

ASX Release

Charter Hall Long WALE REIT

Notification to Ineligible Securityholders

8 December 2017

Charter Hall WALE Limited
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Responsible Entity of
Charter Hall Long WALE REIT

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On 4 December 2017, Charter Hall WALE Limited, as responsible entity for Charter Hall Long WALE REIT (**CLW** or the **REIT**), announced an underwritten A\$94.1 million 1 for 9.25 pro-rata accelerated non renounceable entitlement offer (**Entitlement Offer**) of new securities (**New Securities**) at an offer price of \$4.15 per New Security.

The Offer will raise approximately A\$94.1 million and the proceeds will be used to fully fund the acquisition of a 100% interest in Virgin Australia's head office at 56 Edmondstone Road, Brisbane for \$90.8 million¹ (**Acquisition**) and associated transaction costs. The acquisition reflects a 6.9% initial passing yield and 6.8% capitalisation rate.

Key highlights of the Acquisition include:

- Long WALE asset fully leased to a high quality ASX-listed tenant with an 8.4 year WALE²
- Significant 8,982sqm site located in the fast growing Brisbane Fringe - Urban Renewal Precinct
- Improves the sector, geographic and tenant diversification of the REIT's portfolio
- 3.5% fixed annual rent reviews improves the earnings growth profile of the REIT

The Entitlement Offer comprises an institutional entitlement offer (**Institutional Entitlement Offer**) and an offer to Eligible Retail Securityholders (as defined below) to participate on the same terms (**Retail Entitlement Offer**). The Entitlement Offer is being made by CLW in accordance with section 1012DAA of the Corporations Act 2001 (Cth) (**Act**) as modified by the Australian Securities and Investments Commission Corporations Instrument (**Non-Traditional Rights Issue**) Instrument 2016/84, meaning that no product disclosure statement or other disclosure document needs to be prepared. The Institutional Entitlement Offer has already closed and the results announced to the ASX.

This notice is to inform you about the Retail Entitlement Offer and to explain why you will not be able to subscribe for New Securities under the Retail Entitlement Offer. This letter is not an offer to issue New Securities to you, nor an invitation for you to apply for New Securities. **You are not required to do anything in response to this letter.**

Details of the Retail Entitlement Offer

The Retail Entitlement Offer is being made to Eligible Retail Securityholders (as defined below), on the basis of 1 New Security for every 9.25 existing securities held at 7:00pm (Sydney time) on Wednesday, 6 December 2017 (**Record Date**).

Documents relating to the Retail Entitlement Offer were lodged with the ASX on Friday, 8 December 2017 and are being mailed to Eligible Retail Securityholders.

¹ Excluding transaction costs.

² As at 31 December 2017.



Eligibility criteria

CLW has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3)(a) of the Act, that it would be unreasonable to make offers to securityholders in countries other than Australia and New Zealand in connection with the Retail Entitlement Offer having regard to:

- (a) the relatively small number of securityholders in the other jurisdictions where the Retail Entitlement Offer would be made;
- (b) the number and value of securities for which such securityholders would otherwise have been entitled; and
- (c) the costs of complying with the legal and regulatory requirements in each other jurisdiction where the Retail Entitlement Offer would be made.

Securityholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Securityholders**) are securityholders who:

- (a) are registered as a holder of Securities as at 7.00pm (Sydney time) on the Record Date;
- (b) have a registered address in Australia or New Zealand as listed on CLW's security register on the Record Date;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such a person holds securities in CLW for the account or benefit of such persons in the United States);
- (d) were not institutional securityholders eligible to participate under the Institutional Entitlement Offer (and were not treated as ineligible institutional securityholders under the Institutional Entitlement Offer); and
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or other formal offer document to be lodged or registered.

CLW may (at its absolute discretion) extend the Retail Entitlement Offer to certain institutional securityholders in foreign jurisdictions who did not participate in the institutional component of the Entitlement Offer (subject to compliance with applicable laws).

Unfortunately, CLW has determined that you do not satisfy the eligibility criteria for an Eligible Retail Securityholder stated above. Accordingly, CLW wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Securities under the Retail Entitlement Offer. You will also not be sent the retail offer document relating to the Retail Entitlement Offer nor be able to subscribe for New Securities under the Retail Entitlement Offer.

As the Retail Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of any New Securities that would have been offered to you if you were eligible.

Further information

If you have any questions in relation to any of the above matters, please contact the Charter Hall Long WALE REIT Offer Information Line on +61 1300 303 063 from 8.30am to 5.30pm (Sydney time), Monday to Friday. For other questions, you should contact your stockbroker, accountant, taxation advisor, financial adviser or other professional adviser.

On behalf of the Board and management of Charter Hall WALE Limited, thank you for your continued support of CLW.

Yours faithfully,

Mark Bryant

Company Secretary, Charter Hall WALE Limited
as responsible entity of the Charter Hall Long WALE REIT



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Securities in CLW. In particular, this letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Neither the entitlements nor the New Securities that will be offered and sold in the Entitlement Offer have been, or will be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, entitlements may not be issued to or exercised by, and the New Securities may not be offered or sold, directly or indirectly, to persons in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable U.S. state securities law. The entitlements and the New Securities to be offered and sold in the Entitlement Offer may only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of persons in the United States, in each case, in "offshore transactions" in reliance on Regulation S under the Securities Act.

IMPORTANT NOTICE TO NOMINEES: Because of legal restrictions, you must not send copies of this letter nor any material relating to the Entitlement Offer to any of your clients (or any other person) in the United States or any other person acting for the account or benefit of persons in the United States or to any person in any other jurisdiction outside of Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws. The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

About Charter Hall Long WALE REIT

Charter Hall Long WALE REIT is an Australian Real Estate Investment Trust ("REIT") listed on the ASX (ASX: CLW) and invests in high quality Australasian real estate assets that are predominantly leased to corporate and government tenants on long term leases.

Charter Hall Long WALE REIT is managed by Charter Hall Group (ASX:CHC) 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 \$20.4 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

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