with the Fund's establishment, acquisition costs and fees).

The Group has underwritten the \$43.0 million equity raising to establish the Fund. The Fund has commenced raising this capital from the unlisted market, but has however, also had strong interest from investors in the Group's other ASX listed funds in listing the Fund on the ASX.

Therefore, the Group will provide an ASX listing proposal to Fund Unitholders in FY16. The proposal may include the acquisition of other neighbourhood and sub-regional centres focused on non-discretionary spending and a further capital raising if believed to be in Unitholders' best interests.

***360 Capital Group FY15 Earnings and Distribution Guidance***

In February 2015, the Group upgraded its guidance on base operating earnings to 6.4cps and 10.4cps for "operating earnings including active earnings". This guidance included full recognition of underwriting and acquisition fees from the establishment and sell down of the Fund of approximately \$3.0 million (1.2cps).

As a result of the delay in Target signing its lease, settlement of the properties will occur later than originally forecast. Therefore, the Group will only recognise a small portion of these fees, with the balance likely to be recognised in FY16.

However, the Group has benefited from higher co-investment revenue, higher management fees as a result of increased funds under management and other cost savings which have offset the reduced fee recognition expected from the sell down of the Retail Fund in FY15.

As a result, the Group **reaffirms FY15 base operating earnings guidance of 6.4cps and previous "operating earnings including active earnings" guidance of approximately 10.4cps**. Forecast FY15 distributions of 5.75cps are unchanged from previous guidance.

The Group will report its FY15 results at the end of August 2015 at which time it will also provide guidance on FY16 forecasts as well as an update on various business/funds operations.



More information on the Group can be found on the ASX's website at [www.asx.com.au](http://www.asx.com.au) using the Group's ASX code "TGP", on the Group's website [www.360capital.com.au](http://www.360capital.com.au), or by calling the TIX Offer Information Line on 1800 182 257 or emailing [investor.relations@360capital.com.au](mailto:investor.relations@360capital.com.au)

Alternatively, please contact:

**Tony Pitt**  
Managing Director  
360 Capital Group  
+61 2 8405 8860

**Tim Spencer**  
Head of Investor Relations  
360 Capital Group  
+61 2 8405 8872

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**About 360 Capital Group (ASX code 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 company actively invests in direct property assets, property securities and various corporate real estate acquisitions within Australian real estate markets on a private equity basis. 360 Capital Group's 21 full time staff have significant property, funds and investment management experience. 360 Capital Group manages nine investment vehicles holding assets valued at over \$1.2 billion on behalf of over 10,300 investors and has over \$175 million worth of co-investments across the 360 Capital Group platform.

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