

# ASX announcement

ASX code: ALZ / AAZPB



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1 July 2014

## Australand receives Frasers Bidder's Statement

Australand Property Group ("**Australand**") refers to the Bid Implementation Agreement announced earlier today and confirms it has received a Bidder's Statement from Frasers Amethyst Pte Ltd, a wholly owned subsidiary of Frasers Centrepoint Limited in respect of an off-market takeover offer to acquire all of Australand's stapled securities for cash consideration of \$4.48 per stapled security (the "**Offer**").

The Bidder's Statement is attached to this announcement. Australand securityholders should carefully review the Bidder's Statement and seek independent financial, legal, taxation or other professional advice if unsure as to what to do in response to the Offer.

The Australand Target's Statement, including an Independent Expert's report, is due to be released on 22 July 2014.

### Issued by

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**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

IF YOU ARE IN ANY DOUBT AS TO HOW TO ACT, YOU SHOULD CONSULT YOUR FINANCIAL OR LEGAL ADVISER AS SOON AS POSSIBLE.



## Bidder's Statement



Soleil @ Sinaran, Singapore



Changi City Point, Singapore



One Central Park, Sydney, Australia

Image by Simon Wood Photography provided courtesy of Frasers Property & Sekisui House

# Accept the Offer

by

**Frasers Amethyst Pte. Ltd.** a wholly owned subsidiary of **Frasers Centrepoint Limited**

to acquire all of your stapled securities in

## **Australand Property Group**

(each stapled security comprising one share in Australand Holdings Limited (ACN 008 443 696) and one unit in each of Australand Property Trust (ARSN 106 680 424), Australand Property Trust No.4 (ARSN 108 254 413) and Australand Property Trust No.5 (ARSN 108 254 771))

for

## **A\$4.48 cash per stapled security**

(Reduced by the amount of any distribution to which you become entitled following the date of this Bidder's Statement, other than Australand's first half distribution for 2014 (up to an amount not exceeding 12.75 cents per Security) and the Allowed Distribution (up to an amount not exceeding 12.75 cents per Security)).

Please call the Frasers Offer Information Line on 1800 992 613 (toll-free within Australia) or +61 1800 992 613 (from outside Australia) if you require assistance.

Financial Advisers

**Deutsche Bank** 

**Standard Chartered** 

Legal Adviser

**Allens & Linklaters**



Alexandra Technopark, Singapore.

## Important Dates

Announcement date	1 July 2014
Bidder's Statement lodged with ASIC	1 July 2014
Date of the Offer	[*]
Offer scheduled to close (unless extended)	7 pm (Sydney time) on [*]

Note: The closing date for the Offer may change as permitted by the Corporations Act.

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## Important Information

This Bidder's Statement is given under Part 6.5 of the Corporations Act and relates to the Offer. It is given by Frasers Amethyst Pte. Ltd. (Company Registration Number: 201418702K) to Australand Property Group (each stapled security comprising one share in Australand Holdings Limited (ABN 12 008 443 696) and one unit in each of Australand Property Trust (ARSN 106 680 424), Australand Property Trust No.4 (ARSN 108 254 413) and Australand Property Trust No.5 (ARSN 108 254 771)).

You should read this Bidder's Statement in its entirety.

This Bidder's Statement is dated 1 July 2014 and includes an Offer dated [ ] 2014 in section 7.

A copy of this Bidder's Statement was lodged with ASIC on 1 July 2014. Neither ASIC nor any of its officers takes any responsibility for the contents of this Bidder's Statement.

This Bidder's Statement does not take into account your individual investment objectives, financial situation or particular needs. You may wish to seek independent financial and taxation advice before deciding whether or not to accept the Offer.

References in this Bidder's Statement to Frasers Centrepoint Limited's website ([www.fraserscentrepoint.com](http://www.fraserscentrepoint.com)) and to Australand Group's website ([www.australand.com.au](http://www.australand.com.au)) are for your reference only. Information contained in or otherwise accessible from those websites are not part of this Bidder's Statement.

A number of defined terms are used in this Bidder's Statement. These terms are explained in section 9 along with certain rules of interpretation which apply to this Bidder's Statement.

## Privacy statement

Frasers Amethyst Pte. Ltd. has collected your information from the Australand Property Group registers of securityholders for the purpose of making the Offer. The type of information collected about you includes your name, address, contact details and information on your security holding in Australand Property Group.

Without this information, Frasers Amethyst Pte. Ltd. will be hindered in its ability to carry out the Offer.

The Corporations Act requires the name and address of securityholders to be held in a public register. Your information may be disclosed on a confidential basis to Frasers Amethyst Pte. Ltd.'s Related Bodies Corporate and external service providers (such as the Registry and providers of print and mail services), and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by Frasers Amethyst Pte. Ltd. or the Registry please contact them at the addresses set out in the corporate directory.

## How Do I Accept the Offer?

You may only accept the Offer for all of your Securities. Acceptances must be received before the end of the Offer Period.

### For Issuer Sponsored Holdings of Securities (Securityholder Reference Number beginning with 'I')

To accept the Offer, complete the enclosed Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope or to the address on the Acceptance Form.

### For CHESS Holdings of Securities (Holder Identification Number beginning with 'X')

To accept the Offer, either contact your Controlling Participant (usually your broker) and instruct them to accept the Offer on your behalf, or complete the enclosed Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope or to the address on the Acceptance Form.

## Frasers Offer Information Line

If you have any questions in relation to the Offer, please call the Frasers Offer Information Line on the following numbers:

Within Australia: 1800 992 613

Outside Australia: +61 1800 992 613

# Chief Executive Officer's Letter

1 July 2014

Dear Securityholder

## All cash Takeover Offer for Australand

On behalf of Frasers Centrepoint Limited (**FCL**), I am delighted to make this offer to acquire all of your stapled securities in Australand (**Securities**) at a cash price of \$4.48 per Security (the **Offer**).

The Offer delivers a compelling opportunity for Securityholders to realise immediate liquidity and certainty of value at a material premium.

The consideration offered under the Offer, being \$4.48 per Security, represents a:

- 21.7% premium to Australand's forecast 30 June 2014 net tangible asset value per Security as stated in its group update on 30 May 2014;
- 15.2% premium to the closing price of Securities on the ASX on 18 March 2014, the last trading day prior to Stockland Group's announcement that it had acquired a 19.9% strategic stake in Australand;
- 14.6% premium to the VWAP of Securities over the one month period up to 18 March 2014; and
- 3.9% premium to the closing price of Securities on the ASX on 3 June 2014, the last trading day before the announcement of FCL's proposal.

Under the terms of the Offer, all Australand Securityholders will also receive the Allowed Distribution. The Allowed Distribution will be paid to all Securityholders on the Australand register of members as at the Allowed Distribution Record Date (which will include all Securityholders that have accepted the Offer before it becomes unconditional). The Allowed Distribution will be an amount up to a maximum of 12.75 cents per Security, to be determined at the time it is announced. See the 'Summary of the Offer' section in this Bidder's Statement for further details.

The Offer will not affect your entitlement to Australand's first half distribution for 2014, the record date for which was 30 June 2014.

## Recommended Offer with unanimous support of the Australand Board

The Australand directors have unanimously recommended that Securityholders accept the Offer in the absence of a superior proposal and subject to the Independent Expert concluding the Offer is fair and reasonable to Securityholders.

Furthermore, the Australand directors intend to accept the Offer with respect to their Securities in the absence of a superior proposal and subject to the Independent Expert concluding that the Offer is fair and reasonable.

As at the date of this Bidder's Statement no superior proposal to the Offer has emerged.

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## Benefits of the Offer

FCL believes this is a compelling Offer for Securityholders. In addition to providing Securityholders with the opportunity to realise their investment at a material premium, FCL believes the Offer also presents the following benefits.

### Cash certainty

FCL is offering 100% cash, enabling you to realise value for your Securities with certainty of cash consideration. The Offer is subject to a limited number of conditions, including that Frasers Amethyst Pte. Ltd. (**FCL Bidder**), has a relevant interest in more than 50% of the Securities before the end of the Offer Period. The conditions to the Offer are set out in full in section 7.7 of this Bidder's Statement.

### Benefits to other stakeholders

FCL believes that its Offer also provides substantial benefits to other Australand stakeholders:

- **Stability of management:** FCL has a high regard for the Australand management team, and currently intends to retain key management in order to ensure a smooth transition of ownership, and to provide certainty and stability to the business and Australand employees going forward.
- **Employee opportunities:** FCL is looking forward to integrating and welcoming Australand employees into the broader FCL team (see section 3 for more details about FCL's current intentions). FCL believes that further opportunities for employees and management will result from combining two strong residential businesses in Australia as well as being part of a broader international real estate platform.
- **Benefits for future homeowners:** Those who have acquired residential properties from Australand, or are looking to do so in the future, can be confident in FCL's commitment to continuing Australand's proud history of leadership in residential development.
- **Benefits for tenants:** Tenants of sites that comprise Australand's Investment Property portfolio can be confident that FCL will maintain and build upon Australand's strong reputation for managing, maintaining and enhancing its portfolio.

## About FCL

The Offer for your Securities is being made by FCL Bidder, a wholly owned subsidiary of FCL. FCL is a Singapore listed company which engages in property development, investment and management of commercial property, serviced residences and property trusts. FCL's portfolio comprises properties located in Singapore, Australia and other parts of Asia. The company was founded in 1963 and is headquartered in Singapore.

## Conclusion

I encourage you to read this Bidder's Statement in full for further details about the Offer, its terms and FCL.

The Offer is open for your acceptance until 7.00 pm (Sydney time) on [ \* ] 2014, unless extended. If you wish to accept the Offer, please follow the instructions in the Bidder's Statement and the enclosed Acceptance Form.

If you have any questions about the Offer, please call the Frasers Offer Information Line on 1800 992 613 (toll-free for callers within Australia) or +61 1800 992 613 (for callers outside Australia) or contact your legal, financial or other professional adviser.

Yours sincerely



**Lim Ee Seng**  
Frasers Centrepont Limited, Group Chief Executive Officer

## Summary of the Offer

The following is a summary only of the Offer and is qualified by the detailed information contained in the rest of this Bidder's Statement. You should read this Bidder's Statement in full before making any decisions in relation to your Securities.

The terms of the Offer are contained in section 7.

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**Who is making the Offer?** FCL Bidder, a wholly owned subsidiary of FCL, is offering to acquire all of your Securities.

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**What is the Offer price?** FCL Bidder is offering to acquire all of your Securities for \$4.48 cash per Security, on the terms and conditions set out in section 7.

In addition, under the terms of the Offer, all Australand Securityholders will receive the Allowed Distribution.

The cash consideration payable under the Offer will be reduced by the amount of any Australand distribution to which you become entitled following the date of this Bidder's Statement, other than the Allowed Distribution (up to an amount not exceeding 12.75 cents per Security) and Australand's first half distribution for 2014.

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**What is the Allowed Distribution?** Australand's expected distribution for the half year ending 31 December 2014 is 12.75 cents per Security.

The Allowed Distribution will be paid to all Securityholders on the Australand register of members as at the Allowed Distribution Record Date (which will include all Securityholders that have accepted the Offer before it becomes unconditional). The Allowed Distribution Record Date will be announced within two Business Days of the Offer becoming unconditional, or if the Offer is not unconditional before 18 December 2014, within two Business Days of that date.

The Allowed Distribution will be an amount equal to:

- the proportion of Australand's expected second half distribution for 2014 (being 12.75 cents per Security) that is referable to the period from 1 July 2014 until the Offer becomes unconditional (as a proportion of the entire half year ending 31 December 2014 and calculated on a pro-rata basis), up to a maximum of 12.75 cents per Security; or
- if the Offer is not unconditional before 31 December 2014, 12.75 cents per Security.

If for any reason the Allowed Distribution exceeds the amount contemplated by the above, the consideration paid under the Offer will be reduced accordingly.

If the Allowed Distribution is paid after the Offer becomes unconditional, FCL Bidder anticipates that any distribution for the half year ending 31 December 2014 would be reduced to take account of the Allowed Distribution.

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**What are the conditions of the Offer?**

The Offer is subject to the conditions which are set out in full in section 7.7. In summary, those conditions include requirements that:

- the Offer results in FCL Bidder having relevant interests in more than 50% of the Securities (on a fully diluted basis);
- there is no objection to FCL Bidder acquiring Securities under Australia's foreign investment laws;
- Australand's business is carried on in the ordinary course;
- there is no change to Australand's distribution policy;
- there is no issue of Securities or Australand Performance Rights;
- Australand makes no material change to the senior management of Australand;
- no material acquisition, disposal or commitment is undertaken by the Australand Group;
- there are no Prescribed Occurrences; and
- there are no regulatory actions taken to restrain, prohibit or impede the Offer.

The status of each of the conditions as at the date of this Bidder's Statement is discussed in sections 6.3, 6.4 and 7.8.

Within three Business Days of the conditions in sections 7.7(a) (minimum acceptance) and 7.7(b) (FIRB approval) both being satisfied, FCL Bidder will waive all Defeating Conditions (other than any Defeating Condition in respect of which FCL Bidder has publicly announced a breach or suspected breach before that time).

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**When does the Offer close?**

The Offer is scheduled to close at 7.00 pm (Sydney time) on [ ] 2014. You should note that the Offer Period can be extended as permitted by the Corporations Act.

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**How do I accept the Offer?**

See the section on the inside front cover of this Bidder's Statement, as well as the instructions on the enclosed Acceptance Form.

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**If I accept the Offer, when will I be paid?**

If you accept the Offer in accordance with the instructions contained in the Offer and the Acceptance Form and the Offer becomes unconditional, you will be sent payment by the later of:

- 15 Business Days after the date that the Offer becomes unconditional; or
- 10 Business Days after the date that you accept the Offer.

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**What are the tax implications of acceptance?**

You should consult your financial, tax or other professional adviser on the tax implications of acceptance. However, section 5 contains a general summary of the major likely Australian tax consequences for Securityholders who accept the Offer.

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**BIDDER'S STATEMENT**

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**Do I pay brokerage or stamp duty if I accept?**

You will not pay stamp duty on the disposal of your Securities if you accept the Offer.

If your Securities are registered in an Issuer Sponsored Holding in your name and you deliver them directly to FCL Bidder, you will not incur any brokerage in connection with your acceptance of the Offer.

If your Securities are registered in a CHESS Holding, or if you are a beneficial owner whose Securities are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.

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**What happens if I do not accept?**

If FCL Bidder becomes entitled to compulsorily acquire your Securities, it intends to do so. If your Securities are compulsorily acquired by FCL Bidder, it will be on the same terms (including the same consideration for each Security acquired) as the Offer. However, you will receive the money later than the Securityholders who choose to accept the Offer.

If FCL Bidder does not become entitled to compulsorily acquire your Securities, you will remain a Securityholder and will not receive the consideration offered by FCL Bidder.

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**What if I require further information?**

If you have any questions in relation to the Offer or how to accept it, or if you have lost your Acceptance Form and require a replacement, please call the Frasers Offer Information Line on 1800 992 613 (toll-free within Australia) or +61 1800 992 613 (from outside Australia).

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## Why You Should Accept the Offer

FCL Bidder is offering all-cash consideration of \$4.48. Under the terms of the Offer, Securityholders will also be entitled to the Allowed Distribution. FCL Bidder considers that the Offer provides compelling benefits to Securityholders.

Reasons for accepting the Offer are set out below:

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**1. The Offer represents a significant premium to Australand's trading price in the period prior to recent corporate activity and to the 30 June 2014 forecast net tangible asset value per Security.**

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**2. The all-cash Offer provides certainty of value for your Securities.**

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**3. Under the terms of the Offer, you will also be entitled to the Allowed Distribution.**

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**4. The Australand directors unanimously recommend the Offer and intend to accept in respect of all Securities they hold or control, in the absence of a superior proposal and subject to the Independent Expert concluding that the Offer is fair and reasonable to Securityholders.**

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**5. No superior proposal has emerged.**

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**6. The Offer is subject to limited conditionality.**

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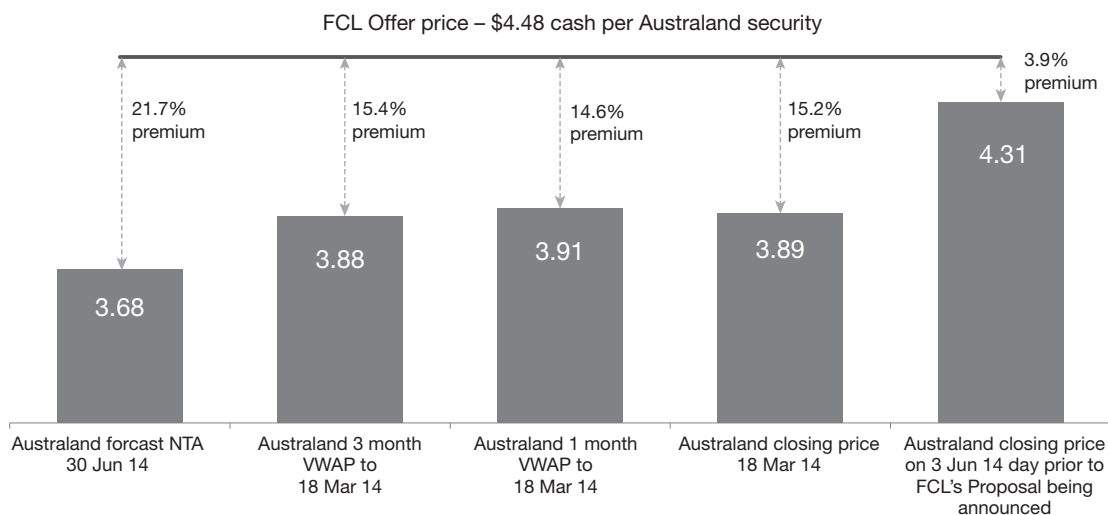
**7. If Securityholders do not accept, they may be exposed to a variety of risks.**

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## 1. The Offer represents a significant premium to Australand's trading price prior to recent corporate activity and forecast net tangible asset value per Security

The Offer price of \$4.48 cash per Security, represents a premium<sup>1</sup> of:

- 21.7% to the 30 June 2014 forecast net tangible asset value per Security of \$3.68 as announced on 30 May 2014;
- 15.4% to VWAP of Securities during the three month period up to 18 March 2014, being the last trading day prior to Stockland Group's announcement that it had acquired a 19.9% strategic stake in Australand;
- 14.6% to the VWAP of Securities during the one month period up to 18 March 2014;
- 15.2% to the closing price of Securities on the ASX on 18 March 2014; and
- 3.9% to the last closing price of Securities on the ASX, prior to FCL announcing its proposal on 4 June 2014.



Source: IRESS.

## 2. The all-cash Offer provides certainty of value for your Securities

Accepting the Offer will enable you to realise a certain and attractive value for your Securities. If you accept the Offer and the Offer becomes unconditional, you will:

- be paid \$4.48 cash for each of your Securities; and
- receive your cash payment by the later of 15 Business Days after the date that the Offer becomes unconditional or 10 Business Days after the date that you accept the Offer.

If you accept the Offer you will eliminate your exposure to the risks and uncertainties inherent in owning Securities. By contrast, if the Offer is not accepted, the amount which you will be able to realise for your Securities is uncertain and subject to a number of risks.

<sup>1</sup> Premium calculation does not include any value for the Allowed Distribution, nor does it include the value Securityholders may be receiving as part of the 1H14 distribution.

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### **3. Under the terms of the Offer, you will also be entitled to the Allowed Distribution**

Under the terms of the Offer, all Australand Securityholders will receive the Allowed Distribution.

The Allowed Distribution will be paid to all Securityholders on the Australand register of members as at the Allowed Distribution Record Date (which will include all Securityholders that have accepted the Offer before it becomes unconditional). The Allowed Distribution Record Date will be announced within two Business Days of the Offer becoming unconditional, or if the Offer is not unconditional before 18 December 2014, within two Business Days of that date.

The Allowed Distribution will be an amount equal to:

- the proportion of Australand's expected second half distribution for 2014 (being 12.75 cents per Security) that is referable to the period from 1 July 2014 until the Offer becomes unconditional (as a proportion of the entire half year ending 31 December 2014 and calculated on a pro-rata basis), up to a maximum of 12.75 cents per Security; or
- if the Offer is not unconditional before 31 December 2014, 12.75 cents per Security.

The Offer will not affect your entitlement to Australand's first half distribution for 2014, the record date for which was 30 June 2014.

### **4. The Australand directors unanimously recommend the Offer and intend to accept in respect of all Securities they hold or control, in the absence of a superior proposal and subject to the Independent Expert's conclusion**

Australand announced to the ASX on 1 July 2014 that its directors unanimously recommend the Offer, in the absence of a superior proposal emerging and subject to the Independent Expert concluding that the Offer is fair and reasonable to Securityholders.

Australand's directors have also stated that their intention is to accept the Offer in respect of all the Securities they hold or control, in the absence of a superior proposal and subject to the Independent Expert concluding that the Offer is fair and reasonable to Securityholders.

### **5. No superior proposal has emerged**

No superior proposal has emerged in the 18 months since CapitaLand Limited (**CapitaLand**) announced a strategic review in respect of its 59.1% stake in Australand on 10 January 2013. CapitaLand has subsequently disposed of the entirety of its stake and as at the date of this Bidder's Statement, no superior proposal to FCL Bidder's cash Offer has emerged.

### **6. The Offer is subject to limited conditionality**

The Offer for your Securities is subject to a limited number of conditions, including FCL Bidder acquiring a relevant interest in more than 50% of the Securities (on a fully diluted basis) during the Offer Period and FIRB approval being granted.

See section 7.7 of the Bidder's Statement for full details of the Defeating Conditions.

## 7. If you do not accept, you may be exposed to a variety of risks

If you do not accept the Offer, there are potential risks associated with continuing to hold Securities, including:

*If FCL Bidder acquires more than 50% of Australand Securities but does not achieve compulsory acquisition:*

- *The price of your Securities may fall*

The price at which Securities are traded on the ASX may fall following the close of the Offer and trade at a discount to the consideration offered under the Offer. For the one month period up to 18 March 2014, the date Stockland Group announced it had acquired a strategic stake in Australand, the VWAP of Securities was \$3.91.

- *You will become a minority Securityholder in Australand*

Being a minority Securityholder will have the following implications:

- the market for Securities may become less liquid;
- Australand's ASX index weighting may reduce;
- FCL Bidder intends to replace Australand directors with its own nominees;
- FCL Bidder will seek to have Australand removed from the official list of the ASX; and
- FCL Bidder will review the capital structure and distribution policy of Australand.

- *The tax profile of APT, APT4 and APT5 may change*

APT, APT4 and APT5 are currently classified as Managed Investment Trusts (**MITs**) pursuant to Subdivision 12-H of the *Taxation Administration Act 1953 (Cth)*. Broadly a MIT allows non-Australian resident Securityholders to benefit from a final MIT withholding tax on certain trust distributions.

In addition, APT, APT4 and APT5 have made the MIT CGT election to deem certain assets (e.g. investment properties and units in the sub-trusts) to be held on capital account. Accordingly, on a disposal of these assets, where certain conditions are met, certain Australian resident Securityholders could benefit from CGT discounts on distributions of capital gains from these trusts.

Due to the ownership structure of FCL Bidder, in the event that FCL Bidder acquires more than 50% of the Securities, APT, APT4 and APT5 will no longer qualify as MITs and therefore the above benefits may no longer be available to Australand Securityholders. Further information on this can be found in Section 5 of this Bidder's Statement.

- *Your Security holding may continue to be subject to market volatility*

The Australian and international economic outlook and recent volatility in world markets may continue to impact upon:

- movements in the demand for, and price of, securities traded on securities exchanges;
- Australand's ability to access debt and equity capital; and
- general economic conditions including inflation and interest rates that may impact upon Australand's business operations.

*If FCL Bidder becomes entitled to compulsorily acquire your securities, you will receive consideration at a later date than if you had accepted the Offer*

If FCL Bidder becomes entitled to compulsorily acquire your Securities, it intends to exercise those rights. If your Securities are compulsorily acquired, you will still receive the consideration offered under the Offer, but at a later time than you would have received it if you had accepted the Offer.

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# 1 Profile of Frasers Amethyst Pte. Ltd. and Frasers Centrepoint Limited

## 1.1 Overview of FCL Bidder

FCL Bidder is a wholly owned subsidiary of FCL. FCL Bidder was incorporated in Singapore on 27 June 2014 for the purpose of making the Offer and to invest in the Securities.

The directors of FCL Bidder are Mr Panote Sirivadhanabhakdi, Mr Chotiphat Bijananda, Mr Lim Ee Seng, Mr Chia Khong Shoong, Mr Piya Treruanchachada and Mr Jerry Yang Chiang Lee.

## 1.2 Overview of Frasers Centrepoint Limited

FCL is an international real estate company incorporated and headquartered in Singapore. It is listed on the Main Board of the SGX.

The directors of FCL are Mr Charoen Sirivadhanabhakdi, Khunying Wanna Sirivadhanabhakdi, Mr Charles Mak Ming Ying, Mr Chan Heng Wing, Mr Philip Eng Heng Nee, Mr Wee Joo Yeow, Mr Weerawong Chittmittrapap, Mr Chotiphat Bijananda, Mr Panote Sirivadhanabhakdi, and Mr Sithichai Chaikriangkrai.

FCL currently does not hold any interest in Australand.

## 1.3 Principal activities of Frasers Centrepoint Limited

FCL's principal activities are property development, investment and management of commercial property (comprising office, business and retail space), serviced residences and property trusts.

## 1.4 Frasers Centrepoint Limited's portfolio

FCL is a full-fledged international real estate company and one of Singapore's top property companies with total assets of approximately A\$9.8 billion<sup>1</sup> as at 31 March 2014. FCL has three core businesses focused on residential, commercial and hospitality properties spanning over 30 cities across Asia, Australasia, Europe, and the Middle East.

FCL is also the sponsor of two real estate investment trusts listed on the Main Board of the SGX, Frasers Centrepoint Trust and Frasers Commercial Trust, which are focused on retail, and office and business space properties, respectively.

## 1.5 Strategy and objectives

FCL's strategies are to:

- a. achieve sustainable earnings growth through significant development project pipeline, investment properties and fee income;
- b. grow FCL's asset portfolio in a balanced manner across geographies and property segments to preserve stability of earnings; and
- c. optimise capital productivity through REIT platforms and active asset management initiatives.

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<sup>1</sup> Based on AUD/SGD of 1.1678 as of 29 May 2014.

## **1.6 Directors of FCL**

The members of the FCL Board are responsible for the corporate governance of FCL. A biography of each Director of FCL is set out below.

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### **Mr Charoen Sirivadhanabhakdi**

#### **Non-executive Chairman, Non-independent**

Mr Charoen was appointed Non-Executive Chairman in October 2013 and is the Chairman of the Board Executive Committee.

Mr Charoen is currently the Chairman of several public listed and private companies within the TCC Group, including Thai Beverage Public Company Limited, Beer Thai (1991) Public Company Limited, Red Bull Distillery Group of Companies, TCC Land Co., Ltd., Berli Jucker Public Company Limited, South East Group Co., Ltd. and TCC Holding Co., Ltd. The TCC Group was established by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi in 1960.

Mr Charoen holds an Honorary Doctoral Degree in Agricultural Business Administration from Maejo Institute of Agricultural Technology (Thailand), an Honorary Doctoral Degree in Industrial Technology from Chandrakasem Rajabhat University (Thailand), an Honorary Doctoral Degree in Management from Huachiew Chalermprakiet University (Thailand), an Honorary Doctoral Degree in Business Administration from Eastern Asia University (Thailand), an Honorary Doctor of Philosophy Degree in Business Administration from Mae Fah Luang University (Thailand), an Honorary Doctoral Degree in Management from Rajamangala University of Technology Suvarnabhumi (Thailand), and an Honorary Doctoral Degree in International Business Administration from University of the Thai Chamber of Commerce (Thailand).

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### **Khunying Wanna Sirivadhanabhakdi**

#### **Non-executive Vice Chairman, Non-independent**

Khunying Wanna was appointed Non-Executive Vice Chairman in October 2013.

Khunying Wanna is also the Vice Chairman of public listed and private companies within the TCC Group including Thai Beverage Public Company Limited, Berli Jucker Public Company Limited, TCC Capital Land Limited and Executive Board of TCC Holding Co., Ltd. In addition, Khunying Wanna is the Chairman of Beer Thip Brewery (1991) Co., Ltd. and Sangsom Group of Companies, which are also within the TCC Group.

Khunying Wanna holds an Honorary Doctoral Degree in Bio-technology from Ramkhamhaeng University (Thailand), Honorary Doctoral Degrees in Business Administration from both Maejo Institute of Agricultural Technology (Thailand) and Chiang Mai University (Thailand), as well as an Honorary Doctor of Philosophy Degree in Social Sciences from Mae Fah Luang University (Thailand).

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### **Mr Charles Mak Ming Ying**

#### **Non-executive Director, Independent**

Mr Mak was appointed Non-Executive Director in October 2013 and is Chairman of the Audit Committee, Vice Chairman of the Board Executive Committee and a member of the Remuneration Committee and Risk Management Committee.

Mr Mak is also the Chairman and Director of Bank Morgan Stanley AG, and a Director of Morgan Stanley Asia Limited. Mr Mak is a member of Morgan Stanley's Asia Pacific Executive Committee, the Morgan Stanley Wealth Management Committee and the International Operating Committee.

Mr Mak received his Bachelor of Business Administration and Master of Business Administration degrees from Pace University in New York City (USA).

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### **Mr Chan Heng Wing**

#### **Non-executive Director, Independent**

Mr Chan was appointed Non-Executive Director in October 2013 and is a member of the Nominating Committee and Risk Management Committee.

Mr Chan is currently Senior Advisor to the Ministry of Foreign Affairs and Singapore's non-resident High Commissioner to Bangladesh. He also serves as Chairman of the Milken Institute Asia Centre and is an independent director of Shanda Games Ltd., which is listed on NASDAQ, and Banyan Tree Holdings Ltd., which is listed on the SGX. He is also an independent director of Precious Quay Pte. Ltd. and Precious Treasure Pte Ltd.

Mr Chan graduated from the then University of Singapore with Bachelor of Arts (Honours) and Master of Arts in 1969 and 1974, respectively. He obtained a Master of Science in Journalism from the Columbia Graduate School of Journalism, USA in 1974.

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### **Mr Philip Eng Heng Nee**

#### **Non-executive Director, Independent**

Mr Eng was appointed Non-Executive Director in October 2013 and is Chairman of the Remuneration Committee and a member of the Audit Committee.

Mr Eng is also Chairman of Frasers Centrepoint Asset Management Ltd and mDR Limited. In addition, Mr Eng is also Commissioner of the PT Adira Dinamika Multi Finance Tbk, and a director of several local and regional companies including Ezra Holdings Limited, The Hour Glass Limited, Chinese Development Assistance Council, Hektar Asset Management Sdn Bhd, Heliconia Capital Management Pte. Ltd, KK Women's and Children's Hospital Pte. Ltd, NTUC Income, OpenNet Pte. Ltd and Singapore Health Services Pte. Ltd.

Mr Eng graduated from the University of New South Wales (Australia) with a Bachelor of Commerce in Accountancy and is an Associate Member of the Institute of Chartered Accountants in Australia.

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### **Mr Weerawong Chittmittrapap**

#### **Non-executive Director, Independent**

Mr Weerawong was appointed Non-Executive Director in October 2013 and is Chairman of the Nominating Committee and a member of the Risk Management Committee.

Mr Weerawong has been the Chairman of Weerawong, Chinnavat & Peangpanor Ltd, a major law firm in Thailand, since 2009. He is a director of several listed companies in Thailand, namely Berli Jucker Public Company Limited, Golden Land Property Development Public Company Limited, GMM Grammy Public Company Limited, Thai Airways International Public Company Limited and SCB Life Assurance Public Company Limited.

Besides his directorships, Mr Weerawong is also Special Lecturer at the Thai Institute of Directors and the King Prajadhipok's Institute.

Mr Weerawong graduated with a Bachelor of Laws from Chulalongkorn University (Thailand), and obtained a Master of Laws from the University of Pennsylvania (USA). He is a Thai barrister-at-law, and also the first Thai lawyer to be admitted to the New York State Bar.

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**Mr Chotiphat Bijananda****Non-executive Director, Non-Independent**

Mr Chotiphat was appointed Non-Executive Director in March 2013 and is Chairman of the Risk Management Committee, Vice Chairman of the Board Executive Committee and a member of the Nominating Committee.

Mr Chotiphat is the Advisor of TCC Holding Co., Ltd, and President of the Southeast Group Co., Ltd. Mr Chotiphat also serves on the boards of Serm Suk Public Company Limited, TCC Assets Limited and TCC Technology Co., Ltd.

Mr Chotiphat graduated with a Master of Business Administration (Finance) from the University of Missouri (USA), as well as a Bachelor of Laws from Thammasat University (Thailand).

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**Mr Panote Sirivadhanabhakdi****Non-executive Director, Non-Independent**

Mr Panote was appointed Non-Executive Director in March 2013 and is a member of the Board Executive Committee, Remuneration Committee and Risk Management Committee.

Mr Panote also serves on the boards of various listed companies in Singapore and Thailand, including Berli Jucker Public Company Limited, Golden Land Property Development Public Company Limited, Oishi Group Public Company Limited, Siam Food Products Public Company Limited, Thai Beverage Public Company Limited, Univentures Public Company Limited, as well as private companies such as International Beverage Holdings (China) Limited, International Beverage Holdings Limited, InterBev (Singapore) Limited, Beer Thip Brewery (1991) Co., Ltd, Sura Bangyikhan Group of Companies, International Beverage Holdings (UK) Limited, Blairmhor Limited and Blairmhor Distillers Limited.

Mr Panote has been an Executive Director of Berli Jucker Public Company Limited since 2005. In addition, he has been an Executive Director of Univentures Public Company Limited since 2007.

Mr Panote obtained a Bachelor of Science in Manufacturing Engineering from Boston University (USA) in 2000, a Master of Science in Analysis, Design and Management of Information Systems from the London School of Economics and Political Science (UK) in 2005, and a certificate in Industrial Engineering and Economics from Massachusetts University (USA) in 1997.

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**Mr Sithichai Chaikriangkrai****Non-executive Director, Non-Independent**

Mr Sithichai was appointed Non-Executive Director in August 2013 and is a member of the Board Executive Committee, Audit Committee and Risk Management Committee.

Mr Sithichai sits on the boards of several listed and private companies including Berli Jucker Public Company Limited, Golden Land Property Development Public Company Limited, Oishi Group Public Company Limited, Serm Suk Public Company Limited, Siam Food Products Public Company Limited, Thai Beverage Public Company Limited, Univentures Public Company Limited, Beer Chang International Limited, InterBev Investment Limited and International Beverage Holdings Limited, and is the Chief Financial Officer of Thai Beverage Public Company Limited.

Mr Sithichai holds a Bachelor of Accountancy (First Class Honours) from Thammasat University (Thailand), and has a Diploma in Computer Management from Chulalongkorn University (Thailand). He also holds a Mini MBA in Leadership Management from the Kasetsart University (Thailand).

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## **Mr Wee Joo Yeow**

### **Non-executive Director, Independent**

Mr Wee was appointed Non-Executive Director in March 2014 and is a member of the Board Executive Committee and the Audit Committee.

Mr Wee is a director of Oversea-Chinese Banking Corporation Limited, PACC Offshore Services Holdings Ltd. (both of which are listed on the SGX) and Mapletree Industrial Trust Management Ltd. (the manager of Mapletree Industrial Trust, which is listed on the SGX).

Prior to his appointment, Mr Wee was Managing Director and Head, Corporate Banking Singapore of United Overseas Bank.

Mr Wee graduated with a Bachelor of Business Administration (BBA Hons) from the then University of Singapore and obtained a Master of Business Administration from New York University.

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### **1.7 Additional information regarding FCL**

FCL has been listed on the SGX since 9 January 2014. Information about FCL may also be obtained from the FCL website at [www.fraserscentrepoint.com](http://www.fraserscentrepoint.com).

## 2 Profile of Australand Property Group

### 2.1 Disclaimer

The information in this section 2 concerning Australand has been prepared based on a review of publicly available information (which has not been independently verified) and a limited due diligence exercise that FCL has conducted in relation to Australand. Neither FCL nor FCL Bidder make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

The information on Australand in this Bidder's Statement should not be considered comprehensive.

Further information relating to Australand may be included in its Target Statement in relation to the Offer, which will be sent to you directly by Australand.

### 2.2 Overview

Australand is a stapled entity listed on the ASX and the Australand Group is one of Australia's leading diversified property groups. The stapled group comprises the parent entities, AHL, APT, APT4 and APT5 and their respective controlled entities. Securities comprise one share in AHL and one unit in each of APT, APT4 and APT5.

APL is the responsible entity of APT. AIL is the responsible entity of APT4 and APT5.

Australand's activities span across Australia and include three operating divisions, being Commercial & Industrial, Residential and Investment Property. Its operations are located in Sydney, Melbourne, South East Queensland, Adelaide and Perth and it maintains a sales office in Hong Kong servicing the Asian market.

### 2.3 Australand's property portfolio

Australand's property portfolio consists of modern commercial and industrial assets leased to high quality tenants. As at 31 December 2013, the Investment Property division had a total portfolio value of \$2.4 billion with 68 high quality industrial and office properties. The portfolio is well diversified geographically with assets predominantly located within the major cities of Sydney, Melbourne and Brisbane. For further details of the properties that comprise Australand's property portfolio, refer to Australand's Annual Report for the 12 months ended 31 December 2013 and subsequent ASX announcements.

### 2.4 Australand default and change of control consequences

As a consequence of the limited due diligence exercise that FCL has conducted in relation to Australand, FCL Bidder is aware that the Offer may have consequences on various Australand arrangements and assets. These consequences are summarised in this Section 2.4. Section 3 sets out further information in relation to FCL's intentions in respect of the matters below.

#### a. Australand Group loan facilities

The Australand Group is party to:

- a syndicated facility agreement dated 5 September 2011 between members of the Australand Group and various financiers under which National Australia Bank Limited acts as agent, which matures in 2016 (the **2011 Facility Agreement**); and
- a syndicated facility agreement dated 30 April 2012 between members of the Australand Group and various financiers under which Australia and New Zealand Banking Group Limited acts as agent, which matures in 2018 (the **2012 Facility Agreement**).

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FCL Bidder understands that, as at 31 May 2014, \$675 million was drawn down under the 2011 Facility Agreement and \$420 million was drawn down under the 2012 Facility Agreement.

Under both the 2011 Facility Agreement and the 2012 Facility Agreement:

- a delisting or extended suspension of trading of the Securities would constitute an event of default; and
- a change of control of the Australand Group would constitute a review event.

These events could occur as a consequence of the Offer. In the event that these events were to occur without the prior consent of the relevant financiers (among other things):

- the relevant financiers would have the ability to change the terms or conditions of the loans; and
- the amounts owing under the facilities could be declared due and payable by the relevant financiers.

FCL Bidder has been made aware that similar rights arise in favour of counterparty financiers under various project specific facilities, under which the Australand Group has obtained financing.

As at the date of this Bidder's Statement, FCL Bidder has been made aware that consents have been received from the lenders under the 2011 Facility Agreement and the 2012 Facility Agreement in respect of the potential event of default and review event that may occur as a consequence of the Offer referred to above.

**b. US private placement notes (USPP)**

The Australand Group issued US\$170 million of US private placement notes in 2011, which mature in two tranches in 2021 and 2023.

The USPP documentation contains a change of control provision which, if triggered as a consequence of the Offer, would require the Australand Group to make an offer to the USPP note holders to prepay the notes. In addition, a delisting or extended suspension of trading of the Securities would constitute an event of default under the USPP notes. If an event of default occurs, the note holders can accelerate payment of notes by declaring them immediately due and payable. Upon any such acceleration the principal amount of the notes, accrued interest and a 'Make-Whole Amount' become immediately due and payable. In summary, the Make-Whole Amount is an amount equal to the excess, if any, of the discounted value of the remaining scheduled payments with respect to the USPP notes.

**c. ASSETS**

The Australand Group has a class of securities on issue called ASSETS. ASSETS are perpetual instruments that can be converted by the issuer or holder to Securities in certain circumstances. The face value of the ASSETS on issue as at 30 June 2014 was \$275 million.

ASSETS may be redeemed or exchanged by the Australand Group following a change of control event. The Offer will trigger a change of control event were it to become unconditional and were FCL Bidder to acquire a relevant interest in more than 50% of the Securities on issue.

FCL Bidder notes that due to the application of the 'step-up' interest margin provisions of the ASSETS terms, ASSETS may, in any event, currently be redeemed by the Australand Group in the period prior to each ASSETS distribution period (a distribution period being each quarterly period ending on and including 31 March, 30 June, 30 September and 31 December in each year).

**d. Material joint venture arrangements**

The Australand Group is party to the Australand Logistics Joint Venture (**ALJV**) with the Government of Singapore Investment Corporation. The ALJV holds commercial and industrial properties and as at 31 December 2013 had assets of \$402 million. The Australand Group holds a 19.9% interest in the ALJV.

The Australand Group is also party to the Australand Residential Trust Agreement (the **ART Agreement**) with Uberior Ventures Australia Pty Limited.

The ALJV arrangements and ART Agreement include change of control provisions that may be triggered as a consequence of the Offer. If a change of control occurs without the consent of the co-venturer, the co-venturer may:

- in respect of the ALJV:
  - buy-out (or elect that its nominee will buy-out) Australand Group's interest in the joint venture for market value (less transaction costs); or
  - require an orderly wind down of the business; and
- in respect of the ART Agreement:
  - buy-out (or elect that its nominee will buy-out) Australand Group's interest in the co-venture for 90% of market value (less transaction costs);
  - require Australand to sell its interest in the joint venture to a third party within six months, failing which the assets of the joint venture will be liquidated; or
  - require an orderly wind down and liquidation of the business.

FCL Bidder understands that the Australand Group holds various other assets pursuant to arrangements under which similar rights might be triggered in favour of counterparties as a consequence of the Offer, but that such assets are not material to the operations of the Australand Group.

**2.5 Australand directors**

AHL, APL and AIL have identical boards of directors. Biographical details of the Australand directors are set out below.

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**Paul Dean Isherwood****Non-executive Chairman, Independent**

Mr Isherwood has been a Non-Executive Director since December 2005 and was appointed Chairman in March 2014.

Mr Isherwood is an experienced company director with a strong finance and accounting background. He has proven leadership experience from a career with Coopers & Lybrand that spanned 38 years, including acting as National Chairman and Managing Partner of Coopers & Lybrand (Australia) and serving on the International Board of the Executive Committee of the firm from 1985 to 1994.

Mr Isherwood has extensive corporate governance experience across different industry sectors, and mostly with listed companies.

Mr Isherwood is currently the Chairman of Globe International Limited.

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## **Stephen Eric Newton**

### **Non-executive Director, Independent**

Mr Newton was appointed Non-Executive Director in December 2007 and is a member of the Investment Committee and the Risk and Compliance Committee.

Mr Newton is an experienced company director in the real estate and infrastructure sectors. He is currently Joint Managing Director and co-founder of Arcadia Funds Management Limited. Prior to establishing the Arcadia Group in December 2002, he was a senior executive with the Lend Lease Group, a member of its global senior executive management group and a director of a number of Lend Lease entities and managed funds (November 1980 to December 2002).

Mr Newton has over thirty years' experience in the real estate sector both in Australia and internationally with extensive involvement in all aspects of asset management, development management, real estate investment management and mergers, acquisitions and dispositions of publicly listed and private (wholesale) real estate investment trusts and companies.

Mr Newton is currently a director of Broadcast Australia Group, Athllon Trustees Pty Limited and the University of Notre Dame Australia.

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## **Robert Edward Prosser**

### **Non-executive Director, Independent**

Mr Prosser was appointed Non-Executive Director in February 2011, is the Chair of the Audit Committee and a member of the Risk and Compliance Committee.

Mr Prosser has a strong finance and accounting background having retired in June 2008 as a Partner of PricewaterhouseCoopers (**PwC**) where he was responsible for due diligence in relation to mergers, acquisitions, equity raisings and divestments. At the time of his resignation, he was chair of PwC's public reports panel, with responsibility for the quality control of all public documents and liaison with regulators.

Mr Prosser is currently a director of the National Breast Cancer Foundation.

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## **Beth May Laughton**

### **Non-executive Director, Independent**

Ms Laughton was appointed a Non-Executive Director in May 2012 and is a member of the Audit Committee.

Ms Laughton is a chartered accountant with a strong background in corporate finance, having held senior roles at Wilson HTM, TMT Partners, KPMG, HSBC Securities and Ord Minnett, where she provided merger and acquisition advice and arranged equity funding across a range of industries.

Ms Laughton is a director of JB Hi-Fi Limited and CRC CARE Pty Ltd and is a member of the Defence SA Advisory Board.

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**Nancy Jane Milne****Non-executive Director, Independent**

Ms Milne was appointed a Non-Executive Director in October 2010. She is Chair of the Risk and Compliance Committee and is a member of the Remuneration and Nomination Committee.

Ms Milne is an experienced company director with extensive business experience. She is a consultant at Clayton Utz (formerly a Senior Partner of the firm), specialising in the areas of insurance and risk.

Ms Milne's other directorships include being a director of Crowe Horwath Australasia Ltd (appointed 28 November 2013), CFS Retail Property Trust Group (appointed 1 January 2009) and Commonwealth Managed Investments Limited.

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**Robert William Johnston****Managing Director, Non-independent**

Mr Johnston was appointed Managing Director in August 2007 and is a member of the Investment Committee.

Mr Johnston has extensive experience in the property sector and has been involved in all facets of the sector, including Funds Management, Property Development, Project Management and Construction.

Prior to joining Australand, Mr Johnston spent 20 years with Lend Lease Group in various roles in Australia, Asia, the US and the UK.

Mr Johnston is a director of the Property Industry Foundation.

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**2.6 Senior management of Australand**

The senior management team responsible for Australand as at the date of this Bidder's Statement is as follows.

**Kieran Pryke, Chief Financial Officer**

Mr Pryke has in excess of twenty years' experience in the property industry. He spent nine early years in various finance roles within Lend Lease Corporation before becoming the Chief Financial Officer of the General Property Trust in 1996. He remained as the CFO of GPT during and after the internalisation of management of GPT when it ceased to be a Lend Lease managed investment vehicle. Mr Pryke joined Australand on 1 March 2010.

**Rod Fehring, Executive General Manager – Residential**

Mr Fehring joined the executive team of Australand in March 2010. Prior to joining Australand Mr Fehring spent nearly nine years with Lend Lease in various roles as CEO of its retirement living/aged care business, its Venture Capital business and six years as Chief Executive Officer of Delfin Lend Lease. Mr Fehring has 30 years' experience in the property industry primarily in the residential development and planning sectors. Mr Fehring is also Chairman of the Australian Housing & Urban Research Institute Ltd, and has held Directorships of the Property Council of Australia and was the immediate past Chairman of the Residential Development Council of Australia.

**Sean McMahon, Executive General Manager – Commercial & Industrial**

Mr McMahon was appointed Executive General Manager of the Commercial & Industrial division in December 2007. He joined Australand in June 2000 and, prior to being appointed to his current role, he held the position of Regional General Manager.

He previously held senior positions in leading international real estate and investment banking groups including Jones Lang LaSalle and Macquarie Bank from 1991 to 1997 specialising in joint venture and structured finance. He has over 20 years' experience across a diverse array of property related activities including valuation, development and investment management.

## 2.7 Publicly available information

AHL has been listed on ASX since 16 June 1997 and is obliged to comply with the periodic and continuous disclosure requirements of ASX.

The ASX announcements made in relation to Australand between the financial year ending 31 December 2013 and the date of this Bidder's Statement are listed in the Annexure. In particular, this includes:

- a. Australand's annual report for the year ended 31 December 2013;
- b. the financial reports of APT, APT4 and APT5 for the year ended 31 December 2013;
- c. Australand's 2013 full year results for the year ended 31 December 2013;
- d. Australand's final distribution for the year ended 31 December 2013; and
- e. Australand's operating earnings and distribution guidance update for 2014, announced 25 March 2014 and 30 May 2014.

Information about Australand (including copies of its financial statements) may also be obtained from Australand's website at [www.australand.com.au](http://www.australand.com.au).

## 2.8 Australand securities on issue

According to documents lodged by Australand with ASX, as at the date of this Bidder's Statement the total number of securities on issue in each class in Australand is as follows:

Class	Number
Securities	578,984,528
ASSETS	2,750,000

Securities are comprised of one share in AHL and one unit in each of APT, APT4 and APT5, stapled together such that they may only be transferred together.

ASSETS are perpetual instruments that can be converted by the issuer or holder to stapled securities in Australand in certain circumstances. The face value of the remaining ASSETS on issue as at 30 June 2014 was \$275 million.

Securities and ASSETS are quoted on ASX and may be freely traded.

Australand also has 4,931,490 Australand Performance Rights on issue. Australand Performance Rights are convertible to Securities in accordance with the terms of the Australand Performance Rights Plan.

## 2.9 Substantial Securityholders

Based on information lodged with ASX as at the day before the date of this Bidder's Statement, the substantial Securityholders of Australand are as follows:

Substantial Holder	Number of Securities	Percentage of Total Issued Securities
Stockland Corporation Limited <sup>1</sup>	90,900,000	15.7%
Mitsubishi UFJ Financial Group. Inc.	52,894,156	9.1%
AMP Limited	46,945,805	8.1%
UBS AG	39,394,919	6.8%
Morgan Stanley	38,340,555	6.6%
Deutsche Bank AG	30,116,414	5.2%

<sup>1</sup> Stockland Corporation also currently hold an economic interest in an additional 24,266,597 Securities in Australand.



**2.10 Recent security price performance**

The last recorded sale price of Securities on the ASX on 30 June 2014, being the trading day prior to the date of this Bidder's Statement, was \$4.44.

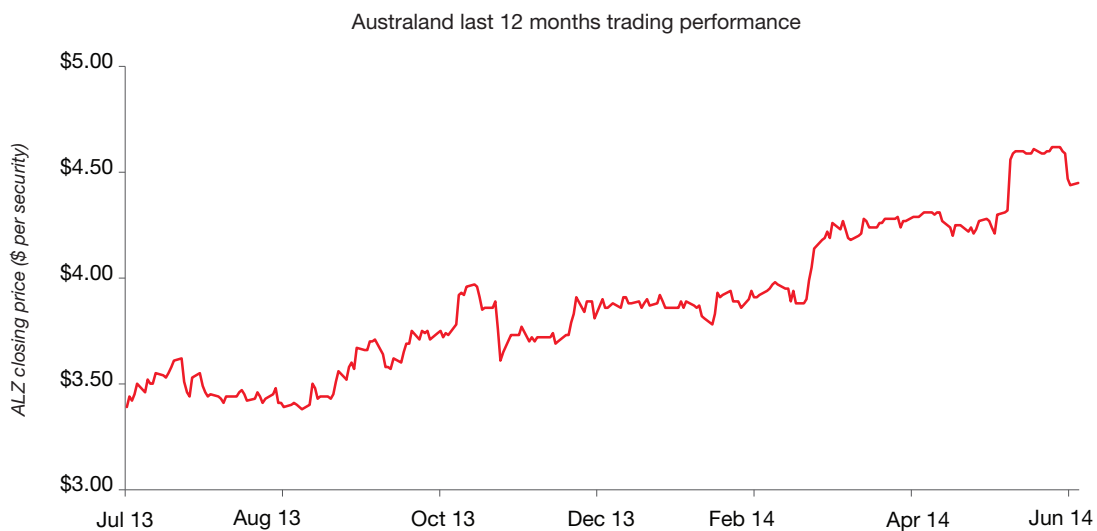
During the 3 months ended 30 June 2014 (being the trading prior to the date of this Bidder's Statement):

- the highest recorded sale price for Securities on the ASX was \$4.62 on 5 June 2014; and
- the lowest recorded sale price for Securities on the ASX was \$4.14 on 7 April 2014.

The most recent ex-distribution date for the Security was 26 June 2014. Since this date:

- the highest recorded sale price for Securities on the ASX was \$4.47 on 27 June 2014; and
- the lowest recorded sale price for Securities on the ASX was \$4.42 on 27 June 2014.

The closing prices of Securities on the ASX over the 12 months prior to the date of this Bidder's Statement are depicted in the chart below.



Source: IRESS.

**2.11 Interests of FCL Bidder and its directors in Australand securities**

As at the date of this Bidder's Statement, none of FCL, FCL Bidder or any of their directors has a relevant interest in any Securities or ASSETS.

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## 3 Intentions

### 3.1 Introduction

This section 3 sets out FCL's intentions in relation to:

- a. the continued operation of Australand;
- b. any major changes to be made to the operation of Australand, including any redeployment of Australand property;
- c. any plans to remove the Responsible Entities; and
- d. the future employment of the present employees of Australand.

These intentions are based on the information concerning Australand, its business and the general business environment which is known to FCL at the time of preparation of this Bidder's Statement, which included publicly available information and information that has been made available to FCL through due diligence access provided by Australand.

Final decisions regarding these matters will only be made by FCL in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this section 3 are statements of current intention only, which may change as new information becomes available to FCL or as circumstances change.

FCL Bidder's intentions concerning the business and property of Australand are the same as the intentions of FCL as set out in this section 3.

### 3.2 Intentions upon acquisition of 90% or more of the Securities

This section 3.2 sets out FCL's current intentions if FCL Bidder acquires relevant interests in 90% or more of the Securities and it is entitled to proceed to compulsory acquisition of the remaining Securities under the Corporations Act.

#### a. Corporate matters

It is intended that FCL would:

- i. proceed with compulsory acquisition of the outstanding Securities in accordance with the provisions of Chapter 6A of the Corporations Act (although FCL has not made any determination as to when it would proceed with compulsory acquisition after becoming entitled to do so);
- ii. arrange for Australand to be removed from the official list of ASX;
- iii. subject to the Corporations Act, Australand's constituent documents and the outcome of the review referred to in this section, consider whether its objectives would be best served by replacing the current responsible entities, AIL and APL, with an appropriately licensed entity;
- iv. review, and likely replace, the current Australand directors; and
- v. review the holding structure of Australand and Australand's assets with a view to determining the optimal structure for the Australand properties under 100% FCL ownership.

#### b. Assets

If FCL acquires a relevant interest in all of the Securities, it intends to conduct a review of Australand's assets. This may include operational changes, acquisitions or disposals and changes to development programs.

Subject to the outcome of FCL's review, FCL intends that most or all of Australand's property portfolio will become part of FCL's core property portfolio.

**c. Australand borrowings**

FCL has made no final determination in relation to Australand's existing financing arrangements. However:

- i. subject to the following, FCL's current intention is to keep existing financing in place;
- ii. FCL will assist Australand in refinancing any financing required as a result of the transaction; and
- iii. FCL currently intends to procure that Australand exercise its right of redemption in respect of all of the ASSETS in accordance with their terms as soon as is practicable.

**d. General operational matters**

If the compulsory acquisition threshold is achieved by FCL Bidder, FCL intends to conduct a thorough and broad-based general review of Australand's corporate structure, assets and operations. This review will apply quantitative and qualitative factors to measure performance and areas for improvement, including identifying opportunities in relation to integration of FCL's existing Australian operations.

FCL has a high regard for the Australand management team, and currently intends to retain key management in order to ensure a smooth transition of ownership, and to provide certainty and stability to the business and Australand employees going forward.

**3.3 Intentions upon acquisition of less than 90% of the Securities**

This section 3.3 sets out FCL's intentions if FCL Bidder does not become entitled to compulsorily acquire the outstanding Securities but, by virtue of acceptances of the Offer, acquires ownership of more than 50% of Australand.

In those circumstances, FCL's current intentions are as follows.

**a. Corporate matters**

- i. FCL will review Australand's listing on ASX. Subject to compliance with law and applicable ASX guidance, FCL would seek to arrange for Australand to be removed from the official list of ASX.
- ii. FCL will review the current Australand distribution policy.
- iii. FCL will also review, and likely replace, the current Australand directors.

**b. Assets**

FCL will undertake a detailed review of Australand's assets and make any determination following that review.

**c. Australand borrowings**

FCL has made no final determination in relation to Australand's existing financing arrangements. However:

- i. subject to the following, FCL's current intention is to keep existing arrangements in place;
- ii. FCL will co-operate with Australand in refinancing any financing required as a result of the transaction; and
- iii. FCL currently considers that it would support a decision of Australand to redeem the ASSETS in accordance with their terms as soon as practicable after FCL Bidder acquires ownership of more than 50% of Australand.

**d. General operational review**

FCL intends to conduct a thorough and broad-based general review of Australand's corporate structure, assets and operations. This review will apply quantitative and qualitative factors to measure performance and areas for improvement.

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e. **Further acquisition of Securities**

FCL or FCL Bidder may, at some later time, acquire further Securities in a manner consistent with the Corporations Act.

f. **Compulsory acquisition at a later time**

If FCL becomes entitled at some later time to exercise general compulsory acquisition rights under the Corporations Act, it may exercise those rights.

### **3.4 Other intentions**

Other than as set out in this section 3, it is the present intention of FCL to:

- a. generally continue the operations of Australand; and
- b. not make any major changes to the operations of Australand nor to redeploy any of the fixed assets of Australand.

### **3.5 Limitations on intentions**

The intentions and statements of future conduct set out in this section 3 must be read as being subject to:

- a. the law (including the Corporations Act) and the ASX Listing Rules, including in particular the requirements of the Corporations Act and the ASX Listing Rules in relation to conflicts of interest and 'related party' transactions, given that if FCL Bidder obtains control of Australand but does not acquire all of the Securities, it will be treated as a related party of Australand for these purposes;
- b. the legal obligation of the directors of Australand at the time, including any nominees of FCL or FCL Bidder, to act in good faith in the best interests of Australand and for proper purposes and to have regard to the interests of all Securityholders; and
- c. the outcome of the reviews referred to in this section 3.

## 4 Sources of Consideration

### 4.1 Consideration under the Offer

The consideration for the acquisition of the Securities to which the Offer relates will be satisfied by the payment of cash (in Australian dollars). The consideration offered for each of your Securities is \$4.48, subject to section 7.9(d).

Based on the number of Securities on issue, together with the number of Australand Performance Rights on issue that may convert into Securities during the Offer Period, as at the date of this Bidder's Statement, the maximum amount of cash that would be payable by FCL Bidder under the Offer if acceptances were received for all Securities is approximately \$2.6 billion (the **Offer Amount**).

### 4.2 FCL Bidder's funding arrangements

The Offer Amount will be funded by FCL Bidder through a combination of internal and external funding arrangements that have been put in place by FCL.

#### a. External loan facility

FCL Bidder and FCL have entered into a facility agreement with (among others) Standard Chartered Bank, Deutsche Bank and Sumitomo Mitsui Banking Corporation (the **Lenders**), pursuant to which the Lenders have agreed to provide loan facilities to FCL Bidder (the **Loan Facility Agreement**).

Subject to the terms of the Loan Facility Agreement, FCL Bidder will be able to borrow an amount to be applied towards payment of the consideration payable under the Offer and meet FCL Bidder's associated transaction costs.

The Lenders' commitments to provide a loan under the Loan Facility Agreement to be applied towards payment of the consideration payable under the Offer are subject to satisfaction of specified conditions precedent, which include, among others:

- i. satisfaction of the Defeating Conditions in sections 7.7(a) and 7.7(b) (provided that, in the case of section 7.7(b), the facility agent under the Loan Facility Agreement has consented to any conditions which are imposed by the Treasurer which may (in the facility agent's reasonable opinion) be materially adverse to the Lenders' position);
- ii. certain limited events of default and potential events of default not continuing and not resulting from the proposed loan;
- iii. certain insolvency events in relation to Australand not continuing; and
- iv. certain other conditions precedent which are documentary or procedural in nature.

FCL Bidder has no reason to believe that these conditions precedent will not be satisfied.

#### b. FCL Bidder's internal funding arrangements

FCL has irrevocably and unconditionally undertaken to provide FCL Bidder with an amount that is equal to the amount by which the Offer Amount and associated transaction costs exceed the facilities under the Loan Facility Agreement described in section 4.2(a) above. Such funds will be sourced from FCL's existing cash resources (namely, cash or cash equivalents) and contributed to FCL Bidder by equity subscription and/or debt. FCL has confirmed that funds of an amount greater than the amount by which the Offer Amount and associated transaction costs exceed the facilities under the Loan Facility Agreement (described in section 4.2(a) above) are immediately available and not subject to security interests or rights of set off and are not required for other arrangements.

Although FCL has not set aside particular cash reserves, FCL is not aware of any reason why there will not be cash reserves at least equal to the Offer Amount which will be available for provision to FCL Bidder when required under the Offer.

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Under the terms of the internal funding arrangements, FCL is obliged to advance funds on request by FCL Bidder to enable FCL Bidder to satisfy its payment obligations to Securityholders under the Offer, as well as to meet transaction costs.

#### **4.3 Provision of consideration**

On the basis of the arrangements described in this section 4, FCL Bidder believes that it has reasonable grounds for holding the view, and does hold the view, that it will be able to provide the consideration offered under the Offer, as well as meet the associated transaction costs and expenses.

#### **4.4 Additional re-financing commitments**

In addition to the above, refinancing commitments in respect of Australand Group loan facilities, US private placement notes and the ASSETS may arise as a consequence of the Offer. The circumstances in which these commitments may arise are detailed in section 2.4.

To the extent that a refinancing obligation arises in respect of any of the arrangements above as a consequence of the Offer, Australand would need to refinance the relevant arrangements.

Under the Bid Implementation Agreement, FCL has agreed to co-operate with Australand and use reasonable endeavours to establish replacement financing for the purposes of funding any refinancing requirement of Australand that arises as a consequence of the Offer.

## 5 Australian Tax Considerations

This information below has been prepared to provide a broad overview of the Australian tax considerations in relation to the acceptance of the Offer for individual Securityholders who hold their Securities on capital account and not as trading stock or otherwise on revenue account. The taxation consequences for a particular Securityholder will vary depending on their own specific circumstances. Accordingly, the information contained below, being of a general nature only, does not constitute taxation advice and cannot be relied upon as such.

The information contained in this report is based on the taxation law, established interpretations of legislation, applicable case law and published Australian Taxation Office (**ATO**) statements of administrative practice as at the date of this Bidder's Statement. It is not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every registered Securityholder.

Securityholders should seek appropriate independent professional taxation advice that considers the taxation implications of the Offer to their own specific circumstances.

### 5.1 CGT consequences – implications of Australand's stapled structure

Acceptance of the Offer will result in a disposal of the Securities by you and should trigger a CGT event.

For Australian income tax purposes, each stapled entity that comprises the Securities (i.e. AHL, APT, APT4 and APT 5) is a separate CGT asset. As such, a separate CGT calculation will be required to be undertaken in respect of the disposal of each of the separate stapled entities (i.e. shares in AHL and the respective units in APT, APT4 and APT5). In respect of each separate stapled entity, you should:

- make a capital gain if the capital proceeds on disposal of the stapled entity is greater than your cost base in that stapled entity; or
- make a capital loss if your reduced cost base of the stapled entity is greater than the capital proceeds from the disposal of that stapled entity.

#### a. Capital Proceeds

The cash consideration offered by FCL Bidder (under this Offer) will be the capital proceeds for the purposes of calculating the capital gain or loss. The capital proceeds needs to be apportioned between the stapled entities on a reasonable basis. Broadly, a reasonable basis may be the net asset value of each respective stapled entity for these purposes. This may be found on the Australand website.

#### b. Cost base of the respective stapled entities

Broadly, the cost base (or reduced cost base) of each share or unit comprising the Securities should be the amount you paid to acquire the respective share or unit (plus any incidental costs you incur on acquisition and disposal of the share or unit). The acquisition price you paid for the Securities would need to be apportioned between the stapled entities on a reasonable basis (as noted above for capital proceeds). Your cost base in the respective shares and units will be reduced by any returns of capital and/or tax deferred distributions received in respect of that particular share or unit. The tax deferred amounts and/or capital returns should have been disclosed to you in your previous distribution statements from Australand. Securityholders should seek their own advice on the relevant cost base (or reduced cost base) in the respective stapled entities.

### 5.2 CGT consequences for resident Securityholders

Any net capital gain should be included in your assessable income if you are an Australian resident Securityholder and subject to Australian income tax at your applicable tax rate. A CGT discount may be available to reduce your capital gain.

Securityholders who are individuals who have held their Securities for at least 12 months before their disposal should be entitled to the CGT discount to the extent there is a net capital gain for the income year. Broadly, the CGT discount rules provide that Australian resident individual Securityholders may reduce their capital gain

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(after the application of any current year or prior year capital losses) by 50%. Securityholders should seek their own advice in this respect.

### **5.3 CGT consequences for non-resident Securityholders**

Generally, non-Australian residents are only liable for Australian tax on capital gains in respect of CGT assets that constitute Taxable Australian Property (**TAP**). Relevantly, TAP includes:

- Taxable Australian Real Property (**TARP**), which includes real property (including leasehold interests) located in Australia;
- a CGT asset that is an indirect Australian Real Property Interest, being broadly, a non-portfolio interest (i.e. 10% or more direct or indirect interest in the issued capital of the Securities on an associate-inclusive basis) in an entity whose assets consist predominately (i.e. more than 50%), directly or indirectly, of TARP;
- a CGT asset used at any time in carrying on a business by a foreign resident through a permanent establishment in Australia; and
- an option or right to acquire a CGT asset listed above.

Accordingly, the Securities may constitute TAP depending on your specific circumstances. Securityholders should seek their own advice in determining whether their Securities are TAP.

### **5.4 Entitlement to distributions arising prior to acceptance**

Under the Offer, the Securityholders will be entitled to retain the Allowed Distribution. The Allowed Distribution may constitute distributions from the Trusts and dividends from AHL.

### **5.5 Trust distributions to resident Securityholders**

APT, APT4 and APT5 are treated as “flow through” trusts for Australian tax purposes. Accordingly, you will be required to include in your assessable income as an Australian resident Securityholder your share of the taxable income component of the Allowed Distribution of the respective trusts for the income year commencing on 1 July 2014. The taxable income component may include a capital gain which may qualify as a discount capital gain.

Due to the ownership structure of FCL Bidder, in the event that FCL Bidder closes its Offer with more than 50% of the Securities, APT, APT4 and APT5 will no longer qualify as MITs. Accordingly, the MIT CGT elections made by APT, APT4 and APT5 to treat certain assets as being held on capital account will no longer be valid. The revenue versus capital treatment of the underlying assets will be determined based on general principles. Therefore, depending on the nature of any gain distributed as part of the pro-rata distribution, CGT discount may not be available.

The Allowed Distribution may also include a tax deferred component. This component is generally not assessable. However, the tax deferred component generally reduces the cost base of the units in the trusts (where the tax deferred amount is less than the cost base of the unit) and will affect your capital gain or loss on disposal of such units. The components that make up the distribution will be notified in your tax statement for the income year.

### **5.6 Trust distributions to non-resident Securityholders**

In the event that FCL Bidder closes its Offer with more than 50% of the Securities, APT, APT4 and APT5 will no longer qualify as MITs. Accordingly, non-Australian resident Securityholders will no longer benefit from a final MIT withholding tax on certain trust distributions as follows:

- 15% final MIT withholding tax on ‘fund payments’ (e.g. net rental income and capital gains) made to Securityholders resident in an Information Exchange Country (i.e. a country with an effective exchange of information treaty with Australia); and
- 30% final MIT withholding tax on ‘fund payments’ made to Securityholders not resident in an Information Exchange Country.



Rather, the following taxes will apply to the Allowed Distribution to be paid to you as non-resident individual Securityholders:

- 10% final withholding tax on Australian sourced interest income; and
- non-final tax at 45% (to be increased to 47% from 1 July 2014) on Australian sourced net rental income and capital gains.

The Allowed Distribution may also include a tax deferred component. This component is generally not assessable. However, the tax deferred component generally reduces the cost base of the units in the trusts (where the tax deferred amount is less than the cost base of the unit) and will affect the capital gain or loss on disposal of such units (where the units are TAP). The components that make up the distribution will be notified in your tax statement for the income year.

### **5.7 Receipt of dividends in respect of shares in AHL – Resident Securityholders**

If dividends are paid in respect of the shares in AHL, as an Australian resident Securityholder, you will be required to include your share of the dividends distributed in your assessable income when paid.

To the extent the dividend is franked, Australian resident Securityholders may be required to gross up dividends included in their assessable income for the attached franking credits and may be entitled to a tax offset equal to that franking credit, depending on your particular circumstances.

### **5.8 Receipt of dividends in respect of shares in AHL – Non-Resident Securityholders**

For non-resident Securityholders, to the extent the dividend is franked, no dividend withholding tax should be levied on the franked portion of the dividend. However, to the extent the dividend is unfranked, dividend withholding tax at 30% will be applied to the dividend unless a lower rate applies under an applicable tax treaty or a specific exemption is available.

### **5.9 Goods and Services Tax**

The disposal of your Securities in return for cash under the Offer will not attract GST. To the extent that you incur GST on acquisitions which you make in connection with the Offer (such as adviser fees), you may not be entitled to an input tax credit for the GST on those acquisitions, depending on your particular circumstances.

### **5.10 Stamp Duty**

No stamp duty will be payable by a Securityholder on a disposal of their Securities under the Offer.

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## 6 Other Material Information

### 6.1 ASIC relief, modifications and exemptions

ASIC has published various 'Class Order' instruments providing for modifications and exemptions that apply generally to all persons, including FCL Bidder, in relation to the operation of Chapter 6 of the Corporations Act.

Amongst others, FCL Bidder has relied on:

- a. the modification to section 636(3) of the Corporations Act as set out in paragraph 5(d) of ASIC Class Order 13/521 to include references to certain statements by Australand in this Bidder's Statement without obtaining the consent of those persons. The relevant statements were respectively taken from announcements released to the ASX by Australand and from the Australand Group's website: [www.australand.com.au](http://www.australand.com.au). As required by Class Order 13/521, FCL Bidder will make available a copy of these documents (or relevant extracts of these documents), free of charge, to Securityholders who request them during the Bid Period. To obtain a copy of these documents (or the relevant extracts), Securityholders may telephone the Frasers Offer Information Line on 1800 992 613 (toll-free within Australia) or +61 1800 992 613 (from outside Australia); and
- b. the modification to section 606 of the Corporations Act as set out in ASIC Class Order 13/520 to disregard 'relevant interests' that arise out of the Facility described in section 8.

### 6.2 Allowed Distribution

Under the terms of the Offer, all Securityholders will receive the Allowed Distribution.

The Allowed Distribution will be paid to all Securityholders on the Australand register of members as at the Allowed Distribution Record Date (which will include all Securityholders that have accepted the Offer before it becomes unconditional).

The Allowed Distribution will be an amount equal to:

- the proportion of Australand's expected second half distribution for 2014 (being 12.75 cents per Security) that is referable to the period from 1 July 2014 until the Offer becomes unconditional (as a proportion of the entire half year ending 31 December 2014 and calculated on a pro-rata basis), up to a maximum of 12.75 cents per Security; or
- if the Offer is not unconditional before 31 December 2014, 12.75 cents per Security.

If for any reason the Allowed Distribution exceeds the amount contemplated above, the consideration paid under the Offer will be reduced accordingly.

If the Allowed Distribution is paid after the Offer becomes unconditional, FCL Bidder anticipates that any distribution for the half year ending 31 December 2014 would be reduced to take account of the Allowed Distribution.

### 6.3 Potential for waiver of Defeating Conditions

The Offer is subject to a number of conditions set out in section 7.7 including a minimum acceptance condition (see section 7.7(a)). Under the terms of the Offer and the Corporations Act, any or all of those Defeating Conditions (other than the Defeating Condition in section 7.7(b)) may be waived by FCL Bidder. Under the terms of the Bid Implementation Agreement, once the conditions in sections 7.7(a) (minimum acceptance) and 7.7(b) (FIRB approval) are both satisfied, FCL Bidder will waive all Defeating Conditions other than any Defeating Condition in respect of which FCL Bidder has publicly announced a breach or suspected breach before that time.

If an event occurs which results (or would result) in the non-fulfilment of a Defeating Condition, FCL Bidder might not make a decision as to whether it will either rely on the occurrence, or instead waive the Defeating Condition in respect of that occurrence, until the date for giving notice as to the status of the conditions of the Offer under section 630(3) of the Corporations Act (see section 7.8(e)). If FCL Bidder decides that it will waive a Defeating Condition it will announce that decision to the ASX in accordance with section 650F of the Corporations Act.

If any of the Defeating Conditions is not fulfilled, and FCL Bidder decides to rely on that non-fulfilment, then any contract resulting from acceptance of the Offer will become void at (or, in some cases, shortly after) the end of the Offer Period, and the relevant Securities will be returned to the holder.

## **6.4 Status of Defeating Conditions**

The Offer is subject to a number of conditions set out in section 7.7. Set out below is the status of key conditions as at the day before the date of this Bidder's Statement. FCL Bidder will provide updates on any material developments relating to the status of these conditions through announcements to the ASX and the SGX. As at the date of this Bidder's Statement, FCL Bidder is not aware of any events or circumstances which would result in the non-fulfilment of any of the Defeating Conditions. If the Defeating Conditions set out in section 7.7 are not fulfilled, then no contract will be capable of arising at all from acceptance of the Offer.

### **FIRB Approval**

On 12 June 2014, FCL lodged an application with FIRB in respect of the acquisition by FCL Bidder of up to all of the Securities.

## **6.5 Bid Implementation Agreement**

Australand and FCL have entered into the Bid Implementation Agreement, which sets out arrangements in relation to the conduct of the takeover bid by FCL Bidder of all Australand Securities to be implemented in accordance with Chapter 6 of the Corporations Act. The full form of the Bid Implementation Agreement was announced on ASX on 1 July 2014. This section 6.5 contains a summary of the material terms of the Bid Implementation Agreement.

### **a. Consideration**

FCL must make Offers to all Securityholders in respect of all Securities by no later than 7 July 2014 (or such later date agreed by the parties). The offer price for each Security will be a cash payment equal to \$4.48.

### **b. Exclusivity**

Australand represents and warrants to FCL that it has ceased negotiations and discussions in respect of competing proposals.

For the duration of the exclusivity period, which commences on 1 July 2014 and ends at the end of the Offer Period, Australand must ensure that it does not solicit, invite, initiate or encourage any discussions with a view to obtaining any offer or proposal that would be a competing proposal and must ensure that it does not enable any persons to undertake due diligence investigations in respect of Australand without the prior consent of FCL.

Australand is also required to notify FCL of any approach by a third party in relation to a competing proposal and FCL must be afforded an opportunity to match any such proposal if it is superior to the Offer.

The restriction on providing persons with due diligence access and the notification obligation do not apply to the extent that they restrict Australand or the Australand board from taking or refusing to take any action provided that the Australand board has determined that taking or refusing to take the relevant action would be reasonably likely to constitute a breach of the fiduciary or statutory obligations of the directors of the Australand board.

### **c. Conduct of business**

Australand is required to conduct its business in the ordinary course until the end of the Offer Period and (subject to the obligation of the members of the Australand board to comply with their fiduciary duties) not take any action which would constitute a breach of the Defeating Conditions in sections 7.7(c) to (h).

### **d. Allowed Distribution**

Within two business days after the Offer becomes unconditional, Australand will announce to ASX the Allowed Distribution. The Allowed Distribution Record Date must be the date that is five Business Days after the date on which the Allowed Distribution is announced. The Allowed Distribution must be paid not more than ten Business Days after the Allowed Distribution Record Date.

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e. **Termination**

The Bid Implementation Agreement may be terminated by either party by notice to the other party:

- i. if the other party is in material breach of the Bid Implementation Agreement and the breach is not remedied in five Business Days;
- ii. if FCL withdraws the takeover bid;
- iii. if there is a material breach of a representation or warranty;
- iv. if a court or Regulatory Authority restrains or prohibits the takeover bid; or
- v. if the Offer is not made before 15 August 2014.

FCL may terminate the Bid Implementation Agreement if:

- i. a superior proposal is made for Australand by a third party;
- ii. a majority of the Australand Board does not recommend that the Securityholders accept the takeover bid or withdraws their recommendation; or
- iii. an Australand entity becomes insolvent.

Australand may terminate the Bid Implementation Agreement if Australand has notified FCL of a superior offer, or potential superior offer, and either FCL does not propose a matching offer or the Australand board determines that the proposed matching offer would provide Securityholders with a less favourable outcome than the superior offer.

## **6.6 Broker commission**

FCL Bidder may offer to pay a commission to brokers who solicit acceptances of the Offer from their clients. FCL Bidder has made no final decision in relation to the matter at this stage.

Any commission payments will be paid only in respect of parcels of Securities held by retail Securityholders who accept the Offer.

If such arrangements are put in place, commission payments will not exceed 0.75% of the value of the consideration payable for parcels of Securities held by retail Securityholders who accept the Offer, and will be subject to minimum payments (not exceeding \$50) and maximum payments (not exceeding \$750) for each acceptance.

If a commission is offered, it will be payable to brokers only and subject to the condition that no part of the fee will be able to be passed on, or paid, to Securityholders.

If and when FCL Bidder decides to offer such a commission to any broker, it will make an announcement to ASX.

It is FCL Bidder's intention that, if and when an offer of commission has been made to any broker by FCL Bidder, the commission arrangement will remain in place for the balance of the Offer Period and the amount of the commission offered will not be increased during the Offer Period.

## **6.7 Approvals for payment of consideration**

FCL Bidder is not aware of any Securityholders who require any approval referred to in section 7.9(e) in order to be entitled to receive any consideration under the Offer.

So far as FCL Bidder is aware, unless the Minister for the Department of Foreign Affairs and Trade has given specific approval under the Autonomous Sanctions Regulations 2011 (Cth), payments or transfers to, by the order of or on behalf of prescribed governments (and their statutory authorities, agencies and entities) and, in certain cases, nationals of prescribed countries are subject to certain limited exceptions, restrictions or prohibitions. Based on FCL Bidder's searches, the prescribed governments, countries and entities are as follows:

- a. supporters of the former government of the Federal Republic of Yugoslavia;
- b. individuals associated with the Burmese regime;

- c. certain individuals associated with the Fiji Government;
- d. certain Iranian entities and persons not already listed by the United Nations Security Council;
- e. certain key persons and entities who were associated with the former Qadhafi regime;
- f. persons and entities responsible for, or involved in, human rights abuses in Syria;
- g. ministers and senior officials of the Government of Zimbabwe, as well as senior management of state owned enterprises of Zimbabwe; and
- h. certain entities and individuals associated with the Democratic People's Republic of Korea.

Part 4 of the *Charter of the United Nations Act 1945* (Cth) prohibits funds and other financial assets from being provided to specified persons associated with terrorism. The places to which, and persons to whom, the *Charter of the United Nations Act 1945* (Cth) currently applies include places and persons specified in regulations made under the *Charter of the United Nations Act 1945* (Cth), and any person or entity listed as being associated with terrorism by the Australian Minister for Foreign Affairs in the Commonwealth of Australia Gazette for the purposes of Part 4 of the *Charter of the United Nations Act 1945* (Cth).

The places to which, and persons to whom, the Charter of the United Nations (Terrorism and Dealing with Assets) Regulations 2002 (Cth) currently apply include the Taliban, a member of the Al-Qaida organisation (also known as the Al-Qaeda organisation), and any person named on the list maintained pursuant to United Nations Resolution 1390 (2002) by the Committee of the United Nations Security Council established pursuant to United Nations Resolution 1267 (1999).

The places to which and persons to whom the Charter of the United Nations (Sanctions – Afghanistan) Regulations 2001 (Cth) currently apply include the Taliban Territory, a bin Laden Entity and a Taliban Entity (as those terms are defined in those regulations).

The Charter of the United Nations (Sanctions – Iraq) Regulations 2008 (Cth) apply in respect of certain assets of the previous government of Iraq, assets removed from Iraq, or acquired, by or on behalf of senior officials of the previous government of Iraq or their immediate families, and certain other assets specified in the regulations. Transactions involving such assets (including, if relevant, Securities) require Ministerial approval.

## **6.8 Withholding of consideration**

FCL Bidder is not currently aware of any amounts that are or would be treated as withholding amounts under section 7.9(f). However, it is possible that FCL Bidder may become aware of an obligation in this regard after the date of this Bidder's Statement.

For example, under section 255 of the *Income Tax Assessment Act 1936* (Cth), the Australian Taxation Office may notify FCL Bidder that all or part of the consideration otherwise payable under the Offer to Securityholders who are non-residents of Australia is to be retained by FCL Bidder, or paid to the Australian Taxation Office, instead of being paid to the relevant Securityholders. Similarly, under section 260-5 of Schedule 1 to the *Taxation Administration Act 1953* (Cth), the Australian Taxation Office may require FCL Bidder to pay to the Australian Taxation Office all or part of the consideration otherwise payable under the Offer to Securityholders who owe tax-related debts to the Australian Government.

## **6.9 Date for determining holders of Securities**

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) for each Offer is the Register Date.

## **6.10 No collateral benefits**

Neither FCL, FCL Bidder nor any of their associates has in the four months before the date of this Bidder's Statement, or in the period between the date of this Bidder's Statement and the date of the Offer, given, offered to give or agreed to give a benefit which is not offered to all Securityholders under the Offer to another person which was likely to induce the other person (or an associate) to accept the Offer or dispose of Securities.

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## 6.11 No escalation agreements

Neither FCL, FCL Bidder nor any of its associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

## 6.12 Consents

This Bidder's Statement contains statements made by, or statements based on statements made by, FCL and FCL Bidder. Each of FCL and FCL Bidder has consented to being named in this Bidder's Statement and has consented to the inclusion of:

- a. each statement it has made; and
- b. each statement which is said in this Bidder's Statement to be based on a statement it has made, in the form and context in which the statements have been included, and has not withdrawn that consent.

The following firms and companies have given, and have not at the date of this Bidder's Statement withdrawn, their written consent to being named in this Bidder's Statement:

<b>Name of person</b>	<b>Named as</b>
Allens	Australian Legal Adviser
Deutsche Bank	Financial Adviser and Lender
Standard Chartered Bank	Financial Adviser and Lender
Ernst & Young	Tax Adviser
Sumitomo Mitsui Banking Corporation	Lender
Link Market Services Limited	Registry
Pacific Custodians Pty Ltd	Facility Operator

None of these firms and companies have caused or authorised the issue of this Bidder's Statement or have in any way been involved in the making of the Offer. The Offer is made by FCL Bidder.

Each of the above firms and companies:

- a. does not make, or purport to make, any statement in this Bidder's Statement, or any statement on which a statement in this Bidder's Statement is based, other than a reference to its name; and
- b. to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this document, other than a reference to its name.

In addition, this Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to the ASX. Under the terms of ASIC Class Order 13/521, the persons making those statements are not required to consent to, and have not consented to, the inclusion of those statements, or of statements based on those statements, in this Bidder's Statement. See section 6.1 for further information.

## 6.13 Other material information

Except as disclosed in this Bidder's Statement, there is no other information that:

- a. is material to the making of the decision by a Securityholder whether or not to accept the Offer; and
- b. is known to FCL or FCL Bidder,

which has not previously been disclosed to Securityholders.

## 7 Offer Terms

### 7.1 Offer

- a. FCL Bidder offers to acquire (or to have its nominee acquire) all of your Securities on the terms and subject to the conditions set out in this section 7.
- b. The consideration offered for each of your Securities is \$4.48 in cash.
- c. If FCL Bidder (or a nominee of FCL Bidder) acquires your Securities under this Offer, it will also be entitled to all Rights in respect of your Securities.
- d. This Offer is dated [\*] 2014.

### 7.2 Offer Period

- a. This Offer will remain open for acceptance during the period that commences on the date of this Offer and ends at 7:00pm on [\*] 2014, unless this Offer is withdrawn or that period is extended in accordance with the Corporations Act.
- b. FCL Bidder may, in accordance with the Corporations Act, extend the period during which this Offer remains open for acceptance.

### 7.3 How to accept this Offer

#### a. Accept for all of your Securities

Subject to section 7.10(c), you may only accept this Offer for all of your Securities.

#### b. Issuer Sponsored Holdings

If your Securities are held in an Issuer Sponsored Holding (in which case your Securityholder Reference Number will commence with 'I'), to accept this Offer in respect of those Securities you must:

- i. **complete** and **sign** the enclosed Acceptance Form in accordance with the instructions on it; and
- ii. **return** the Acceptance Form (using the enclosed reply paid envelope if you wish), together with all other documents required by the instructions on it, so that they are **received** before the end of the Offer Period at one of the addresses indicated on the Acceptance Form.

#### c. CHES Holdings

If your Securities are held in a CHES Holding (in which case your Holder Identification Number will commence with 'X'), to accept this Offer in respect of those Securities you must either:

- i. **instruct** your Controlling Participant, in accordance with the sponsorship agreement between you and the Controlling Participant, to initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules, so as to be effective before the end of the Offer Period; or
- ii. **complete, sign and return** the enclosed Acceptance Form (using the enclosed reply paid envelope if you wish) in accordance with the instructions on the Acceptance Form, together with all other documents required by those instructions, so that they are **received** before the end of the Offer Period at one of the addresses indicated on the Acceptance Form. This will authorise FCL Bidder to initiate, or alternatively to instruct your Controlling Participant to initiate, acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period. You must ensure that the Acceptance Form (and the other required documents) are received in sufficient time for FCL Bidder to give instructions to your Controlling Participant, and for your Controlling Participant to carry out those instructions, before the end of the Offer Period.

However, if you are the Controlling Participant in respect of your Securities, to accept this Offer you must yourself initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

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## 7.4 Status and effect of the Acceptance Form

### a. Status of Acceptance Form

The Acceptance Form that accompanies this Bidder's Statement forms part of this Offer, and the instructions on the Acceptance Form must be followed in using it to accept this Offer.

### b. Effect of Acceptance Form

By signing and returning the Acceptance Form in accordance with section 7.3, you irrevocably authorise FCL Bidder and its nominees:

- i. to rectify any errors in, or omissions from, the Acceptance Form that are necessary to make it an effective acceptance of this Offer or to enable registration of the transfer of all of your Securities to FCL Bidder; and
- ii. (in respect of any of your Securities in a CHES Holding) to:
  - a. initiate, or alternatively instruct your Controlling Participant to initiate, acceptance of this Offer in respect of all such Securities in accordance with Rule 14.14 of the ASX Settlement Operating Rules; and
  - b. give any other instructions concerning those Securities to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant, as determined by FCL Bidder (or its nominee) acting in its own interests as a beneficial owner and intended registered holder of your Securities,

and acknowledge that:

- c. with respect to sub-paragraph (A) above, FCL Bidder (or its agents or nominees) will merely forward your Acceptance Form to your Controlling Participant (being the only person who can accept this Offer on your behalf) and that it is your responsibility to allow sufficient time for your Controlling Participant to initiate acceptance of this Offer;
- d. FCL Bidder (or its agents or nominees) is not responsible for any delays incurred by the process described in sub-paragraph (B) above or any losses whatsoever you incur by the fact that your acceptance is not processed before the end of the Offer Period; and
- e. you must promptly give any further instructions or take any further actions necessary concerning your Securities to your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules prior to the end of the Offer Period.

### c. Validation of Acceptance Form

Notwithstanding sections 7.3(b) and 7.3(c)(ii), FCL Bidder may (except in relation to Securities in a CHES Holding) treat the receipt by it of a signed Acceptance Form either:

- i. before the end of the Offer Period; or
- ii. after the end of the Offer Period but where the Acceptance Form is sent by post and the envelope in which it is posted is post-marked before the end of the Offer Period,

as valid even though it does not receive the other documents required by the instructions on the Acceptance Form or there is not compliance with any one or more of the other requirements for acceptance.

If FCL Bidder does treat such an Acceptance Form as valid, subject to section 7.9, FCL Bidder will not be obliged to give the consideration to you until:

- iii. FCL Bidder receives all those documents; and
- iv. all of the requirements for acceptance referred to in section 7.3 and in the Acceptance Form have been met (other than the requirement of your Acceptance Form to be received before the end of the Offer Period).



**d. Risk in Acceptance Form**

The transmission by you of the Acceptance Form and any other documents in accordance with section 7.3 is at your own risk. No acknowledgement of receipt of any such documents will be given to you by or on behalf of FCL Bidder.

**e. Revocation of acceptance**

- i. Once you have accepted this Offer and the Defeating Condition set out in section 7.7(b) has been fulfilled, you will be unable to revoke your acceptance other than as set out in this section 7.4(e) and the contract resulting from your acceptance will be binding on you.
- ii. In addition, once the Defeating Condition set out in section 7.7(b) has been fulfilled, you will be unable to withdraw your acceptance of this Offer or otherwise dispose of your Securities, except as follows:
  - a. if a Defeating Condition, as set out in section 7.7, is not fulfilled or waived, then this Offer will automatically terminate and your Securities will be returned to you; or
  - b. if the Offer Period is extended for more than one month and, at the time, this Offer is subject to one or more Defeating Conditions, as set out in section 7.7, then you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act.
- iii. The Defeating Condition set out in section 7.7(b) is a condition precedent to FCL Bidder's acquisition of any interest in Australand under this Offer. Notwithstanding your acceptance of the Offer, unless and until this Defeating Condition is fulfilled or waived, you will be able to, subject to section 7.4(e)(ii)(B), withdraw your acceptance of the Offer. Please see section 7.8(a)(i) for further information as to how to withdraw your acceptance in these circumstances.

**f. Processing Offers**

FCL Bidder will not process, and must procure that the Registry does not process, any acceptances of the Offer until after the Allowed Distribution Record Date.

**7.5 Power of attorney or deceased estate**

When accepting this Offer, you should forward for inspection:

- a. if the Acceptance Form is executed by an attorney, a certified copy of the power of attorney; and
- b. if the Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased Securityholder, the relevant grant of probate or letters of administration.

**7.6 Agreement resulting from acceptance**

By signing and returning the Acceptance Form or initiating or causing acceptance of this Offer under the ASX Settlement Operating Rules in accordance with section 7.3:

- a. you accept this Offer in respect of all of your Securities at the date your acceptance is processed (even if the number of Securities specified on the Acceptance Form differs from the number of your Securities) and agree to the terms and conditions of this Offer;
- b. subject to all of the Defeating Conditions being fulfilled or waived, you transfer, and consent to the transfer in accordance with ASX Settlement Operating Rules of all of your Securities to FCL Bidder in accordance with this Offer and subject to the conditions of the constitutions of Australand on which they were held immediately before your acceptance of this Offer (and FCL Bidder agrees to take those Securities subject to those conditions);
- c. you represent and warrant to FCL Bidder that, at the time of your acceptance and at the time the transfer of your Securities to FCL is registered:
  - i. all of your Securities are and will be fully paid;
  - ii. you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership of your Securities to FCL Bidder; and
  - iii. FCL Bidder will acquire good title to them and full beneficial ownership of them free from all Encumbrances, interests of third parties of any kind (whether legal or otherwise), and restrictions on transfer;

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- d. subject to all of the Defeating Conditions being fulfilled or waived, you irrevocably appoint FCL Bidder and each of its directors and nominees severally as your attorney to exercise all powers and rights that you have as the registered holder of your Securities, including:
- i. attending any meeting of Australand, and voting in respect of your Securities, proposing or seconding any motion, and demanding a poll for any vote at, any such meeting;
  - ii. requisitioning the convening of any general meeting of Australand and convening a general meeting pursuant to any such requisition; and
  - iii. signing any form, notice, instrument or other document (including any proxy appointment) relating to your Securities.

Such appointment will terminate on the earlier of the withdrawal of your acceptance of this Offer (either in accordance with its terms or under section 650E of the Corporations Act) and the end of the Offer Period or, if all Defeating Conditions of the Offer have been fulfilled or waived, the registration of FCL Bidder as the holder of your Securities;

- e. you agree that, in exercising the powers and rights conferred by the power of attorney in section 7.6(d), each attorney may act in the interests of FCL Bidder as the intended registered holder and beneficial owner of your Securities;
- f. except as contemplated by section 7.6(d) and while the appointment in that section continues, you agree not to attend or vote in person or by proxy, attorney or corporate representative at any meeting of Australand, or to exercise or purport to exercise (in person or by proxy, attorney, or corporate representative or otherwise) any of the powers conferred by the power of attorney in section 7.6(d);
- g. you irrevocably authorise and direct Australand to pay to FCL Bidder, or to account to FCL Bidder for, all Rights in respect of your Securities (except to the extent that FCL Bidder elects to waive its entitlement to those Rights), subject, however, to any such Rights received by FCL Bidder being accounted for by FCL Bidder to you if any contract resulting from your acceptance of this Offer is rescinded or rendered void;
- h. subject to all of the Defeating Conditions being fulfilled or waived, you irrevocably authorise FCL Bidder and its nominees to do all things necessary to transfer your Securities to FCL Bidder (including to cause a message to be transmitted in accordance with ASX Settlement Operating Rule 14.17.1 so as to transfer your Securities, if held in a CHES Holding, to the Takeover Transferee Holding), even if FCL Bidder has not at that time paid or provided the consideration due to you under this Offer; and
- i. you agree to indemnify FCL Bidder and each of its agents in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or your Securityholder Reference Number or in consequence of the transfer of your Securities to FCL Bidder being registered by Australand without production of your Holder Identification Number or your Securityholder Reference Number.

The representations, warranties, authorities and indemnity referred to in this section 7.6 will (unless otherwise stated) remain in force after you receive the Offer consideration for your Securities and after FCL Bidder becomes the registered holder of them.

## **7.7 Defeating Conditions**

Subject to section 7.8, this Offer and any contract resulting from your acceptance of this Offer are subject to the fulfilment of the following Defeating Conditions.

### **a. Minimum acceptance**

During, or at the end of, the Offer Period, the number of Securities in which FCL Bidder and its Associates together have relevant interests is more than 50% of all the Australand Securities (on a fully diluted basis).

**b. FIRB approval**

Prior to the end of the Offer Period, either:

- i. the Treasurer (or his delegate) has provided written advice with or without conditions that there are no objections under Australia's foreign investment policy to the proposed acquisition of Securities under the Offer; or
- ii. following notice of the proposed acquisition of Securities under the Offer having been given by FCL or FCL Bidder to the Treasurer under the FATA, the Treasurer has ceased to be empowered to make any order under Part II of the FATA because of lapse of time.

**c. Conduct of business**

During the period from the date of the Bid Implementation Agreement to the end of the Offer Period (each inclusive), Australand's business and the business of Australand's Subsidiaries (considered in aggregate) is carried on in the ordinary course, except as approved in writing by FCL.

**d. No change to distribution policy**

Between the date of the Bid Implementation Agreement and the end of the Offer Period there is no change to Australand's distribution policy as announced in its release entitled "2014 Operating earnings and distribution guidance" dated 25 March 2014.

**e. No issue of Securities or Australand Performance Rights**

Between the date of the Bid Implementation Agreement and the end of the Offer Period:

- i. no Security is issued (other than the issue of a Security on vesting of an Australand Performance Right on issue at the date of the Bid Implementation Agreement); and
- ii. no Australand Performance Right is granted or issued.

**f. No material change to senior management of Australand**

Between the date of the Bid Implementation Agreement and the end of the Offer Period Australand makes no material change to its senior management.

**g. No Prescribed Occurrences**

Between the date of the Bid Implementation Agreement and the end of the Offer Period, except as contemplated by the Bid Implementation Agreement, none of the following events occur:

- i. Australand converts all or any Securities into a larger or smaller number of securities;
- ii. Australand resolves to reduce its capital in any way;
- iii. Australand:
  - a. enters into a buy-back agreement; or
  - b. resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- iv. Australand or a Subsidiary of Australand issues Securities or grants an option over Securities, or agrees to make such an issue or grant such an option, in each case other than Securities issued or agreed to be issued to a member of Australand or on vesting of an Australand Performance Right on issue at the Announcement Date, or in the ordinary course of business under the Australand Performance Rights Plan;
- v. Australand or a Subsidiary of Australand issues, or agrees to issue, convertible notes other than to a member of Australand;
- vi. Australand or a Subsidiary of Australand disposes, or agrees to dispose, of the whole, or a substantial part, of the business or property of Australand considered in aggregate;
- vii. Australand or a Subsidiary of Australand grants, or agrees to grant, a security interest in the whole, or a substantial part, of the business or property of Australand considered in aggregate;

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- viii. Australand or a Subsidiary of Australand that holds assets of Australand resolves to be wound up;
  - ix. a liquidator or provisional liquidator of Australand or a Subsidiary of Australand that holds assets of Australand is appointed;
  - x. a court makes an order for the winding up of Australand or a Subsidiary of Australand that holds assets of Australand;
  - xi. an administrator of Australand, or a Subsidiary of Australand that holds assets of Australand, is appointed under section 436A, 436B or 436C of the Corporations Act;
  - xii. Australand or a Subsidiary of Australand executes a deed of company arrangement; or
  - xiii. a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Australand or a Subsidiary of Australand when considered in aggregate.

**h. No material acquisitions or disposals**

Except for any proposed transaction publicly announced by Australand before the date of the Bid Implementation Agreement or approved by FCL or FCL Bidder, none of the following events occurs during the period from the date of the Bid Implementation Agreement to the end of the Offer Period:

- i. any member of the Australand Group acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount greater than \$70 million (either alone, or in respect of all such acquisitions in aggregate) or makes an announcement in relation to such an acquisition, offer or agreement, other than in the ordinary course of business; and
- ii. any member of the Australand Group disposes of, offers to dispose of, or agrees to dispose of, one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount, or in respect of which the book value is greater than \$70 million (either alone, or in respect of all such disposals in aggregate) or makes an announcement in relation to such a disposition, offer or agreement, other than in the ordinary course of business.

Where a member of Australand makes (or offers or agrees to make) an acquisition or disposal (in each case an **Action**) as a member of a joint venture or partnership, then for the purpose of this Defeating Condition the dollar value of the Australand member's Action will be determined based on its proportionate interest in the joint venture or partnership which undertakes the Action.

**i. No restraining orders**

Between the date of the Bid Implementation Agreement and the end of the Offer Period:

- i. there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority; and
- ii. no application is made to any Regulatory Authority (other than by FCL, FCL Bidder or its Related Bodies Corporate), or action or investigation is announced, threatened or commenced by a Regulatory Authority,

in consequence of, or in connection with, the Offer (other than an application to or a determination, action or investigation by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act), which:

- iii. restrains or prohibits (or if granted could restrain or prohibit), or otherwise materially adversely impacts on, the making of the Offer or the completion of any transaction contemplated by the Offer (whether subject to conditions or not) or the rights of FCL Bidder in respect of Australand and the Securities to be acquired under the Offer; or
- iv. requires the divestiture by FCL Bidder of any Securities, or the divestiture of any assets of Australand, FCL, FCL Bidder or its Related Bodies Corporate or otherwise.

## **7.8 Nature and operation of Defeating Conditions**

### **a. Nature of Defeating Conditions**

- i. The Defeating Condition in section 7.7(b) is a condition precedent to FCL Bidder's acquisition of any interest in Securities. Notwithstanding your acceptance of this Offer, unless and until the Defeating Condition in section 7.7(b) has been fulfilled or waived:
  - a. no contract for the sale of your Securities will come into force or be binding on you, FCL or FCL Bidder;
  - b. FCL Bidder will have no rights (conditional or otherwise) in relation to your Securities;
  - c. if your Securities are held in a CHES Holding, you will be entitled to withdraw your acceptance in respect of those Securities by having your Controlling Participant transmit a valid originating message to ASX Settlement specifying the Securities to be released from the sub-position, in accordance with Rule 14.16 of the ASX Settlement Operating Rules, at any time prior to the fulfilment or waiver of that Defeating Condition; and
  - d. if your Securities are not held in a CHES Holding, you will be entitled to withdraw your acceptance in respect of those Securities by sending a notice to that effect signed by you (or on your behalf, in which case documentation proving that the person or persons signing the notice are authorised to do so must accompany the notice) to any of the addresses specified on the Acceptance Form so that it is received at the relevant address at any time prior to the fulfilment or waiver of that Defeating Condition.
- ii. Each of the other Defeating Conditions is a condition subsequent to the formation of a binding contract upon your acceptance of this Offer. None of those Defeating Conditions prevents a contract to sell your Securities resulting from your acceptance of this Offer, but:
  - a. breach of any of those Defeating Conditions entitles FCL and FCL Bidder to rescind that contract by written notice to you; and
  - b. non-fulfilment of any of those Defeating Conditions at the end of the Offer Period will have the consequences set out in section 7.8(f).

### **b. Separate Defeating Conditions for benefit of FCL**

- i. Each paragraph and sub-paragraph of section 7.7 constitutes, and is to be construed as, a separate, several and distinct Defeating Condition. No Defeating Condition will be taken to limit the meaning or effect of any other Defeating Condition.
- ii. Subject to the Corporations Act and to section 7.8(a)(i), FCL and FCL Bidder alone are entitled to the benefit of the Defeating Conditions and to rely on breach or non-fulfilment of, or to waive, any of those conditions.

### **c. Fulfilment of Defeating Conditions**

FCL and FCL Bidder will use all reasonable endeavours to ensure that the Defeating Condition contained in section 7.7(b) is fulfilled as soon as possible after the date of this Bidder's Statement.

### **d. Waiver of Defeating Conditions**

Subject to the Corporations Act, FCL or FCL Bidder may free this Offer and any contract resulting from your acceptance of this Offer from all or any of the Defeating Conditions generally or in relation to a specific occurrence by giving written notice to Australand:

- i. in the case of the Defeating Condition in section 7.7(g) – not later than three Business Days after the end of the Offer Period; and
- ii. in the case of the other Defeating Conditions – not less than seven Business Days before the last day of the Offer Period.

e. **Notice on status of Defeating Conditions**

The date for giving notice as to the status of the Defeating Conditions required by section 630(1) of the Corporations Act is [ ] 2014 (subject to variation in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

f. **Contract void if Defeating Conditions not fulfilled**

Your acceptance of this Offer, and any contract resulting from your acceptance of this Offer, will be automatically void if:

- i. at the end of the Offer Period, any of the Defeating Conditions is not fulfilled; and
- ii. FCL Bidder has not declared this Offer and any contract resulting from your acceptance of it free from that Defeating Condition in accordance with section 7.8(d).

## **7.9 Payment of consideration**

a. **When you will generally be paid**

Subject to this section 7.9 and the Corporations Act, if you accept this Offer and the Defeating Conditions are fulfilled or waived, FCL Bidder will provide to you the consideration for your Securities under this Offer by the later of:

- i. 15 Business Days after the date that the Offer becomes unconditional; or
- ii. 10 Business Days after the date that you accept the Offer.

b. **Provision of consideration where additional documents required**

Where additional documents are required, either by the Acceptance Form or otherwise, to be given to FCL Bidder with your acceptance to enable FCL Bidder to become the holder of your Securities (such as a power of attorney) then, subject to sections 7.9(c) to 7.9(f) and the Corporations Act:

- i. if those documents are given to FCL Bidder with your acceptance, FCL Bidder will provide to you the consideration for your Securities in accordance with section 7.9(a);
- ii. if those documents are given to FCL Bidder after your acceptance and before the end of the Offer Period, while the Offer is subject to a Defeating Condition, FCL Bidder will provide to you the consideration for your Securities by the day that is 15 Business Days after any contract resulting from your acceptance of this Offer becomes, or is declared, unconditional;
- iii. if those documents are given to FCL Bidder after your acceptance and before the end of the Offer Period, while the Offer is not subject to a Defeating Condition, FCL Bidder will provide to you the consideration for your Securities by the day that is the later of:
  - a. 15 Business Days after the date that the Offer becomes unconditional; or
  - b. 10 Business Days after the date that you accept the Offer; and
- iv. if those documents are given to FCL Bidder after the end of the Offer Period and the Offer is not subject to any Defeating Conditions, FCL Bidder will provide to you the consideration for your Securities within 10 Business Days after those documents are given. However, if, at the time those documents are given to FCL Bidder, the contract resulting from your acceptance is still subject to the Defeating Condition in section 7.7(g), FCL Bidder will provide to you the consideration for your Securities within 15 Business Days after the contract becomes, or is declared, unconditional.

c. **Delivery of consideration**

Payment of any cash amount to which you are entitled under this Offer will be made by cheque drawn in Australian currency in your favour. The cheque will be sent to you, at your risk, by ordinary mail (or, in the case of Securityholders with addresses outside Australia, by airmail) to your address shown on the Acceptance Form or as recorded in the register of Securityholders of Australand on the Register Date. Payment will be deemed to have been made at the time the cheque is delivered to Australia Post for delivery or placed in an Australia Post postal box.

**d. Rights**

If FCL Bidder becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give to FCL Bidder all documents necessary to vest title to those Rights in FCL Bidder, or otherwise to give FCL Bidder the benefit or value of those Rights. If you do not do so, or if you have received or are entitled to receive (or any previous holder of your Securities has received or is entitled to receive) the benefit of those Rights, FCL Bidder will be entitled to deduct the amount (or an amount equal to the value, as reasonably assessed by FCL Bidder) of those Rights from any consideration otherwise due to you under this Offer. If FCL does not, or cannot, make such a deduction, you must pay that amount to FCL Bidder, except to the extent that FCL Bidder elects to waive its entitlement to those Rights.

**e. Non-Australian residents**

If, at the time of acceptance of this Offer, any authority or clearance of a Public Authority is required for you to receive any consideration under this Offer or you are resident in or a resident of a place to which, or you are a person to whom:

- i. the Autonomous Sanctions Regulations 2011 (Cth);
- ii. the Banking (Foreign Exchange) Regulations 1959 (Cth);
- iii. Part 4 of the *Charter of the United Nations Act 1945* (Cth);
- iv. the Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);
- v. the Charter of the United Nations (Sanctions – Afghanistan) Regulations 2001 (Cth);
- vi. the Charter of the United Nations (Sanctions – Al-Qaida and the Taliban) Regulations 2008 (Cth);
- vii. the Charter of the United Nations (Sanctions – Cote d'Ivoire) Regulations 2008 (Cth);
- viii. the Charter of the United Nations (Sanctions – Democratic People's Republic of Korea) Regulations 2008 (Cth);
- ix. the Charter of the United Nations (Sanctions – Democratic People's Republic of the Congo) Regulations 2008 (Cth);
- x. the Charter of the United Nations (Sanctions – Eritrea) Regulations 2010 (Cth);
- xi. the Charter of the United Nations (Sanctions – Iran) Regulations 2008 (Cth);
- xii. the Charter of the United Nations (Sanctions – Iraq) Regulations 2008 (Cth);
- xiii. the Charter of the United Nations (Sanctions – Lebanon) Regulations 2008 (Cth);
- xiv. the Charter of the United Nations (Sanctions – Liberia) Regulations 2008 (Cth);
- xv. the Charter of the United Nations (Sanctions – Libyan Arab Jamahiriya) Regulations 2011 (Cth);
- xvi. the Charter of the United Nations (Sanctions – Somalia) Regulations 2008 (Cth);
- xvii. the Charter of the United Nations (Sanctions – Sudan) Regulations 2008 (Cth);
- xviii. the Charter of the United Nations (Sanctions – the Taliban) Regulations 2013 (Cth); or
- xix. any other law of Australia or regulation under the Charter of the United Nations that would make it unlawful for FCL Bidder to provide consideration for your Securities,

applies then acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive the consideration specified in this Offer unless and until all requisite authorities or clearances have been obtained by FCL Bidder. See section 6.7 for information known to FCL Bidder as to whether this restriction may apply to you.

f. **Withholding of consideration by FCL**

If any amount (the **withholding amount**) is required, under any Australian law or by any Public Authority, to be:

- i. withheld from any consideration otherwise payable to you under this Offer and paid to a Public Authority; or
- ii. retained by FCL Bidder out of any consideration otherwise payable to you under this Offer,

the payment, provision or retention by FCL Bidder of the withholding amount (as applicable) will constitute full discharge of FCL Bidder's obligation to provide the consideration to you to the extent of the withholding amount.

## 7.10 Offerees

a. **Registered holders**

FCL Bidder is making an offer in the form of this Offer to:

- i. each person registered as the holder of Securities in the register of members of Australand as at the Register Date; and
- ii. each person who, during the period from the Register Date to the end of the Offer Period, becomes registered or entitled to be registered as the holder of Securities (whether or not they are registered or entitled to be registered as the holder of other Securities) due to the conversion of, or exercise of rights attached to, other securities convertible into Securities that are on issue at the Register Date.

b. **Transferees**

If at any time during the Offer Period another person is able to give good title to some or all of your Securities, and that person has not already accepted an offer in the form of this Offer for those Securities, then that person may accept as if an offer in the form of this Offer had been made to them in respect of those Securities.

c. **Trustees and nominees**

If at any time during the Offer Period and before you accept this Offer your Securities consist of two or more separate parcels within the meaning of section 653B of the Corporations Act (for example, because you hold your Securities as trustee or nominee for, or otherwise on account of, several distinct beneficial owners), then you may accept as if a separate offer in the form of this Offer had been made in relation to each of those parcels (including any parcel you hold in your own right). Acceptance for any parcel of Securities (including any parcel consisting of two or more parcels) is ineffective unless:

- i. you give FCL Bidder notice stating that the Securities consist of a separate parcel, such notice being:
  - a. in the case of Securities not in a CHESS Holding, in writing; or
  - b. in the case of Securities in a CHESS Holding, in an electronic form approved by the ASX Settlement Operating Rules for the purposes of Part 6.8 of the Corporations Act; and
- ii. your acceptance specifies the number of Securities in the distinct parcel.

d. **Securities subject to Australand transfer restrictions**

If at any time during the Offer Period some of your Securities are subject to transfer restrictions imposed by Australand (for example, because you hold some of your Securities under an employee incentive scheme), then you may accept as if a separate offer in the form of this Offer has been made in relation to the balance of your Securities. Acceptance for the balance of your Securities is ineffective unless you give FCL Bidder notice stating the number of your Securities that are subject to a transfer restriction and explaining the nature of the restriction, and your acceptance specifies the balance of your Securities.



### **7.11 Additional copies of Offer documents**

If, for the purpose of accepting the Offer, you require additional copies of this Bidder's Statement and the Acceptance Form, please call the Frasers Offer Information Line on 1800 992 613 (toll-free within Australia) or +61 1800 992 613 (from outside Australia) to request those additional copies.

### **7.12 Variation and withdrawal of Offer**

#### **a. Variation**

FCL Bidder may vary this Offer in accordance with the Corporations Act.

#### **b. Withdrawal**

This Offer may be withdrawn with the written consent of ASIC, whose consent may be subject to conditions. If so, FCL Bidder will give notice of the withdrawal to ASX and to Australand and will comply with any other conditions imposed by ASIC.

### **7.13 Costs and stamp duty**

FCL Bidder will pay all costs and expenses of the preparation and circulation of this Offer and any Australian stamp duty payable on the transfer of any Securities to FCL Bidder under this Offer.

### **7.14 Governing law and jurisdiction**

This Offer and any contract resulting from your acceptance of this Offer are governed by the laws of New South Wales. In relation to them and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

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## 8 Institutional Acceptance Facility

### 8.1 General

FCL Bidder has established an institutional acceptance facility (the **Facility**) in relation to the Offer. The Facility is only open to professional investors under the Corporations Act (**Eligible Securityholders**). FCL Bidder recognises that some of the Securityholders may be unable to accept the Offer, for example by reason of their investment mandates, until the Offer becomes or is declared unconditional. Accordingly, FCL Bidder has established the Facility to enable Eligible Securityholders to indicate their intention to accept the Offer.

Securityholders who are not Eligible Securityholders cannot participate in the Facility.

Pacific Custodians Pty Ltd (**Facility Operator**) will operate the Facility.

Eligible Securityholders who wish to participate in the Facility or who require further information may contact the Facility Operator by phone on 1800 992 613 (toll-free within Australia) or +61 1800 992 613 (outside Australia).

### 8.2 Operation of the Facility

The Facility will operate in the following way:

- a. Eligible Securityholders may lodge acceptance instructions (**Acceptance Instructions**) with the Facility Operator, in the form of either Acceptance Forms or directions to its custodian (**Custodian Directions**) to accept the Offer that demonstrates their intention to accept the Offer, together with a form appointing Pacific Custodians Pty Ltd to act as the Facility Operator;
- b. the Facility Operator will hold the Acceptance Instructions subject to a bare trust and will not acquire a relevant interest in any of the Securities the subject of the Acceptance Instructions;
- c. the Facility Operator must deliver:
  - i. the Acceptance Forms to:
    - a. in the case of Issuer Sponsored Holdings, Link Market Services Limited (as FCL's share registry); or
    - b. in the case of CHESS Holdings, to the relevant Controlling Participant; and
  - ii. the Custodian Directions to the relevant custodian;
- d. if and when the Facility Operator receives written notice from FCL Bidder (**Confirmation Notice**) that:
  - i. FCL Bidder has declared the Offer free from all conditions that have not been fulfilled or waived;
  - ii. FCL Bidder has declared the Offer free from all Defeating Conditions; or
  - iii. FCL Bidder will declare the Offer free from all Defeating Conditions once all the delivered Acceptance Instructions are validly processed or implemented (as appropriate).

Eligible Securityholders are able to withdraw their Acceptance Instructions at any time prior to the Facility Operator receiving the Confirmation Notice from FCL Bidder.

A copy of the appointment of the Facility Operator will be provided to certain Eligible Securityholders and may also be requested from the Facility Operator by phone on 1800 992 613 (toll-free within Australia) or +61 1800 992 613 (outside Australia).

### 8.3 Disclosure of Acceptance Instructions

Before 9:00am (Sydney, Australia time) on each Business Day, the Facility Operator will inform FCL Bidder of the number of Securities in respect of which Acceptance Instructions have been received as at 7:30pm (Sydney, Australia time) on the previous Business Day.

Following receipt of this information from the Facility Operator, FCL Bidder will disclose this information to the ASX by 9:30am (Sydney, Australia time) on the Business Day following any movement of at least 1% in the aggregate of the percentage of Securities subject to the Facility and the percentage of Securities in which FCL Bidder and its Associates has a relevant interest, together with a breakdown of the aggregate amount between these two categories.

## 9 Definitions and Interpretation

### 9.1 Definitions

In this Bidder's Statement and in the Acceptance Form, unless the context requires otherwise:

**AAT** means Australand ASSETS Trust (ARSN 115 338 513).

**AHL** means Australand Holdings Limited (ABN 12 008 443 696).

**AIL** means Australand Investments Limited (ABN 12 086 673 092).

**Acceptance Form** means the acceptance form enclosed with this Bidder's Statement or, as the context requires, any replacement or substitute acceptance form provided by or on behalf of FCL Bidder.

**Allowed Distribution** means a distribution to be paid to Securityholders on the Australand register of members on the Allowed Distribution Record Date. The Allowed Distribution will be an amount equal to:

- a. the proportion of Australand's expected second half distribution for 2014 (being 12.75 cents per Security) that is referable to the period from 1 July 2014 until the Offer becomes unconditional (as a proportion of the entire half year ending 31 December 2014 and calculated on a pro-rata basis), up to a maximum of 12.75 cents per Security; or
- b. if the Offer is not unconditional before 31 December 2014, 12.75 cents per Security.

**Allowed Distribution Record Date** the record date for the Allowed Distribution as determined by the Australand board, which date will:

- a. be announced at the time of announcement of the Allowed Distribution, within two Business Days of the Offer becoming unconditional, or if the Offer is not unconditional before 18 December 2014, within two Business Days of that date; and
- b. fall on the date that is five Business Days after it is announced.

**Announcement Date** means 1 July 2014.

**APL** means Australand Property Limited (ABN 90 105 462 137).

**APRA** means the Australian Prudential Regulation Authority.

**APT** means Australand Property Trust (ARSN 106 680 424).

**APT4** means Australand Property Trust No.4 (ARSN 108 254 413).

**APT5** means Australand Property Trust No.5 (ARSN 108 254 771).

**ASIC** means the Australian Securities and Investments Commission.

**ASSETS** means the Australand Subordinated Step-up Exchangeable Trust Securities, which are units in AAT and can be converted to Securities in certain circumstances.

**Associate** has the meaning given in Division 2 of Part 1.2 of the Corporations Act as if section 12(1) of the Corporations Act included a reference to this Bidder's Statement.

**ASX** means ASX Limited (ACN 008 624 691) or, as the context requires, the financial market operated by it.

**ASX Listing Rules** means the Listing Rules of ASX.

**ASX Settlement** means ASX Settlement Pty Ltd (ABN 49 008 504 532).

**ASX Settlement Operating Rules** means the operating rules of the settlement facility provided by ASX Settlement.

**Australand** means the Australand Property Group, which is a stapled group and comprises AHL, APT, APT4 and APT5 and each of their respective controlled entities.

**Australand directors** means the directors of AHL, APL and AIL (which entities have identical boards as at the date of this Bidder's Statement).

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**Australand Group** means the entities comprising Australand and their respective Subsidiaries.

**Australand Performance Rights** means:

- a. any right granted under the Australand Performance Rights Plan which may entitle the holder to be issued (or otherwise acquire) Securities or to be paid a cash amount in lieu of being issued (or otherwise acquiring) Securities;
- b. any other rights granted by Australand which may require Australand to issue or transfer Securities or to pay a cash amount in lieu of issuing or transferring Securities; and
- c. any securities issued (or otherwise acquired) under the Australand Performance Rights Plan which are subject to vesting restrictions,

with each such right or security being an Australand Performance Right.

**Australand Performance Rights Plan** means the Performance Rights Plan of Australand, approved by securityholders of Australand on 19 April 2007, as amended from time to time.

**Bid Implementation Agreement** means the bid implementation agreement entered into between Australand and FCL dated 1 July 2014.

**Bid Period** means the period between the date on which this Bidder's Statement was provided to Australand and the end of the Offer Period (both inclusive).

**Bidder's Statement** means this document, being the statement of FCL Bidder under Part 6.5 of the Corporations Act relating to the Offer.

**Business Day** means a day which is not a Saturday, Sunday or a public holiday in Sydney, New South Wales.

**CGT** means Australian capital gains tax.

**CHES** means the Clearing House Electronic Subregister System, which provides for the electronic transfer, settlement and registration of securities in Australia.

**CHES Holding** means a holding of Securities on the CHES Subregister of Australand.

**CHES Subregister** has the meaning given in the ASX Settlement Operating Rules.

**Controlling Participant** has the meaning given in the ASX Settlement Operating Rules. Usually your Controlling Participant is a person, such as a broker, with whom you have a sponsorship agreement (within the meaning of the ASX Settlement Operating Rules).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Defeating Condition** means each condition set out in section 7.7.

**Eligible Securityholders** has the meaning given in section 8.

**Encumbrance** means an interest or power:

- a. reserved in or over any interest in any asset including any retention of title; or
- b. created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of security for the payment of debt or any other monetary obligation or the performance of any other obligation and includes any agreement to grant or create any of the above.

**Facility** has the meaning given in section 8.

**Facility Operator** has the meaning given in section 8.

**FATA** means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

**FCL** means Frasers Centrepoint Limited.

**FCL Bidder** means Frasers Amethyst Pte. Ltd. (Company Registration Number: 201418702K) a wholly owned subsidiary of FCL.

**FIRB** means the Foreign Investment Review Board.

**GST** means the goods and services tax imposed under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and the related imposition acts of the Commonwealth of Australia.

**Holder Identification Number** means the number used to identify a Securityholder on the CHESSE Subregister of Australand.

**Issuer Sponsored Holding** means a holding of Securities on the Issuer Sponsored Subregister of Australand.

**Issuer Sponsored Subregister** has the meaning given in the ASX Settlement Operating Rules.

**Offer** means, as the context requires, the offer for Securities contained in section 7, or the off-market takeover bid constituted by that offer and each other offer by FCL Bidder for Securities in the form of that offer, including in each case as varied in accordance with the Corporations Act.

**Offer Amount** has the meaning given in section 4.1.

**Offer Period** means the period during which the Offer will remain open for acceptance in accordance with section 7.2.

**Public Authority** means any government or any governmental, semi-governmental, statutory or judicial entity or authority, or any minister, department, office or delegate of any government, whether in Australia or elsewhere. It also includes any self-regulatory organisation established under statute and any securities exchange.

**Register Date** means 9am on 1 July 2014 being the date set by FCL Bidder under section 633(2) of the Corporations Act.

**Registry** means Link Market Services Limited, the securities registry appointed by FCL Bidder for the purposes of performing securityholder registration functions in connection with the Offer.

**Regulatory Authority** includes:

- a. ASX, FIRB and ASIC;
- b. an Australian or Singaporean government or governmental, semi-governmental or judicial entity or authority;
- c. an Australian or Singaporean minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- d. any Australian or Singaporean regulatory organisation established under statute.

**Related Bodies Corporate** has the meaning given in the Corporations Act.

**Related Entity** means, in relation to a person, any entity that is related to that person within the meaning of section 50 of the Corporations Act or that is in an economic entity (as defined in any approved Australian accounting standard) that is controlled by that person.

**Responsible Entities** means APL as the responsible entity of APT and AAT, and AIL as the responsible entity of APT4 and APT5.

**Rights** means all accretions, rights and benefits of whatever kind attaching to or arising from the Securities directly or indirectly at or after the date of this Bidder's Statement (including all dividends and all rights to receive them and rights to receive or subscribe for shares, notes, bonds, options or other securities or entitlements declared, paid or issued by Australand or any subsidiary of Australand), but does not include rights to:

- a. Australand's first half distribution for 2014 (up to an amount not exceeding 12.75 cents per Security); or
- b. the Allowed Distribution (up to an amount not exceeding 12.75 cents per Security).

**Securities** means the fully paid stapled securities in Australand, each stapled security being comprised of one share in AHL and one unit in each of APT, APT4 and APT5, which have been stapled together such that they may only be transferred together.

**Securityholder** means a person registered in the register of members of Australand as a holder of Securities.

**Securityholder Reference Number** means the number allocated by Australand to identify a Securityholder on the Issuer Sponsored Subregister of Australand.

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**SGX** means Singapore Exchange Securities Trading Limited.

**Subsidiaries** has the meaning given in section 9 of the Corporations Act on the basis that:

- a. an entity will also be considered to be a Subsidiary of a body corporate if it is controlled by that body corporate (expressions used in this paragraph have the meanings given for the purposes of Division 6 of Part 1.2 of the Corporations Act);
- b. a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and
- c. a body corporate or trust may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a body corporate.

**Takeover Transferee Holding** has the meaning given in the ASX Settlement Operating Rules, being the CHES Holding to which Securities are to be transferred pursuant to acceptances of the Offer.

**Treasurer** means the Treasurer of the Commonwealth of Australia.

**Trusts** means APT, APT4 and APT5.

**VWAP** means volume weighted average trading price on ASX.

**your Securities** means, subject to section 7.10:

- a. the Securities in respect of which you are registered or entitled to be registered as a holder in the register of members of Australand at the Register Date, and in respect of which no other person becomes registered or entitled to be registered as a holder before you accept the Offer; and
- b. any other Securities to which you are able to give good title at the time you accept the Offer.

## 9.2 Interpretation

In this Bidder's Statement and in the Acceptance Form, headings are for convenience only and do not affect interpretation.

Mentioning anything after **includes, including, for example**, or similar expressions, does not limit what else might be included.

The following rules apply unless the context requires otherwise.

- a. The singular includes the plural and conversely.
- b. A reference to a section or Annexure is to a section of, or annexure to, this Bidder's Statement.
- c. Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- d. A reference to a person, corporation, trust, partnership, unincorporated body or association or other entity includes any of them.
- e. A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns.
- f. A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.
- g. A reference to any instrument or document includes any variation or replacement of it.
- h. A term not specifically defined in this Bidder's Statement has the meaning given to it in the Corporations Act (being, if any special meaning is given for the purposes of Chapter 6 or 6A of the Corporations Act or a provision of those chapters, that special meaning).
- i. A reference to time is a reference to Sydney time.
- j. A reference to \$ is a reference to the lawful currency of Australia.
- k. A reference to **you** is to a person to whom the Offer under section 7 is (or is deemed to be) made.

## 10 Approval of Bidder's Statement

This Bidder's Statement has been approved by a resolution of the directors of Frasers Amethyst Pte. Ltd.

**Dated 1 July 2014**

**Signed** on behalf of Frasers Amethyst Pte. Ltd.:

A handwritten signature in black ink, appearing to be 'Jerry Yang Chiang Lee', written over a light grey rectangular background.

**Mr Jerry Yang Chiang Lee**  
**Director**  
**Frasers Amethyst Pte. Ltd.**

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## Annexure

### ASX Announcements in relation to Australand since 30 June 2013

Date Lodged	Description
26/06/2014	Change in substantial holding from AMP
24/06/2014	Becoming a substantial holder
23/06/2014	Australand Sells Civic Tower
18/06/2014	Resignation of Director
17/06/2014	Interim Distribution for the Half Year Ending 30 June 2014
17/06/2014	Change in substantial holding
16/06/2014	Ceasing to be a substantial holder
16/06/2014	Change in substantial holding from MS
13/06/2014	Ceasing to be a substantial holder from CBA
13/06/2014	Becoming a substantial holder
13/06/2014	Becoming a substantial holder from MS
12/06/2014	Change in substantial holding from CBA
11/06/2014	Cease Notice – WBC
11/06/2014	Ceasing to be a substantial holder from BTT
11/06/2014	Frasers Centrepoint Limited Proposal re SGX waiver
11/06/2014	ASSETS
10/06/2014	Becoming a substantial holder
06/06/2014	Change in substantial holding from BTT
06/06/2014	Change in substantial holding from WBC
06/06/2014	Change in substantial holding from AMP
05/06/2014	Change in substantial holding from AMP
04/06/2014	SGP: Update on Australand Proposal
04/06/2014	Proposal from Frasers Centrepoint Limited
04/06/2014	Proposal from Frasers Centrepoint Limited
03/06/2014	Change in substantial holding from AMP
30/05/2014	Change in substantial holding from CBA
30/05/2014	SGP: Update On Australand Proposal
30/05/2014	GROUP UPDATE AND ENGAGEMENT WITH STOCKLAND
28/05/2014	Proposal from Stockland Group
28/05/2014	SGP: Increased and Final Proposal to Acquire Australand
19/05/2014	Australand Preferred Purchaser on Sydney Residential Site
15/05/2014	Change in substantial holding
13/05/2014	Australand secures residential infill sites



<b>Date Lodged</b>	<b>Description</b>
07/05/2014	Australand secures rights to develop a new industrial estate
23/04/2014	SGP: Stockland Confirms Non-Binding Proposal for Australand
23/04/2014	Rejection of Proposal from Stockland Group
22/04/2014	Amended Consolidated Constitutions of APT, APT4 and APT5
17/04/2014	Amended Consolidated Constitution
16/04/2014	2014 A&GM Outcome of Resolutions
16/04/2014	2014 A&GM Presentation Slides
16/04/2014	2014 A&GM Chairman's and Managing Director's Address
11/04/2014	Annual and General Meetings Webcast Details
11/04/2014	Becoming a substantial holder
25/03/2014	Ceasing to be a substantial holder
25/03/2014	2014 Operating earnings and distribution guidance update
25/03/2014	Ceasing to be a substantial holder
24/03/2014	Becoming a substantial holder from CBA
21/03/2014	Becoming a substantial holder
21/03/2014	Becoming a substantial holder from SGP
20/03/2014	Change in substantial holding from AMP
20/03/2014	Final Director's Interest Notice
19/03/2014	Australand appoints Independent Chairman
19/03/2014	AAZ: CapitaLand's Interest in Australand
19/03/2014	CapitaLand's Interest in Australand
19/03/2014	SGP: Stockland Acquires Strategic Stake in Australand
19/03/2014	Trading Halt
17/03/2014	Notice of Meetings, Proxy Form and Question Form
17/03/2014	Financial Report to securityholders
17/03/2014	Annual Report to securityholders
13/03/2014	Change in substantial holding from AMP
11/03/2014	Appendix 3Y
11/03/2014	Appendix 3B
17/02/2014	Property Portfolio December 2013
17/02/2014	Australand FY2013 Presentation Slides
17/02/2014	Australand Property Group 2013 Full Year Results
17/02/2014	Appendix 4E
07/02/2014	Components of Final Distribution for Year Ending 31/12/13
05/02/2014	Change in substantial holding from AMP
14/01/2014	Change in substantial holding from AMP
19/12/2013	Change Notice – Australand Property Group from WBC

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<b>Date Lodged</b>	<b>Description</b>
19/12/2013	Becoming a substantial holder from WBC
19/12/2013	Change in substantial holding from BTT
19/12/2013	Becoming a substantial holder from BTT
13/12/2013	Final Distribution for the Year Ending 31 December 2013
12/12/2013	Becoming a substantial holder from AMP
26/11/2013	Notice of change of interests of substantial holder
26/11/2013	Ceasing to be a substantial holder
22/11/2013	Becoming a substantial holder
21/11/2013	CapitaLand Cleansing Notice
21/11/2013	Australand Cleansing Notice
21/11/2013	CapitaLand's Interest in Australand
21/11/2013	AAZ: CapitaLand's Interest in Australand
20/11/2013	Partial Sale by CapitaLand
20/11/2013	Trading Halt
19/11/2013	Group Update Presentation
19/11/2013	Group Update
30/10/2013	3Q 2013 Update
03/09/2013	Appendix 3Y
22/08/2013	Securityholder Half Year Update/Director Independent status
21/08/2013	APD: Press regarding Australand Fund
31/07/2013	Interim Distribution for Half Year Ended 30/06/13
24/07/2013	Property Portfolio 30 June 2013
24/07/2013	HY2013 Presentation Slides
24/07/2013	2013 Half Year Results
24/07/2013	Appendix 4D
22/07/2013	Australand Corporate Update

## Corporate Directory

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**Frasers Amethyst Pte. Ltd.**  
**(Company Registration Number: 201418702K)**

**Registered Office**

438 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958

**Frasers Centrepoint Limited**

**Registered Office**

438 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958

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### **Frasers Offer Information Line**

If you have any questions in relation to the Offer or how to accept it, or if you have lost your Acceptance Form and require a replacement, please call the Frasers Offer Information Line on the following numbers:

Within Australia: 1800 992 613 (toll-free within Australia)

Outside Australia: +61 1800 992 613

### **Registry for the Offer**

You can contact FCL Bidder's registry (Link Market Services Limited) at the addresses set out below:

**Mailing Address**

Link Market Services Limited  
Australand Property Group Takeover  
Locked Bag A14  
Sydney South NSW 1235

**or**

**Hand Delivery**

Link Market Services Limited  
Australand Property Group Takeover  
1A Homebush Bay Drive  
Rhodes NSW 2138

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Fraser Suites Glasgow, UK.



**Frasers Amethyst Pte. Ltd.**

Company Registration Number: 201418702K

**A Your name**

SAMPLE NAME 1  
 SAMPLE NAME 2  
 <SAMPLE A/C>  
 SAMPLE ADDRESS 1  
 SAMPLE ADDRESS 2

**Your holding**

Holder Identification Number: X12345678910

 Australand Property Group Securities  
 held as at 1 July 2014 99,999,999

If your holding has changed between register date and time of acceptance, then write your current holding here.

This is an important document. If you are in doubt as to how to complete this form, please consult your financial or other professional adviser immediately.

 Controlling Participant's Name *Broker's Name and telephone printed here*

Advisor Name:		Contact Number:	
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**Transfer and Acceptance Form – CHES Subregister**

This is a personalised form for the sole use of the holder and holding recorded above. This form relates to an offer by Frasers Amethyst Pte. Ltd. to purchase all of your Australand Property Group Securities (the "Offer") pursuant to Frasers Amethyst Pte. Ltd.'s Bidder's Statement dated 1 July 2014 and any replacement or supplements (the "Bidder's Statement"). The Bidder's Statement shall prevail over the form, to the extent of any inconsistency.

**B You must give your instructions to your controlling participant to accept the Offer**

If you correctly sign and return this form you will be deemed to have accepted the Offer in respect of ALL of your Australand Property Group Securities. Your form must be received by the closing date for the Offer (which is currently expected to be 7 August 2014 but which may be extended in accordance with the *Corporations Act 2001* by Frasers Amethyst Pte. Ltd.).

Offer Consideration – A\$4.48 cash per Security

In addition, if the Offer becomes unconditional before the Record Date for the Australand Property Group 2014 second half distribution, Australand Property Group Securityholders will receive the Allowed Distribution.

The cash consideration payable under the Offer will be reduced by the amount of any Australand Property Group distribution to which you become entitled following the date of this Bidder's Statement, other than the Allowed Distribution and Australand Property Group's first half distribution for 2014 (up to an amount not exceeding 12.75 cents per Security).

To accept the Offer you may either:

- directly instruct your Controlling Participant to accept the Offer on your behalf; or
- sign and return this Acceptance Form to the address shown overleaf so the Bidder can contact your Controlling Participant on your behalf and relay your instructions.

If your Controlling Participant acts on your instruction CHES will send you a confirmation notice.

**C Contact details**

Please provide your contact name and telephone number in case we need to speak to you about this Acceptance Form.

Telephone Number where you can be contacted during business hours

Contact Name (PRINT)


**D You must sign this form for your instructions in this Acceptance Form to be executed**

I/We, the person(s) named above, accept the Offer in respect of all my/our Australand Property Group Securities and hereby agree to transfer to Frasers Amethyst Pte. Ltd. (or its nominee) all my/our Australand Property Group Securities for the consideration specified in the Offer, and on the terms and conditions of the Offer as set out in the Bidder's Statement.

Securityholder 1 (Individual)

Securityholder 2 (Individual)

Securityholder 3 (Individual)




Sole Director &amp; Sole Company Secretary

Secretary/Director (delete one)

Director

Please refer overleaf for further important instructions

REGISTRY USE ONLY



HIN



Broker PID



Holding

ALZT TKO002



## Further Important Instructions

Your Australand Property Group Securities are in a CHESS Holding, you do not need to complete and return this Acceptance Form to the registry to accept the Offer. You can instead contact your Controlling Participant and instruct them to accept the Offer on your behalf in sufficient time before the end of the Offer Period to enable your Controlling Participant to give effect to your acceptance of the Offer on CHESS during business hours. If you decide to use this Acceptance Form to authorise us to contact your Controlling Participant on your behalf, follow the instructions below. You should allow Link Market Services Limited ("Link") sufficient time for the delivery of the Acceptance Form to your Controlling Participant on your behalf. Neither Frasers Amethyst Pte. Ltd., nor Link will be responsible for any delays incurred by this process.

Please refer to the Bidder's Statement dated 1 July 2014 which accompanies this Acceptance Form. Terms are defined in the Bidder's Statement and have the same meaning in this Acceptance Form. The Bidder's Statement shall prevail over the form, to the extent of any inconsistency.

### Completion instructions

- A**
- Please check the front page to ensure that your name and address are correct. If incorrect, please write your correct details and initial the amendments. Amendments to your name or address can only be processed by your Controlling Participant.
  - Please note your consideration will be issued in the names as they appear on the Australand Property Group Securityholder register, as provided to Frasers Amethyst Pte. Ltd.
- D**
- Please sign this Acceptance Form in the places for signature(s) out on the front page and in accordance with the following instructions:
    - **Joint Securityholders:** If your Australand Property Group Securities are held in the names of more than one person, all of those persons must sign this Acceptance Form.
    - **Corporations:** This Acceptance Form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Alternatively, a duly appointed attorney may sign.
    - **Powers of attorney:** If this Acceptance Form is signed under a power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it. If this Acceptance Form is signed under Power of Attorney, the attorney declares that he/she has no notice of revocation of the Power of Attorney.
    - **Deceased Estates:** All the executors and administrators must sign this Acceptance Form. When you return this Acceptance Form, please attach it to a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of Section 1071B(9)(b)(iii) of the Corporations Act.

**Personal Information Collection Notification Statement:** Personal information about you is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. For details about Link Group's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns, visit our website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 502 355 (free call within Australia) 9am–5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

### Lodgement instructions

- Mail or deliver completed Acceptance Form(s) and any other documents required by the above instructions to:

**Mailing Address**

Link Market Services Limited  
Australand Property Group Takeover  
Locked Bag A14  
SYDNEY SOUTH NSW 1235

or

**Hand Delivery**

Link Market Services Limited  
Australand Property Group Takeover  
1A Homebush Bay Drive  
RHODES NSW 2138

- A reply paid envelope is enclosed for use within Australia.

**Your acceptance must be received by no later than the end of the Offer Period, which is 7:00pm (Sydney time) on the last day of the Offer Period.**

**If you have any questions about the terms of the Offer or how to accept, please call the Frasers Offer Information Line on the following numbers:**

free call within Australia: 1800 992 613  
outside Australia: +61 1800 992 613

**Need help?**

Contact Frasers Offer Information Line

Phone 1800 992 613 (free call within Australia)

Phone +61 1800 992 613 (from outside Australia)

**Frasers Amethyst Pte. Ltd.**

Company Registration Number: 201418702K

**A Your name**

SAMPLE NAME 1  
 SAMPLE NAME 2  
 <SAMPLE A/C>  
 SAMPLE ADDRESS 1  
 SAMPLE ADDRESS 2

**Your holding**

Securityholder Reference Number: 112345678910

 Australand Property Group Securities  
 held as at 1 July 2014 99,999,9999

If your holding has changed between register date and time of acceptance, then write your current holding here. Your acceptance will be granted over your updated holding.

**This is an important document. If you are in doubt as to how to complete this form, please consult your financial or other professional adviser immediately.**

**Transfer and Acceptance Form – Issuer Sponsored Subregister**

This is a personalised form for the sole use of the holder and holding recorded above. This form relates to an offer by Frasers Amethyst Pte. Ltd. to purchase all of your Australand Property Group Securities (the "Offer") pursuant to Frasers Amethyst Pte. Ltd.'s Bidder's Statement dated 1 July 2014 and any replacement or supplements (the "Bidder's Statement"). The Bidder's Statement shall prevail over the form, to the extent of any inconsistency.

**B You must give your instructions to accept the Offer**

If you correctly sign and return this form you will be deemed to have accepted the Offer in respect of **ALL** of your Australand Property Group Securities. Your form must be received by the closing date for the Offer (which is currently expected to be 7 August 2014 but which may be extended in accordance with the *Corporations Act 2001* by Frasers Amethyst Pte. Ltd.).

**Offer Consideration** – A\$4.48 cash per Security

In addition, if the Offer becomes unconditional before the Record Date for the Australand Property Group 2014 second half distribution, Australand Property Group Securityholders will receive the Allowed Distribution.

The cash consideration payable under the Offer will be reduced by the amount of any Australand Property Group distribution to which you become entitled following the date of this Bidder's Statement, other than the Allowed Distribution and Australand Property Group's first half distribution for 2014 (up to an amount not exceeding 12.75 cents per Security).

**C Contact details**

Please provide your contact name and telephone number in case we need to speak to you about this Acceptance Form.

Telephone Number where you can be contacted during business hours

Contact Name (PRINT)

**D You must sign this form for your instructions in this Acceptance Form to be executed**

I/We, the person(s) named above, accept the Offer in respect of all my/our Australand Property Group Securities and hereby agree to transfer to Frasers Amethyst Pte. Ltd. (or its nominee) all my/our Australand Property Group Securities for the consideration specified in the Offer, and on the terms and conditions of the Offer as set out in the Bidder's Statement.

Securityholder 1 (Individual)

Sole Director &amp; Sole Company Secretary

Securityholder 2 (Individual)

Secretary/Director (delete one)

Securityholder 3 (Individual)

Director

**Please refer overleaf for further important instructions**

REGISTRY USE ONLY


**SRN**

**Holding**
**ALZT TKO001**




## Further Important Instructions

Your Australand Property Group Securities are in an Issuer Sponsored Holding. To accept the Offer, you must complete and return this Acceptance Form in accordance with the instructions below.

Please refer to the Bidder's Statement dated 1 July 2014 which accompanies this Acceptance Form. Terms are defined in the Bidder's Statement and have the same meaning in this Acceptance Form. The Bidder's Statement shall prevail over the form, to the extent of any inconsistency.

### Completion instructions

- A** • Please check the front page to ensure that your name and address are correct. If incorrect, please write your correct details and initial the amendments. Amendments to your name can only be processed by your Australand Property Group Registry.
- Please note your consideration will be issued in the names as they appear on the Australand Property Group Securityholder register, as provided to Frasers Amethyst Pte. Ltd.
- D** • Please sign this Acceptance Form in the places for signature(s) out on the front page and in accordance with the following instructions:
  - **Joint Securityholders:** If your Australand Property Group Securities are held in the names of more than one person, all of those persons must sign this Acceptance Form.
  - **Corporations:** This Acceptance Form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Alternatively, a duly appointed attorney may sign.
  - **Powers of attorney:** If this Acceptance Form is signed under a power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it. If this Acceptance Form is signed under Power of Attorney, the attorney declares that he/she has no notice of revocation of the Power of Attorney.
  - **Deceased Estates:** All the executors and administrators must sign this Acceptance Form. When you return this Acceptance Form, please attach it to a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of Section 1071B(9)(b)(iii) of the Corporations Act.

**Personal Information Collection Notification Statement:** Personal information about you is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. For details about Link Group's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns, visit our website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 502 355 (free call within Australia) 9am–5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

### Lodgement instructions

- Mail or deliver completed Acceptance Form(s) and any other documents required by the above instructions to:

**Mailing Address**

Link Market Services Limited  
Australand Property Group Takeover  
Locked Bag A14  
SYDNEY SOUTH NSW 1235

or

**Hand Delivery**

Link Market Services Limited  
Australand Property Group Takeover  
1A Homebush Bay Drive  
RHODES NSW 2138

- A reply paid envelope is enclosed for use within Australia.

**Your acceptance must be received by no later than the end of the Offer Period, which is 7:00pm (Sydney time) on the last day of the Offer Period.**

**If you have any questions about the terms of the Offer or how to accept, please call the Frasers Offer Information Line on the following numbers:**

free call within Australia: 1800 992 613  
outside Australia: +61 1800 992 613