

30 May 2016

## Market update

The Independent Board Committee (**IBC**) of GPT Platform Limited, the responsible entity of GPT Metro Office Fund (**GMF** or the **Fund**), provides the following update with regard to the non-binding competing proposals to acquire all of the units in GMF, submitted by Growthpoint Properties Australia Limited in its own capacity and as responsible entity for the Growthpoint Properties Australia Trust (**Growthpoint**) and, separately, Centuria Property Funds Limited as responsible entity of Centuria Metropolitan REIT (**Centuria**).

### Summary of Growthpoint proposal

On 5 April 2016, GMF announced to ASX that it had received a resubmitted indicative, non-binding, conditional proposal from Growthpoint to acquire all of the units in the Fund by way of a trust scheme (**Growthpoint Initial Proposal**).

On 5 May 2016, GMF announced to ASX that the IBC had engaged with Growthpoint to seek improved terms to the Growthpoint Initial Proposal and also held discussions with a number of other parties who may be interested in pursuing a transaction with GMF. Following those discussions, Growthpoint agreed to improve its proposal (**Growthpoint Revised Proposal**), which provides for the following standard consideration:

- \$1.185 cash per GMF unit (up from \$1.150); and
- 0.3756 Growthpoint securities per GMF unit (up from 0.3736 Growthpoint securities).

A "mix and match" facility will be available, whereby GMF unitholders may elect to receive maximum cash consideration or maximum Growthpoint securities consideration, subject to scale-back (if applicable).

GMF and Growthpoint agreed a non-binding preliminary term sheet and four weeks exclusive due diligence (**Due Diligence Period**). The "no talk" and "no due diligence" exclusivity provisions that were agreed are subject to the proviso that failing to respond to a bona fide proposal would be likely to constitute a breach of the fiduciary or statutory obligations of the GMF Board.

At the commencement of the Due Diligence Period GMF advised the market that, subject to:

- the completion of satisfactory due diligence by GMF;
- an independent expert confirming that the Growthpoint Revised Proposal is fair and reasonable to, and in the best interests of, GMF unitholders and not withdrawing that recommendation; and
- there being no superior proposal,

the IBC intended to recommend the Growthpoint Revised Proposal.

Since that announcement, GMF and Growthpoint have actively engaged with each other to facilitate mutual due diligence. Growthpoint has advised the IBC that its due diligence process is proceeding well and that it is working towards completing a successful transaction. The Due Diligence Period for Growthpoint is scheduled to conclude on 2 June 2016.

Further details in relation to the proposals from Growthpoint are provided in GMF's ASX announcements dated 5 April 2016 and 5 May 2016.

### **Summary of Centuria proposal**

On 24 May 2016, GMF announced to ASX that it had received, in the evening of 23 May 2016, an indicative, non-binding proposal from Centuria to acquire all of the outstanding units in the Fund by way of a trust scheme (**Centuria Proposal**). The Centuria Proposal provides for the following consideration:

- \$0.27 cash per GMF unit (including a \$0.04 contribution from Centuria Capital Limited); and
- 1 Centuria security per GMF unit.

Centuria stated that, as a demonstration of its commitment to the Centuria Proposal, Centuria Capital Limited has acquired 12.6% of GMF and Centuria Property Funds Limited has acquired 3.5% of GMF, resulting in Centuria Capital Limited and Centuria Property Funds Limited (as responsible entity of various funds)<sup>1</sup> holding a 16.1% strategic interest in the Fund. Centuria also stated that "it does not currently intend to support"<sup>2</sup> the Growthpoint Revised Proposal.

After careful consideration and consultation with its advisers, the IBC determined that failing to respond to the Centuria Proposal would be likely to constitute a breach of the fiduciary or statutory obligations of the board of GPT Platform Limited as responsible entity of GMF. Accordingly, on 27 May 2016, Centuria was granted access to the same electronic data room as Growthpoint in order to undertake non-exclusive due diligence for an undefined period. GMF will also undertake limited due diligence in relation to Centuria. Centuria has stated that it requires a 15 business day due diligence period.

Further details in relation to the Centuria Proposal are provided in GMF's ASX announcement dated 24 May 2016.

### **Value of the proposals**

The implied value of the consideration under the Growthpoint Revised Proposal and the Centuria Proposal is set in the following table.

	<b>Growthpoint Revised Proposal</b>		<b>Centuria Proposal</b>	
<b>Calculation basis for securities of Growthpoint and Centuria<sup>3</sup></b>	<b>Last close (\$3.28)</b>	<b>1-month VWAP (\$3.24)</b>	<b>Last close (\$2.15)</b>	<b>1-month VWAP (\$2.16)</b>
<b>Implied value per GMF unit</b>	<b>\$2.42</b>	<b>\$2.40</b>	<b>\$2.42</b>	<b>\$2.43</b>

<sup>1</sup> See Centuria's notice of initial substantial holder (Form 603) in respect of its holding in GMF units, lodged with ASX on 24 May 2016. Centuria Property Funds Limited (the responsible entity of Centuria Metropolitan REIT) is a wholly-owned subsidiary of Centuria Capital Limited.

<sup>2</sup> Centuria Proposal letter, page 6.

<sup>3</sup> As at close of trading on 27 May 2016.

Premium to GMF's close price on 1 April 2016 <sup>4</sup> (\$2.06)	17.3%	16.6%	17.5%	18.1%
Premium to GMF's 31 December 2015 pro forma NTA (\$2.35)	2.8%	2.2%	3.0%	3.5%

**Current status**

As summarised above, the IBC is undertaking a carefully considered, independent, formal process with the objective of maximising value for GMF unitholders. The IBC continues to actively engage with Growthpoint and, more recently, Centuria, in respect of their proposals.

**No action is required by GMF unitholders at this time.** The IBC will provide further updates to the market as appropriate.

The IBC is being advised by UBS AG, Australia Branch as financial adviser and Ashurst Australia as legal adviser.

**– Ends –**

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<sup>4</sup> The trading day prior to GMF's announcement in relation to the results of an independent property revaluation process, which followed the receipt of an unsolicited, confidential, highly conditional and non-binding proposal which was subsequently withdrawn.