

Westpac Office Trust (WOT)

Total pages: 2

16 November 2009

Westpac Office Trust commences trading units on the ASX

An Explanatory Memorandum recommending proposed changes to the arrangements for trading in Westpac Office Trust on the ASX was distributed to all unitholders in August 2009.

At a meeting held on 10 September 2009 unitholders voted in favour of the recommendations and, as a result, trading in instalment receipts (ASX code 'WOTCA") ceased on 11 September 2009 and trading in units (ASX code "WOT") commenced on 14 September 2009.

The first resolution supported by investors was a proposal to:

- Cease trading instalment receipts and commence trading units in the Trust on the ASX;
- Extend the term of the instalment debt from 1 November 2011 to 1 November 2013;
- Reduce the amount of instalment debt payable on 1 November 2011 from \$0.50 per instalment receipt with the remaining \$0.25 payable on 1 November 2013; and
- Amend certain aspects of the instalment debt.

Investors also supported a resolution to amend and extend the term of the Business Development Agreement between the Trust and Westpac Banking Corporation from 2010 to 2014.

The answers to some frequently asked questions arising from the changes are noted below. Further information on the changes can be found on the Trust's website at www.westpacfunds.com.au or by calling the Trust's Investor Infoline on 1300 766 855 (for callers within Australia) or +61 2 8280 7072 (for callers outside Australia).

| Question | Answer |
|--|--|
| Can I still hold instalment receipts? | Yes. Investors may continue to hold instalment receipts. The term of the instalment receipts has been extended from 1 November 2011 to 1 November 2013. |
| Can I buy instalment receipts on the ASX? | No. From 11 September 2009 trading in instalment receipts on the ASX ceased and future trading will only be in units. |
| Can I sell instalment receipts if they are no longer traded? | Yes. Investors are still able to sell instalment receipts through brokers. The sale process, through the usual trading systems, involves the sale of the underlying units, repaying the instalment debt as part of the settlement process, and the investor receiving the net proceeds. For example a sale of units ("WOT") at \$0.75 per unit would result in the investor receiving net proceeds of \$0.25 cents per instalment receipt after repayment of the instalment debt of \$0.50 per instalment receipt. |
| Do I have to repay the instalment debt now? | No. The terms for repaying the instalment debt have been amended from a final payment of \$0.50 per instalment receipt on 1 November 2011 to a payment of \$0.25 per instalment receipt on 1 November 2011 and a final payment of \$0.25 on 1 November 2013. In addition, investors now have the choice to repay the instalment debt earlier (see below). |
| Do I need to repay the instalment debt before I can sell my instalment receipts? | The instalment debt is repaid through the sale settlement process and does not need to be repaid beforehand. |

| Question | Answer |
|--|--|
| <p>When can I repay the instalment debt and convert my holding to units?</p> | <p>Investors now have the choice to repay the instalment debt prior to each quarterly Record Date and convert instalment receipts to units. The next repayment window opens on 1st December 2009 and closes on 23rd December 2009. Investors applying for conversion during this period will have units issued on the Record Date of 31 December 2009 and will receive the full distribution for that quarter for those units. Based upon previous distribution guidance provided to the market the distribution for the quarter to 31 December 2009 would be 1.6625 cents per unit or a net distribution of 0.85 cents per instalment receipt.</p> <p>Details of the early repayment process and application forms may be found on the Trust's website at (www.westpacfunds.com.au) or by calling the Trust's Investor Infoline on 1300 766 855 (for callers within Australia) or +61 8280 7072 (for callers outside Australia).</p> |
| <p>Can I sell some of my instalment receipts and repay the instalment debt on the remaining holding?</p> | <p>Yes. Investors can elect to sell part of their holding and continue to hold their remaining instalment receipts or the proceeds from the sale may be used to convert their remaining instalment receipts into units using the early repayment process.</p> |
| <p>Is my interest still tax deductible?</p> | <p>The tax deductibility of interest on the instalment debt should not be affected by the changes. However it is recommended that you obtain independent professional tax advice on this matter.</p> |