



ASX Announcement

14 October 2016

Elanor Investors Group

Elanor Retail Property Fund – IPO Update

Elanor Investors Group (ASX: ENN) ("Elanor") is pleased to announce that the institutional bookbuild for the Elanor Retail Property Fund (ASX:ERF) ("ERF" or the "Fund") has been successfully completed. The offer is fully underwritten by Moelis & Company.

The Fund is offering 81.3 million securities at an offer price of \$1.35 to raise \$109.7 million. ERF will have a market capitalisation at the offer price of \$173.8 million. Elanor will have an investment in ERF of approximately 15% at IPO and is therefore strongly aligned with the Fund's investors.

ERF is being formed by the stapling of two existing funds currently managed by Elanor and by the acquisition of two new properties. Existing investors in these funds provided overwhelming support for ERF, with 92% of existing investors electing to retain their investment.

Elanor CEO, Glenn Willis said: "Elanor is very pleased with the strong level of support from both existing and new investors for the Fund. ERF will have access to Elanor's asset management platform and an experienced management team who have demonstrated a track record of delivering strong investment returns to investors."

With the institutional bookbuild completed, Elanor will lodge the Elanor Retail Property Fund Product Disclosure Statement ("PDS") with the Australian Securities & Investments Commission on 14 October 2016.

An Elanor Offer to eligible ENN security holders, and other selected persons who have received an invitation to participate, will open on 24 October 2016. The offer will close on 4 November 2016, if not closed earlier. The PDS will be available on the Fund's offer website, www.elanoroffer.com, from 14 October 2016.

Upon listing on the Australian Securities Exchange, the Fund will own a portfolio of five retail shopping centres valued at \$243.2 million. ERF will target the distribution of 90% to 100% of distributable earnings and expects to provide investors with a stable and secure rental income with strong exposure to non-discretionary retailers. ERF will offer investors a forecast distributable earnings yield of 7.9% for the calendar year ending 31 December 2017.

ERF's Fund Manager, Michael Baliva, said: "In addition to stable and secure rental income backed by quality anchor tenants who contribute to 41% of the initial portfolio's base rental income, and exposure to non-discretionary retailers who comprise 45% of gross lettable area, the initial portfolio presents significant potential for development and operational repositioning upside."

Elanor has been advised by Moelis & Company (Lead Manager and Underwriter), Baker & McKenzie (legal adviser) and Deloitte Corporate Finance Pty Limited (Investigating Accountant).



ENDS.

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