

ASX Announcement

Charter Hall prepares IPO of Long WALE REIT

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Charter Hall Limited
ACN 113 531 150

Charter Hall
Funds Management Limited
ABN 31 082 991 786

Level 20, No.1 Martin Place
Sydney NSW 2000
GPO Box 2704 Sydney NSW 2001

T +61 2 8651 9000
F +61 2 9221 4655

www.charterhall.com.au

Charter Hall Group (ASX: CHC) (Charter Hall or the Group) today announces that it is preparing to list on the ASX a new real estate investment trust, Charter Hall Long WALE REIT (Long WALE REIT or the REIT). It is intended that the REIT will be comprised of a geographically diversified portfolio of industrial, office and hospitality assets with a total value of greater than \$1 billion and a weighted average lease expiry (WALE) in excess of 12 years.

Charter Hall's Managing Director and Group CEO, David Harrison said: "Given recent volatility across global equity and commodity markets, we expect quality property with secure cash flows to remain highly attractive to institutional and retail investors. The creation of Long WALE REIT is a further continuation of the Group's strategy and we look forward to presenting investors with the opportunity during 2016".

The Group's business is focused on two key earnings streams: Property Investment income generated from investing alongside the Group's capital partners in property funds, and partnerships and earnings generated from Property Funds Management, utilising our full service integrated platform. The creation of Long WALE REIT is an expansion of these two businesses, with the Group expecting to have a significant co-investment in Long WALE REIT and manage it on terms similar to the listed Charter Hall Retail REIT. However, the Group's co-investment is not likely to be incremental to the current equity investments in the Charter Hall managed properties and funds to be rolled into the Long WALE REIT.

Mr Harrison further commented that "Charter Hall has been promoting the Long WALE core investment thesis and expects equity demand to continue to support Charter Hall's demonstrable capacity to secure quality assets that meet the Long WALE thematic".

Charter Hall has appointed J.P. Morgan Australia Limited and UBS AG, Australia Branch, as Joint Lead Managers on the transaction, and King & Wood Mallesons as Legal Advisor.

About Charter Hall

Charter Hall Group (ASX:CHC) is one of Australia's leading fully integrated property groups, with over 25 years' experience managing high quality property on behalf of institutional, wholesale and retail clients. Charter Hall has over \$15.9 billion of funds under management across the office, retail and industrial sectors. The Group has offices in Sydney, Melbourne, Brisbane, Adelaide and Perth.

The Group's success is underpinned by a highly skilled and motivated team with diverse expertise across property sectors and risk-return profiles. Sustainability is a key element of its business approach and by ensuring its actions are commercially sound and make a difference to its people, customers and the environment, Charter Hall can make a positive impact for its investors, the community and the Group.

For further information, please contact

David Harrison
Managing Director and Group CEO
Charter Hall
T +61 2 8651 9142
david.harrison@charterhall.com.au

For media enquiries, please contact

Rachel Mornington-West
Head of Marketing and Communications
Charter Hall
T +61 2 8651 9248
rachel.mornington-west@charterhall.com.au

For investor enquiries, please contact

Richard Stacker
Head of Corporate Office (Head of IR)
Charter Hall
T +61 2 8651 9260
richard.stacker@charterhall.com.au