

**ASX ANNOUNCEMENT**

**10 August 2009**

**Announcement No. 28/09  
The Manager  
Australian Stock Exchange**

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**COMPLETION OF INSTITUTIONAL OFFER**

**Highlights**

- **Placement and Institutional Bookbuild completed with significant demand from new and existing securityholders**
- **Institutional bookbuild closed at a price of \$2.00 providing the minority of institutional securityholders who did not take up their rights with \$0.50 per entitlement**
- **Retail entitlement offer opens on 11 August and closes on 28 August 2009**

**ALE Property Group Successfully Completes \$64.2 million Institutional Equity Raising**

ALE Property Group ("ALE" or the "Group") today announced the successful completion of the institutional component of its \$105.2 million equity raising ("Offer") announced on the 5<sup>th</sup> of August 2009. ALE has completed the institutional placement ("Institutional Placement") and the institutional component of the accelerated renounceable 1 for 2 pro rata entitlement offer ("Institutional Entitlement Offer").

The Managing Director of ALE Property Group, Mr Andrew Wilkinson, said, "We are very pleased with the support our existing and new institutional securityholders have shown for the equity raising. We are also delighted to introduce a number of new institutional investors to the register. The Offer significantly strengthens our balance sheet and we are now well positioned to move forward in the implementation of our capital management strategy."

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The Institutional Placement and Institutional Entitlement Offer Bookbuild were heavily oversubscribed with demand from both existing and new institutional investors.

The institutional component of the capital raising has raised approximately \$64.2 million, comprising \$29.6 million from the Institutional Placement and approximately \$34.6 million from the Institutional Entitlement Offer.

New ALE stapled securities to be issued under the Institutional Placement will be allotted on 11 August 2009 and new stapled securities to be issued under the Institutional Entitlement Offer are expected to be allotted on 28 August 2009. The ALE stapled securities to be issued under the Offer ("New Securities") will rank equally with existing securities from allotment and will receive the full December 2009 half yearly distribution (but are not eligible for the June 2009 half year distribution, as the relevant record date has passed).

#### **Completion of Institutional Placement**

Approximately \$29.6 million was raised through the Institutional Placement at \$2.25 per stapled security, resulting in the issue of approximately 13.2 million New Securities. The New Securities to be issued under the Institutional Placement will settle on 10 August 2009 and commence trading on 11 August 2009.

#### **Completion of Institutional Entitlement Offer**

Approximately \$34.6 million was raised through the Institutional Entitlement Offer at A\$1.50 per stapled security. Eligible institutional securityholders were invited to participate pro-rata to their existing holdings by subscribing for 1 New Security for every 2 ALE stapled securities held at the Record Date of 7:00 pm on 11 August 2009 ("Record Date"), at an offer price of \$1.50 per New Security ("Offer Price"), which will result in the issue of approximately 23.0 million New Securities. The Institutional Entitlement Offer New Securities will settle on 27 August 2009 and commence trading on 28 August 2009.

Eligible institutional securityholders made valid applications in respect of approximately 12.9 million New Securities under the Institutional Entitlement Offer, representing approximately 56% of the total number of New Securities offered to them. Those New Securities not taken up were sold under the institutional bookbuild which received significant demand clearing at \$2.00 per New Security, a \$0.50 premium per New Security to the Offer Price of \$1.50. The bookbuild is described in further detail below.

### **Completion of Institutional Entitlement Bookbuild**

A total of approximately 10.2 million ALE entitlements which were not taken up by eligible institutional stapled securityholders were offered to institutional investors under an institutional bookbuild ("Institutional Entitlement Bookbuild"). The clearing price of the Institutional Entitlement Bookbuild was \$2.00 per stapled security ("Clearing Price"), which was effectively the same as the blended entry price of institutional investors who participated in the Institutional Placement (at an offer price of \$2.25 per stapled security) and who also took up their 1 for 2 entitlement in relation to those placement New Securities (at an offer price of \$1.50 per New Security). The difference between the Clearing Price and the Offer Price (of \$0.50 per ALE stapled security) will be paid to eligible institutional stapled securityholders who did not take up their entitlement in the Institutional Entitlement Offer (to the extent that they did not take up their entitlements less any costs or withholdings). There were no ineligible institutional stapled securityholders.

### **Commencement of the Retail Entitlement Offer**

The Retail Entitlement Offer (also fully underwritten) comprises the issue of approximately 27.4 million securities to raise approximately \$41.1 million. The Retail Entitlement Offer will open on 11 August 2009 and is expected to close at 5.00pm (AEST) on 28 August 2009. Eligible retail stapled securityholders will have the opportunity to participate at the same price (\$1.50 per New Security) and offer ratio (1 for 2) as institutional securityholders under the Institutional Entitlement Offer.

Eligible retail stapled securityholders may also apply for New Securities in excess of their entitlement ("Additional New Securities"). The Entitlement and Acceptance Form will indicate the maximum dollar value of Additional New Securities a retail stapled securityholder is entitled to apply for, which is calculated by multiplying 20% of the total number of ALE stapled securities held at the Record Date by the Offer Price. ALE will endeavour to satisfy retail stapled securityholders demand for Additional New Securities having regard to the circumstances of the Retail Entitlement Offer. It should be noted that ALE reserves, in its absolute discretion, the right to scale back applications for Additional New Securities to the extent and manner it sees fit. Any New Securities in excess of entitlements will be limited to the extent that there are sufficient New Securities from eligible retail stapled securityholders who do not take up their full entitlements.

Eligible retail stapled securityholders wishing to participate in the Retail Entitlement Offer for New Securities and Additional New Securities will need to have regard to the Retail Offer Booklet and the personalised entitlement and acceptance form, which are expected to be mailed to each eligible retail stapled securityholder on 13 August 2009.

### Retail Entitlement Offer timetable

Event	Date
Record date for determining entitlements to New Securities	7:00pm Tuesday, 11 August 2009
Retail Entitlement Offer opens	Tuesday, 11 August 2009
Early Close Date and Time	Thursday, 20 August 2009 at 5.00pm
Initial Allotment of New Securities (Early Close Date)	Thursday, 27 August 2009
Expected normal trading of New Securities on ASX (Early Close Date) (subject to ASX quotation being granted)	Friday, 28 August 2009
Final Close Date	5:00pm Friday, 28 August 2009
Retail Entitlement Offer bookbuild of renounced entitlements	Thursday, 3 September 2009
Final Allotment of New Securities (Final Close Date)	Wednesday, 9 September 2009
Expected normal trading of New Securities on ASX (Final Close Date) (subject to ASX quotation being granted)	Thursday, 10 September 2009
Expected dispatch of holding statements (Early Close Date and Final Close Date)	Wednesday, 9 September 2009

Note: All times and dates refer to Australian Eastern Standard Time (AEST).

These dates are indicative only and are subject to change without notice. Subject to the requirements of the *Corporations Act 2001* (Cth), the ASX Listing Rules and any other applicable laws, ALE has the right, with the consent of the underwriters, to amend the timetable including to extend the closing date for the Retail Entitlement Offer, to close the Retail Entitlement Offer early, to withdraw the entitlement offer at any time prior to the

allotment of New Securities under the Retail Entitlement Offer and/or to accept late applications either generally or in specific cases. If the closing date is extended, the subsequent dates may also be extended.

### **Securityholder Enquiries**

Retail stapled securityholders who have any questions regarding the Retail Entitlement Offer should contact The ALE Property Group Offer Information Line on 1300 016 250 (within Australia) or on +61 3 9415 4622 (from outside Australia) at any time from 8:30am to 5:00pm (AEST), Monday to Friday, during the Retail Entitlement Offer period.

For further information please contact:

Andrew Wilkinson

Managing Director

**ALE Property Group**

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### **Important Information:**

This announcement includes "forward-looking statements" within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of ALE Property Group, and its officers, employees, agents or associates. Certain relevant risks are set out in the FY09 results presentation and capital management initiatives dated 5 August 2009. Actual results, performance or achievements may vary materially from any projections and forward looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward-looking statements. ALE Property Group assumes no obligation to update such information.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act")). Securities may not be offered or sold in the United States or to or for the account or benefit of U.S. persons unless the securities have been registered under the U.S. Securities Act or an exemption from registration is available. The securities to be offered and sold in this capital raising

have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons unless an exemption from the registration requirements of the Securities Act is available.

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