

**PRESS RELEASE**

*For Immediate Release*

**Frasers Centrepoint Limited Submits Conditional Cash Proposal to Acquire Australand Property Group**

- **All-cash conditional offer of A\$4.48 per stapled security for 100% of issued stapled securities of Australand**
- **Transformational transaction and catalyst for FCL to deepen its roots and further its growth in Australia**
- **Delivers immediate scale in commercial and industrial business segments whilst expanding residential capability**

**Singapore, 4 June 2014** – Frasers Centrepoint Limited (“FCL” or the “Group”) has submitted an indicative non-binding conditional proposal to acquire up to 100% of the issued stapled securities of ASX-listed Australand Property Group (“Australand”) (the “Proposal”) via an off-market takeover offer for cash consideration of A\$4.48 per stapled security.

In connection with the Proposal, FCL has further entered into a Process Agreement with Australand under which FCL will be provided with an exclusive period of four weeks to conduct due diligence and pursuant to which the parties to agree to negotiate in good faith to finalise a binding Implementation Agreement.

FCL is pleased that the Board of Australand intends to recommend the Proposal in the event it becomes a binding offer, in the absence of a superior proposal and subject to receipt of an independent expert opinion that the Proposal is fair and reasonable to Australand security holders.

**Rationale and Benefits of the Proposal**

The Proposal, if implemented, is in line with FCL’s strategy and is a transformational transaction that delivers significant benefits to FCL, including:

- substantial increase in Group assets and earnings
- improving the sustainability of FCL’s earnings through an increase in recurring income
- advancing FCL’s strategic objective of growing profit contributions from outside of Singapore
- immediate scale and a quality platform in Australia, a core market
- ownership of an attractive commercial and industrial portfolio with development capabilities
- enhancing FCL’s residential development capabilities in Australia

**Transformational Transaction for FCL**

Mr Lim Ee Seng, Group Chief Executive Officer of FCL said, “The Proposal will catapult FCL to being one of Australia’s leading real estate companies with a portfolio of scale and quality. Australia is a core market for FCL. The Group chose to enter the Australian market over a decade ago due to favourable fundamentals including its transparent regulatory environment, strong corporate governance, as well as its deep and mature property market. We already have an established platform and good brand recognition in Australia, but real estate is a business where scale and depth matters. This Proposal will be the catalyst that will help FCL to deepen our roots and accelerate our growth in a market that we believe will continue to offer long-term growth prospects.”

*The admission and listing of Frasers Centrepoint Limited on the Singapore Exchange Securities Trading Limited (the "Listing") was sponsored by DBS Bank Ltd. as the Sole Issue Manager. DBS Bank Ltd., United Overseas Bank Limited and Morgan Stanley Asia (Singapore) Pte. were the Joint Financial Advisers for the Listing. DBS Bank Ltd., United Overseas Bank Limited and Morgan Stanley Asia (Singapore) Pte. assume no responsibility for the contents of this announcement.*

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“Australand’s portfolio complements FCL’s Australian business in terms of geography and product segments. In addition, Australand has a platform that is well-developed, scalable, profitable and an experienced and well-regarded management team,” Mr Lim noted.

The Proposal is in line with FCL’s strategy of growing its asset portfolio in a balanced manner across geographies and property segments. This will allow FCL to diversify its earnings across markets and increase recurring income.

### Summary of the Proposal

The all-cash consideration of the Proposal, should all Australand stapled securities be acquired, is approximately A\$2.6 billion<sup>1</sup> (approximately S\$3.0 billion). The Group is satisfied that it has sufficient financial resources to fund the Proposal in its entirety and any potential debt refinancing required by Australand.

The Proposal represents a premium of:

- 4% over the last closing price of Australand’s stapled securities of A\$4.31 as at 3 June 2014;
- 15% over the Volume Weighted Average Price ("VWAP") of A\$3.88 for the 3 months up to and including 18 March 2014, the day prior to Stockland acquiring an interest in 19.9% of Australand; and
- 22% to Australand’s estimated net tangible assets per security of A\$3.68 as at 30 June 2014 as announced by Australand on 30 May 2014.

Under the Proposal, Australand stapled securityholders will be entitled to retain the expected first half 2014 distribution of no more than 12.75 Australian cents per stapled security and any additional distribution expected for the second half 2014, on a pro rata basis, for the period from 1 July 2014 until the offer becomes unconditional (subject to a maximum of 12.75 Australian cents per stapled security).

Any distributions in excess of the above amounts will be deducted from the consideration under the Proposal.

The Proposal is subject to various conditions, including satisfactory due diligence, and entering into an Implementation Agreement with Australand containing customary terms and conditions to be agreed by the parties.

TCC Assets Ltd., FCL’s majority shareholder, intends to provide an irrevocable undertaking to vote in favour of the Proposal should FCL proceed to convene an extraordinary general shareholders meeting.

Deutsche Bank AG and Standard Chartered Bank are the financial advisers to FCL.

Shareholders of FCL ("Shareholders") should note that, at this juncture, there is no certainty that the Proposal will materialise. FCL will make further announcements to update Shareholders on the matter as and when appropriate. In the meantime, **Shareholders are advised to refrain from taking any action in relation to their shares which may be prejudicial to their interests.**

Unless indicated otherwise, translation of amounts in A\$ into S\$ has been made at the rate of A\$1 = S\$1.1622.

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<sup>1</sup> Based on the Proposal of A\$4.48 per stapled security and Australand’s issued stapled securities of 578,984,528.

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**About Frasers Centrepoint Limited**

Frasers Centrepoint Limited (“FCL”) is a full-fledged international real estate company and one of Singapore’s top property companies with total assets of approximately S\$11.4 billion 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 listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Company is also the sponsor of two real estate investment trusts listed on the Main Board of the SGX-ST, Frasers Centrepoint Trust and Frasers Commercial Trust, which are focused on retail, and office and business space properties, respectively.

As a testament to its excellent service standards, best practices, and support of the environment, FCL is the proud recipient of numerous awards and accolades both locally and abroad.

For more information on FCL, please visit [www.fraserscentrepoint.com](http://www.fraserscentrepoint.com).

**About Australand**

Listed on the Australian Securities Exchange, Australand is one of Australia’s leading diversified property groups. Australand has been involved in property development for more than 80 years, and its activities span across Australia and property segments. Australand’s operations, which include development of residential land, housing and apartments, development of, and investment in income producing commercial and industrial properties, and property management, are located in Sydney, Melbourne, South East Queensland, Adelaide and Perth. As at 31 December 2013, Australand had a total portfolio of 68 investment properties valued at A\$2.4 billion (approximately S\$2.8 billion) and achieved operating profit after tax of A\$147.9 million<sup>2</sup> (approximately S\$171.9 million) for financial year 2013.

For more information on Australand, please visit [www.australand.com.au](http://www.australand.com.au).

For media queries, please contact:

**Frasers Centrepoint Limited**

Gerry WONG / Felicia HO  
Tel: +65 6277 2679 / +65 6277 2677  
E-Mail: [fclgroupcomms@fraserscentrepoint.com](mailto:fclgroupcomms@fraserscentrepoint.com)

**Newgate Communications**

LIM Yuan See / Bob ONG  
Tel: +65 6532 0606

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<sup>2</sup> Figures quoted from Australand’s 2013 annual report.

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E-Mail: [yuansee.lim@newgatecomms.com.sg](mailto:yuansee.lim@newgatecomms.com.sg); [bob.ong@newgatecomms.com.sg](mailto:bob.ong@newgatecomms.com.sg)