



ARSN 088 581 097

Not for distribution or release in the United States

7 May 2009

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## Capital Management Initiatives Update – Upsize of Entitlement Offer

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The Directors of Bunnings Property Management Limited, as responsible entity of Bunnings Warehouse Property Trust announced this morning an equity raising via a non-renounceable entitlement offer (**Entitlement Offer**).

As a result of strong support from institutional unitholders, the Entitlement Offer has been upsized by \$30 million to \$150 million. The Entitlement Offer is now being conducted on a 1 for 3.09 basis (as at the 12 May 2009 record date) at \$1.50 per new unit.

Attached is an updated ASX release and management presentation.

For further information please contact:

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## Capital Management Initiatives

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The Directors of Bunnings Property Management Limited (**BPML**), as responsible entity of Bunnings Warehouse Property Trust (**BWP** or the **Trust**), today announce an equity raising of approximately \$150 million, to strengthen BWP's balance sheet and enhance its defensive characteristics and financial flexibility.

The equity raising is a non-renounceable 1 for 3.09 entitlement offer, conducted at a fixed issue price of \$1.50 per new unit (**Entitlement Offer**). The Entitlement Offer comprises an institutional entitlement offer to raise approximately \$69 million and a retail entitlement offer to raise approximately \$81 million.

For the institutional entitlement offer, new units equivalent to the number of entitlements not taken up by eligible institutional unitholders and those which would otherwise have been offered to ineligible institutional unitholders, will be offered to eligible institutional unitholders and certain other institutional and sophisticated investors through a volume bookbuild process at the issue price.

The Entitlement Offer is fully underwritten by J.P. Morgan Australia Limited. Proceeds will be used to repay debt, terminate excess interest rate derivatives and enhance BWP's financial flexibility to take advantage of future opportunities.

### **Benefits of the Entitlement Offer**

Mr Grant Gernhoefer, General Manager of BPML, said: "Today's equity raising forms an important part of BWP's capital management strategy. It provides short term financial flexibility to manage debt funding and better positions the Trust over the medium term to pursue its prudent growth strategy of selective, earnings accretive acquisitions, and value-adding developments. Following the equity raising, BWP will be one of the lowest geared property trusts in the S&P/ASX 200 A-REIT index, with pro-forma gearing<sup>1</sup> reduced to 20.9 per cent."

BWP has \$380 million in debt facilities, of which approximately \$342 million is currently drawn<sup>2</sup>. The Trust continues to have constructive dialogue with its lenders on the extension of its bilateral facilities. The discussions are progressing well and preliminary

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<sup>1</sup> Gearing as measured on a Total Debt to Total Assets basis, as at 31 December 2008

<sup>2</sup> As at 1 May 2009

feedback from lenders indicates a willingness to extend, albeit subject to significant price increases.

Reducing the Trust's gearing towards the lower end of the target range of 20 to 40 per cent of total assets provides BWP with an even stronger balance sheet and better positions the Trust to manage debt funding in the face of the continuing uncertainty in credit and property markets.

Consistent with this conservative capital management strategy, the Entitlement Offer will provide a number of benefits to BWP, including:

- a reduction in pro-forma gearing<sup>3</sup> from 35.5 per cent to 20.9 per cent;
- an increase in the Trust's available debt capacity to approximately \$175 million<sup>4</sup> on a pro-forma basis; and
- forecast interest cover ratio of 3.75x for the 2010 financial year.

Ultimately, these initiatives are aimed at improving BWP's ability to meet its objectives to provide its unitholders with a secure, growing income stream and capital growth.

#### **Wesfarmers commitment to the Entitlement Offer**

Wesfarmers Limited (**Wesfarmers**), through a wholly-owned subsidiary, is the Trust's largest unitholder, with 22.7 per cent<sup>5</sup> of the issued units in BWP, and wholly-owns BPML, the responsible entity of the Trust. In addition, Bunnings Group Limited, a wholly owned subsidiary of Wesfarmers, is the major tenant of BWP.

Wesfarmers has indicated its intention to take up all of its entitlement under the Entitlement Offer, amounting to approximately \$34 million.

#### **Distribution guidance**

New units issued under the Entitlement Offer will rank equally with existing units and will be entitled to the 30 June 2009 half-year distribution. Allowing for the additional units and the one-off impact of writing off excess interest rate derivatives as a result of the reduced amount of debt held by BWP, the estimated distribution for the half-year to 30 June 2009 is 4.54 cents per unit. This brings the estimated total distribution for the 2009 financial year to 11.24 cents per unit.

Distributions for the 2010 financial year are forecast to be 11.93 cents per unit. This forecast reflects management's expectations of 100 per cent portfolio occupancy, a conservative estimate of income growth from structured and market rent reviews

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<sup>3</sup> Gearing as measured on a Total Debt to Total Assets basis, as at 31 December 2008

<sup>4</sup> Assumes that existing facilities are rolled-over without significant structural changes, including limits. Debt capacity may be reduced if it is considered to provide cost, tenor or other funding benefits. Capacity will also reduce to meet committed capital expenditure of less than \$10 million in the half-year to 30 June 2009 and 2010 financial year.

<sup>5</sup> As at 6 May 2009

(approximately 2.6 per cent like-for-like rental income growth), and an average interest rate of 9.8 per cent (inclusive of fees and margins<sup>6</sup>) which is, on average, 99 per cent hedged over the financial year.

Directors with unitholdings in BWP have confirmed their intentions to take up their full entitlements under the Offer.

J.P. Morgan Australia Limited is acting as sole financial advisor, lead manager and underwriter in respect of the Entitlement Offer.

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*This release and its attachments include certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention has been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of BPML, BWP, and their officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in any forward-looking statements. Actual results, performance or achievements may vary materially from any projected forward-looking statements and the assumptions on which those forward-looking statements are based. BPML does not guarantee any particular rate of return or the performance of BWP nor does it guarantee the repayment of capital from BWP or any particular tax treatment. Readers are cautioned not to place undue reliance on forward-looking statements and should also have regard to the "Risks" section of the attached management presentation. BPML assumes no obligation to update such information.*

For further information please contact:

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<sup>6</sup> Based on existing debt facility structures and assuming margins and fees consistent with current market.

# Capital Management Initiatives

## \$150 million entitlement offer

Not for release or distribution in the United States or to US persons or persons acting for the account or benefit of US persons



**Bunnings Warehouse  
Property Trust**

**7 May 2009**

[www.bwptrust.com.au](http://www.bwptrust.com.au)

# Disclaimer

This information has been prepared by Bunnings Property Management Limited ABN 26 082 856 424 ("the RE") in its capacity as responsible entity of Bunning Warehouse Property Trust ARSN 088 581 097 ("BWP") in connection with a non-renounceable entitlement offer of new ordinary units in BWP ("New Units") to members of BWP other than those members in foreign jurisdictions who are excluded in accordance with ASX Listing Rule 7.7 ("Entitlement Offer"). The Entitlement Offer is being made in accordance with section 1012DAA of the Corporations Act without the need for a product disclosure statement. Prospective investors should have regard to BWP's other periodic and continuous disclosure announcements to the Australian Securities Exchange ("ASX"), which are available at [www.asx.com.au](http://www.asx.com.au).

#### Summary information

This Presentation contains summary information about BWP and its activities current as at 6 May 2009 and relates to the Entitlement Offer. The information in this Presentation has been prepared in good faith and with due care but no representation or warranty, express or implied, is provided in relation to the currency, accuracy, reliability or completeness of the information. This Presentation should be read in conjunction with BWP's other periodic and continuous disclosure announcements lodged with ASX. Information contained in this Presentation may be subject to change from time to time without notice.

#### Not financial product advice

The Presentation is not a prospectus or product disclosure statement under the Corporations Act and has not been lodged with ASIC. The Presentation does not purport to contain all the information that you may require to evaluate a possible acquisition of New Units. This Presentation is not financial advice or a recommendation to acquire New Units and has been prepared without taking into account the objectives, financial situation or needs of individuals (including financial and taxation issues). Before making an investment decision prospective investors should conduct their own independent review, investigation and analysis of BWP units which are the subject of the Offer.

#### Not an offer

An investment in BWP units is subject to investment and other risks, including possible loss of income and principal invested. A summary of certain risks associated with an investment in BWP is set out in the 'Risks' section of this presentation. You should obtain any professional personal advice you require to evaluate the merits and risks of an investment in BWP, before making any investment decision based on your investment objectives. This Presentation is not and should not be considered to be an invitation or offer of securities for subscription, purchase or sale and does not and will not form any part of any contract for the acquisition of units in BWP.

#### No Cooling-Off Rights

Cooling-off rights do not apply to an investment in the New Units. You can not, in most circumstances, withdraw the application once it has been accepted.

#### Financial data

All dollar values are in Australian dollars (A\$) and financial data is presented within the financial year end of 30 June unless otherwise stated.

#### Foreign Jurisdictions

This Presentation does not constitute an offer in any jurisdiction in which, or to any person to whom it would not be lawful to make such an offer and no action has been taken to register units of BWP or otherwise permit a public offering of New Units in any jurisdiction. Return of the Entitlement and Application form shall be taken by BWP to constitute a representation by you that there has been no breach of any such laws. Applicants who are nominees, trustees or custodians are therefore advised to seek independent advice as to how to proceed. This document does not constitute an offer to sell, or the solicitation of an offer to buy, any units in the United States. Units may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended (the Securities Act) or an exemption from registration. The New Units have not been and will not be registered under the Securities Act, or under the securities laws of any state or other jurisdiction of the United States.

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#### Governing Law

This Presentation, the Offer and the contracts formed on acceptance of the Applications are governed by the law applicable in Western Australia, Australia. Each person who applies for New Units submits to the jurisdiction of the courts of Western Australia, Australia.

#### Future Performance

This presentation contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention has been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the RE, BWP, and their officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied any forward-looking statements. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. The RE does not guarantee any particular rate of return or the performance of BWP nor does it guarantee the repayment of capital from BWP or any particular tax treatment. You should also have regard to the 'Risks' section of the Presentation.

#### Past performance

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

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# Presentation outline

1. **Executive Summary**
2. **Benefits of the Offer**
3. **Overview of BWP**
4. **Portfolio**
5. **Capital management**
6. **Details of the Offer**
7. **Key Investment Risks**
8. **Appendix**
  - a) Portfolio update
  - b) Bunnings Group Limited trading update
  - c) Foreign jurisdictions – selling restrictions and limitations

## **Grant Gernhoefer**

General Manager  
Bunnings Property Management Limited

## **Andrew Ross**

Portfolio Manager  
Bunnings Property Management Limited

# Executive summary

- Bunnings Warehouse Property Trust (BWP) is seeking to raise approximately \$150 million of new equity (the Offer) to strengthen its balance sheet and enhance its defensive characteristics and financial flexibility
- The Offer will be a non-renounceable 1 for 3.09 entitlement offer, conducted at a fixed price of \$1.50 per unit
  - The Offer is fully underwritten by J.P. Morgan Australia Limited
- Pro-forma gearing reduces from 35.5% to 20.9%
- Forecast FY10 distributions are 11.93 cents per unit (cpu), representing a distribution yield of 8.0% on the issue price
  - Second half FY09 distributions adjusting for the Offer impact are forecast to be 4.54 cpu
- Wesfarmers Limited commitment
  - Key stakeholder, Wesfarmers, with 22.7% of BWP's issued units, has indicated its intention to take up all of its entitlement under the Offer

# Benefits of the Offer

- The Offer will improve BWP's ability to meet its objectives to provide unitholders with a secure, growing income stream and capital growth by:
  - Providing short term financial flexibility to manage debt funding; and
  - Better position BWP over the medium term to pursue its prudent growth strategy of selective, earnings accretive acquisitions and value-adding developments
- More specifically, the Offer will improve gearing and interest cover covenant headroom under BWP's debt facilities and debt capacity:

Key impacts of offer	Pro-forma gearing <sup>1</sup>	Pro-forma covenant gearing <sup>2</sup>	Pro-forma debt capacity <sup>3</sup>
Pre equity raising metrics	35.5%	37.3%	\$35m
Impacts of Offer	20.9%	22.2%	\$175m

<sup>1</sup> Pro-forma 31 December 2008 gearing (Total Debt/Total Assets)

<sup>2</sup> Pro-forma 31 December 2008 covenant gearing (Total Debt + Non Current Liabilities)/Total Tangible Assets

<sup>3</sup> Approximately

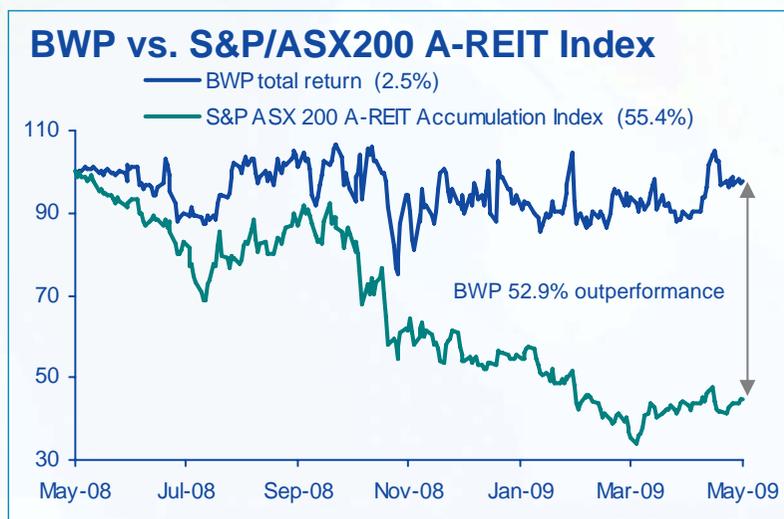
- Other benefits of the Offer include:
  - Post the equity raising, BWP will be one of the lowest geared trusts in the S&P/ASX 200 A-REIT Index
  - Potentially increase the liquidity of BWP units traded on the ASX

# Overview of BWP

- BWP's defensive characteristics are its underlying strength
  - Traditional property trust with a domestic asset base
    - Portfolio consists of 60 Australian predominantly bulky goods retail assets valued at \$956 million as at 31 December 2008
    - Geographically diverse across the country
    - Currently 100% leased with a Weighted Average Lease Expiry (WALE) of 6.5 years
    - Income almost entirely rent from investment properties
  - Solid earnings platform
    - Predictable rental stream with growth underpinned by structured and market rent reviews
    - Strong lease covenant to Wesfarmers' (BBB+ credit rating) wholly owned subsidiary, Bunnings Group Limited
    - No reliance on turnover rent (i.e. no rent based on the sales performance of the tenant's business)
  - Strong balance sheet
    - The Offer will enhance the balance sheet, providing greater financial flexibility and allowing BWP to pursue potential acquisition opportunities over the medium term
    - First time in six years that BWP has accessed the equity capital markets
  - Experienced management
    - Demonstrated prudent and disciplined approach to acquisitions and developments
    - Proven track record of generating stable and consistent returns for investors

# BWP has outperformed the market during the current financial crisis

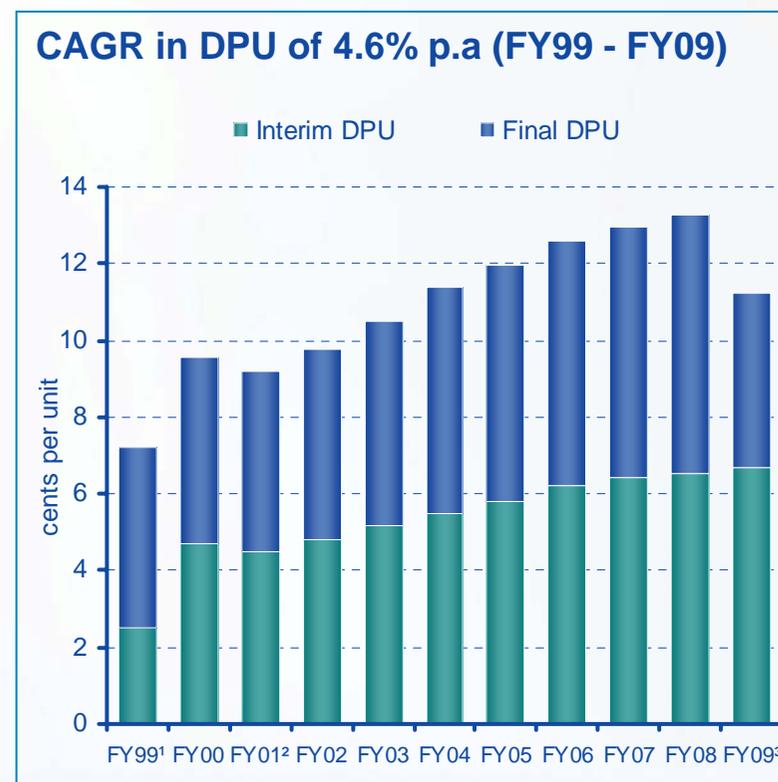
- BWP's defensive characteristics have enabled it to outperform the market
  - Best performing A-REIT over the last 12 months<sup>1</sup>
  - BWP outperformed the S&P/ASX 200 A-REIT Accumulation Index over the last 12 months<sup>1</sup> by 52.9% on a total return basis
  - BWP has exhibited lower volatility than the A-REIT sector as a whole over the last 12 months<sup>1</sup>



Source: IRESS, rebased to 100

<sup>1</sup> Performance for the twelve months ending 6 May 2009

- BWP has consistently delivered stable distributions to investors



<sup>1</sup> Trust commenced trading in September 1998

<sup>2</sup> End of concessional management fee

<sup>3</sup> FY09 includes forecast 4.54 cpu final distribution

# Portfolio – platform for sustainable growth

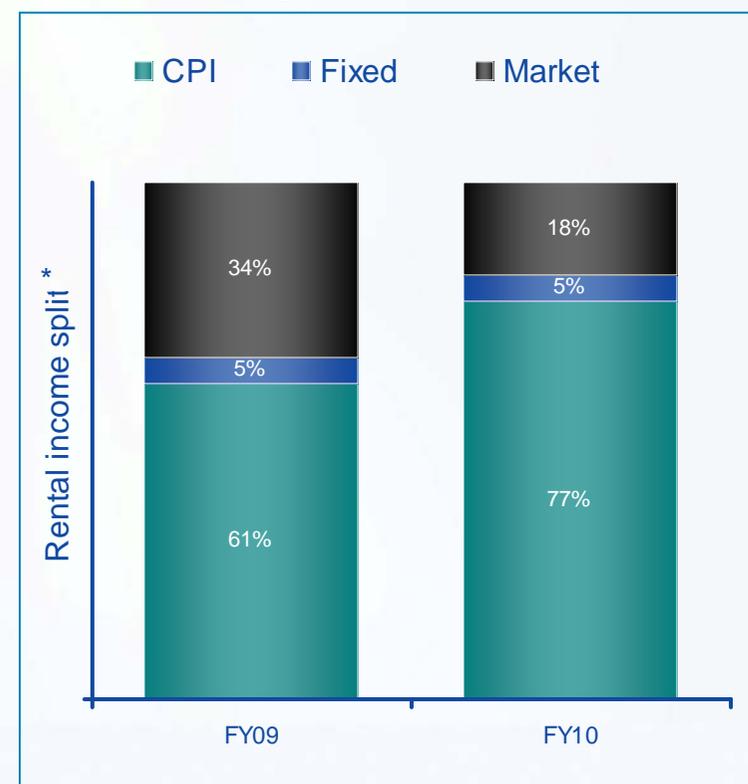
- Existing leases enable BWP to continue to extract growth from its current portfolio
- The majority of BWP's rental income growth is generated from CPI linked rent reviews

## FY09 market rent reviews completed

Market rent reviews	Passing rent (\$'000)	Determined/negotiated rent (\$'000)	Uplift %	Effective date
Altona, VIC	965	994*	+3.0	24 Sep 08
Broadmeadows, VIC	957	1,060	+10.7	24 Sep 08
Sandown, VIC	908	1,010	+11.2	24 Sep 08
Scoresby, VIC	1,115	1,173	+5.2	24 Sep 08
Sunshine, VIC	820	905	+10.4	24 Sep 08
Rocklea, QLD	1,412	1,412*	+0.0	13 Oct 08
Burleigh Heads, QLD	1,241	1,350	+8.8	22 Oct 08
Underwood, QLD	1,140	1,250	+9.6	22 Oct 08
Southport, QLD	1,230	1,330	+8.2	10 Nov 08
Hemmant, QLD (Distribution Centre)	1,333	2,017	+51.3	19 Nov 08
Lismore, NSW	793	805*	+1.4	20 Apr 09
<b>Total/Weighted average</b>	<b>11,915</b>	<b>13,306</b>	<b>+11.7</b>	

\* Negotiated outcome

## Rental income profile



\* Proportion of income by rent review method

# Portfolio – platform for sustainable growth (cont'd)

- BWP has maintained a disciplined and prudent approach to acquisition and development opportunities

- Mt Gravatt, QLD  
(\$11.2m acquisition  
+\$0.7m acquisition costs)

- 10km south of Brisbane CBD
- 2.7ha site, 10,432m<sup>2</sup> total retail area
- 7 years + 5x5 year options
- Annual rent \$0.97m
- Cap rate on net income 8.0%
- Annual 3% escalation
- Market reviews on options (cap/collar +/- 10%)
- Acquired December 2008



- Cannon Hill, QLD (\$1.2m)

- Amalgamation of BWH & DC resulting in retail area of 16,446m<sup>2</sup>
- Incremental rent \$0.23m per annum (\$0.13m represents 8.0% return on capital outlay + \$0.1m from MRR's bought forward)
- New 10 year lease + one 5 year option
- Annual CPI escalation
- Market rent reviews every 5 years (no caps/collars)
- Completed December 2008



- Hawthorn, Vic (\$24.1m)

- Site acquired for \$19.4 million in April 2007
- 7km east of Melbourne CBD
- New multi-level format 7,462m<sup>2</sup> Bunnings Warehouse on 0.84ha site
- Commencing annual rent \$2.7m
- 12 years + 4 x 5 year options
- Annual CPI escalation
- Market review in year 6 (ratchet clause) and on each year option (cap/collar +/-10%)
- Completed October 2008



# Portfolio – platform for sustainable growth (cont'd)

- Bunnings Group Limited has requested additional options to extend its leases at 15 of the Trust's Bunnings Warehouses. This proposal is currently being considered
- Proposed upgrades of existing properties
  - Fyshwick: a proposal from Bunnings Group Limited to extend the existing Bunnings Warehouse over adjoining land owned by the Trust is currently being considered. Estimated cost of the development is \$10 million
  - Fountain Gate: a proposal from Bunnings Group Limited to expand the existing Bunnings Warehouse is currently being considered, at an estimated cost of \$3.4 million

# Capital management

## Gearing and debt covenants

- BWP is in full compliance with all debt covenants
- Debt facilities are on an unsecured basis and include the following main covenants:
  - Covenant gearing ratio (total debt and non-current liabilities/total tangible assets)
    - Not to exceed 45%
  - Interest cover ratio (EBIT/interest expense)
    - Not to be less than 2.5x
  - Weighted Average Lease Expiry (WALE) not to be less than 5 years
- Following the Offer, BWP will have significant headroom under gearing and interest cover covenants
  - Pro-forma 31 December 2008 covenant gearing ratio of 22.2%
  - Forecast FY10 interest cover ratio of 3.75x

# Capital management (cont'd)

## Funding profile

### BWP debt profile pre raising

	Limit (\$m)	Drawn (\$m) as at 31 Dec 08	Expiry
ANZ	100	98.2	31 July 2010
NAB	100	89.3	Evergreen <sup>2</sup>
CBA	100	100.0	14 January 2010 <sup>3</sup>
WBC	80	57.9	1 July 2010
	<b>380</b>	<b>345.4<sup>1</sup></b>	

<sup>1</sup> Amount drawn includes accrued interest of \$1.175 million as at 31 December 2008

<sup>2</sup> Facility is extended annually provided there has been no event of default or potential default or potential event of default. Pricing review due in March 2009, for revised pricing to apply from 1 April 2010, is still progressing

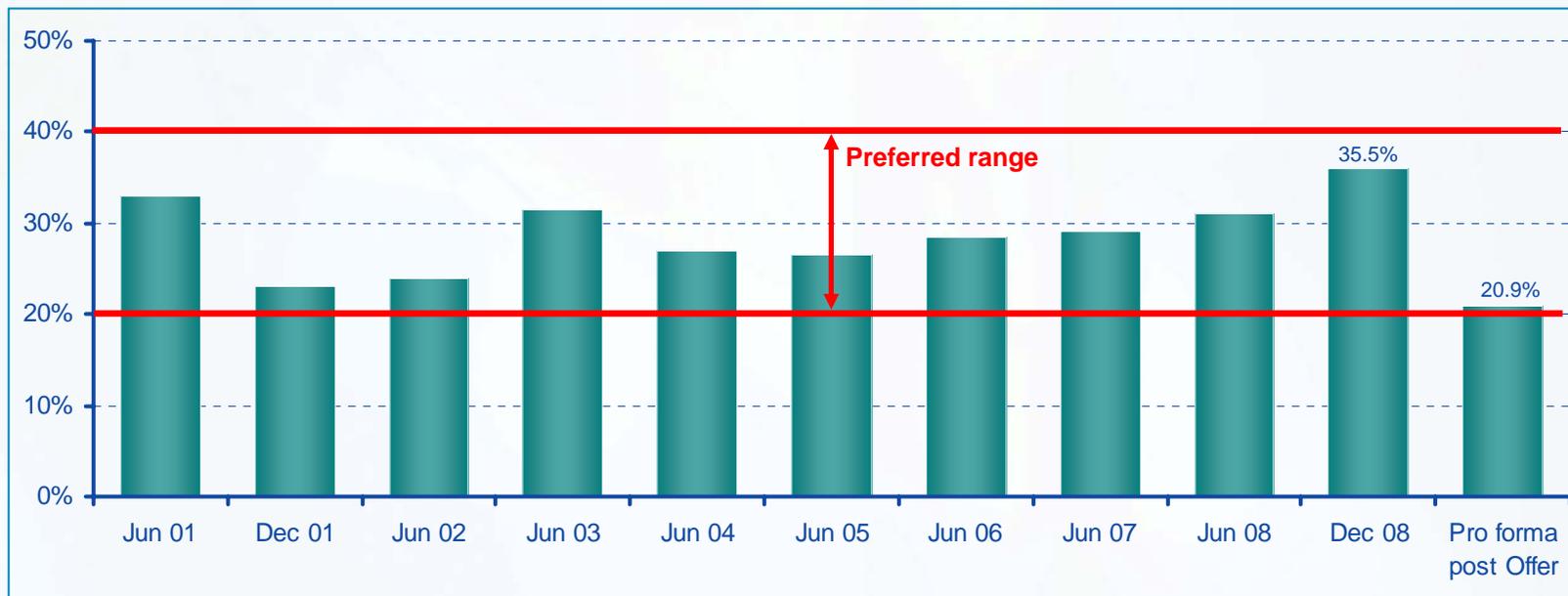
<sup>3</sup> During the half-year negotiations commenced regarding the terms for extending the facility with Commonwealth Bank of Australia to 14 January 2011. Negotiations are ongoing

- Post the Offer, BWP will have approx \$175 million of undrawn debt capacity, on a pro-forma basis
  - Assumes existing facilities are rolled-over without significant structural changes. Debt capacity may be reduced if it provides cost, tenor or other funding benefits. Capacity will also reduce to meet committed capital expenditure of less than \$10 million in second half FY09 and FY10.
- BWP continues to have constructive dialogue with its lenders on the extension of its bilateral facilities
  - Preliminary feedback from lenders indicates a willingness to extend, however pricing has increased substantially

# Capital management (cont'd)

## Gearing

- BWP has maintained a conservative level of gearing over time
  - Management has operated within a target range of 20-40%, measured on a total debt/total asset basis



# Capital management (cont'd)

## Pro-forma balance sheet

Balance sheet (\$'000)	31 December 2008 Actual	Pro-forma \$150m raising <sup>1</sup>
<b>ASSETS</b>		
Cash	9,253	9,253
Receivables	1,878	1,878
Investment property	956,311	956,311
Other	850	850
Total Assets	968,292	968,292
<b>LIABILITIES</b>		
Interest bearing debt	344,225	202,376
Non-current hedging liabilities	16,905	12,939
Other liabilities	32,412	32,412
Total Liabilities	393,542	247,727
Net Assets	574,750	720,565
Units on issue	305,524	405,769
NTA per unit	1.88	1.78
Gearing TD/TA	35.5%	20.9%
Covenant gearing (TD+NCL)/TA	37.3%	22.2%

<sup>1</sup> Pro-forma data as at 31 December 2008 adjusted for the impacting of the Offer. Excludes the impact of units issued under BWP's Distribution Reinvestment Plan relating to the December 2008 distributions which raised \$6.7m in total with 4.2m new units issued. No adjustment has been made to the value of derivative financial instruments resulting from movements in interest rates since 31 December 2008, which had an estimated mark to market position of \$16.2m at 31 March 2009 compared to \$17.9m at 31 December 2008 (includes current derivative liabilities). Non current hedging liabilities have been adjusted for the close out of \$4.0m in interest rate derivatives.

# Capital management (cont'd)

## Pro-forma earnings

- Forecast second half FY09 distribution of 4.54 cpu (post the Offer) reflects:
  - Operating earnings above budget
  - Increased number of units on issue as a result of the Offer
  - Termination costs on excess interest rate derivatives
  - Represents a total forecast distribution of 11.24 cpu for FY09
- Forecast FY10 distribution of 11.93 cpu, reflects:
  - Income growth underpinned by structured and market rent reviews (approximately 2.6% like-for-like rental income growth expected)
  - 100% portfolio occupancy
  - After the termination of certain interest rate derivatives BWP will have an average interest rate of 9.8% (inclusive of fees and margins), which is on average 99% hedged over the financial year
  - Increased margins on debt facilities consistent with current market (albeit with a lower overall interest cost post the repayment of debt)
  - Assumed roll-over of existing bank facilities without significant structural changes
  - Increased number of units on issue as a result of the Offer

# Capital management (cont'd)

## Sensitivity analysis (for illustrative purposes only)

- BWP's debt facility covenants can withstand significant asset value deterioration

Asset devaluation	0%	(5%)	(10%)	(15%)	(20%)
Total asset value (\$'000) <sup>1</sup>	968,292	919,877	871,463	823,048	774,634
Covenant gearing (%) – pre raising	37.3%	39.3%	41.4%	43.9%	46.6%
Covenant gearing (%) – post the Offer	22.2%	23.4%	24.7%	26.2%	27.8%
Implied NTA per unit (cents) – post the Offer	1.78	1.66	1.54	1.42	1.30

<sup>1</sup> Total asset value reflects property cap rates and rental income of properties and all other assets as at 31 December 2008

- Based on discussion with valuers, management anticipates that asset values as at 30 June 2009 are likely to fall by less than 5%, reflecting a modest increase in capitalisation rates, partially offset by strong rental growth from market rent reviews

# Details of the entitlement offer

- Entitlement offer of approximately 100 million new BWP ordinary units at a fixed Offer price of \$1.50 to raise \$150 million
  - The Offer is fully underwritten by J.P. Morgan Australia Limited
- A volume bookbuild will be conducted at the offer price for entitlements not taken up by eligible institutional unitholders
- New units will rank fully for the distribution for the half-year to 30 June 2009
- Offer metrics at \$1.50 per unit:
  - 15.6% discount to the 10 day VWAP to 6 May 2009
  - 14.0% discount to the last trading price of BWP's units on 6 May 2009
  - 15.5% discount to pro-forma net tangible asset value (NTA) per unit
  - Forecast FY10 DPU yield of 8.0%

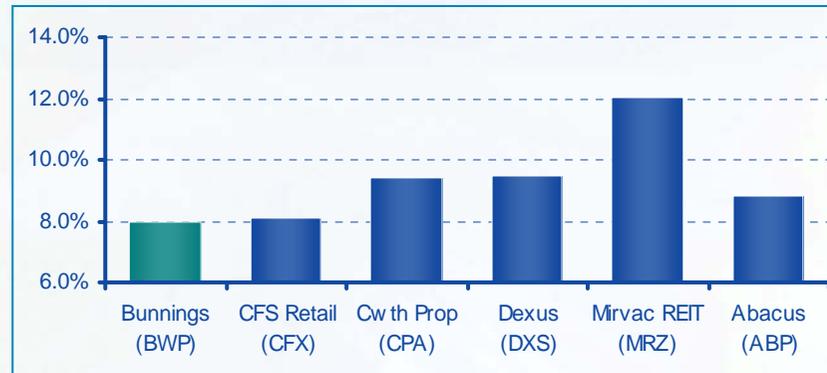
# Indicative timetable

Timetable	Date
Institutional Entitlement Offer and Bookbuild (open)	Thursday, 7 May 2009
Institutional Entitlement Offer and Bookbuild (close)	Friday, 8 May 2009
Trading recommences (T)	Monday, 11 May 2009
Record Date for Entitlement Offer	5:00pm (WAST), Tuesday, 12 May 2009
Retail Entitlement Offer open	Wednesday, 13 May 2009
Settlement of new units issued under Institutional Entitlement Offer, Institutional Bookbuild and Early Retail Entitlement Offer acceptances (T+12)	Wednesday, 27 May 2009
Allotment and normal trading of new units issued under Institutional Entitlement Offer, Institutional Bookbuild and Early Retail Entitlement Offer acceptances	Thursday, 28 May 2009
Retail Entitlement Offer- final close date	5:00pm (WAST), Thursday, 4 June 2009
Allotment of new units issued under Retail Entitlement Offer	Tuesday, 16 June 2009
Normal trading of new units issued under Retail Entitlement Offer	Wednesday, 17 June 2009

All times indicative only, subject to change and refer to WAST

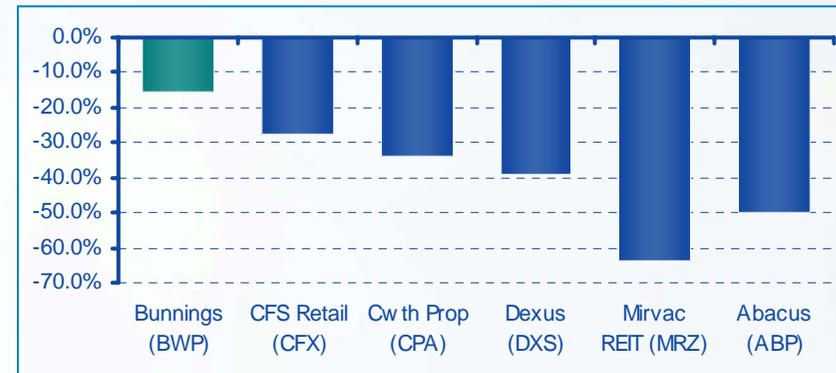
# Peer comparison

## Forecast FY10 distribution yield comparison<sup>1</sup>



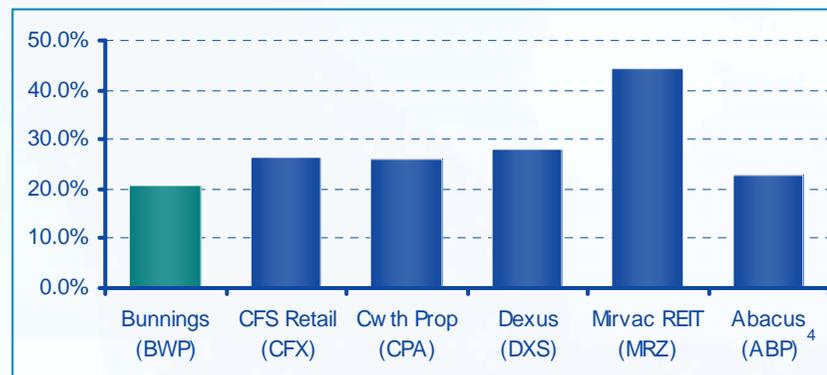
<sup>1</sup> Peer's distribution per Bloomberg median consensus, prices as at 6 May 2009  
BWP data is pro-forma for the entitlement offer

## Trading price discount to NTA<sup>2</sup>



<sup>2</sup> Peer's NTA per last publicly stated NTA, stock prices as at 6 May 2009  
BWP data is pro-forma for the entitlement offer

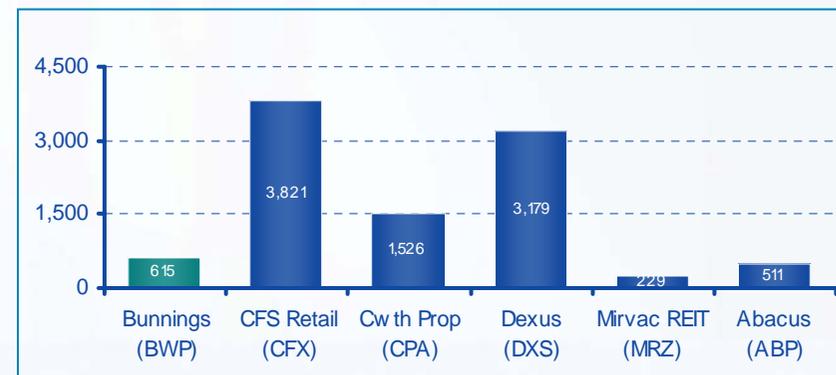
## Gearing (Total Debt / Total Assets)<sup>3</sup>



<sup>3</sup> Gearing per last publicly stated position

<sup>4</sup> Gearing defined as net debt / total assets less cash  
BWP data is pro-forma for the entitlement offer

## Market capitalisation (\$ million)<sup>5</sup>



<sup>5</sup> Peer's market capitalisation as at 6 May 2009  
BWP data is pro-forma for the entitlement offer

# Conclusion

- BWP's fundamentals remain strong
  - Simple, transparent investment vehicle with a conservative gearing level
  - Geographically diversified portfolio of Australian bulky goods retail properties
  - Stable income underpinned by leases to Wesfarmers (BBB+ credit rating) subsidiary
  - Rental growth through structured and market rent review structure
  - Experienced management with a history of delivering prudent and conservative growth
- The equity raising enhances BWP's competitive position
  - Stronger balance sheet to mitigate any further deterioration of economic conditions
  - Better platform to take advantage of future opportunities that meet BWP's prudent investment criteria

# Important holding information

## Ineligible unitholders

- Some unitholders resident outside Australia and New Zealand are not eligible to participate in the non-renounceable entitlement offer due to securities law restrictions on the offer of BWP units in certain jurisdictions (Ineligible Unitholders)
- BWP will appoint a nominee for Ineligible Unitholders. BWP will issue the nominee with Entitlements to subscribe for the BWP units that would have been available for subscription by Ineligible Unitholders had they been eligible to participate in the Offer
  - Entitlements will be offered (off-market) for sale by the nominee to wholesale investors on 9 June 2009
  - Entitlements must be exercised by 10 June 2009
  - The nominee will distribute any proceeds of sale (net of expenses) proportionately to the Ineligible Unitholders
- The final number of Ineligible Unitholders and the number of Entitlements to be offered for sale by the nominee will be determined on the basis of BWP's register on the Record Date of the Offer (5.00 pm (WAST) on Tuesday, 12 May 2009)

# Important holding information (cont'd)

## Stock lending and other transactions

- Eligible Unitholders will be entitled to apply under the entitlement offer for a certain number of new units held as at 5:00pm (WAST) on 12 May 2009 (Record Date). Notwithstanding the Record Date for the entitlement offer, BWP will be granted a waiver by ASX so that, in determining entitlements for the entitlement offer, BWP may ignore changes in unitholdings that occur after the announcement of the trading halt in units for the entitlement offer (other than registrations of transactions that were effected through ITS before that announcement)
- Accordingly, a person who is a registered unitholder of BWP at 5.00pm (WAST) on the Record Date for the entitlement offer as a result of a dealing after the announcement of the trading halt in units for the entitlement offer (other than the registration of a transaction effected through ITS before that announcement) may not be entitled to receive an entitlement under the entitlement offer
- In the event that a unitholder has existing units out on loan at the Record Date, the borrower will be regarded as the unitholder for the purposes of determining the entitlement (provided that those borrowed units have not been on-sold)

# Key investment risks

This section discusses some of the key risks associated with an investment in BWP. Additional risks that BWP is not aware of, or that it currently considers to be immaterial, could also have a potential negative impact on BWP in the future. If any of the risks or a combination of them occur, the value of your investment in BWP or your income from that investment may decline or be lower than expected. Before investing in BWP, you should consider whether this investment is suitable for you. Potential investors should consider publicly available information on BWP (such as that available on the websites of BWP and the ASX), carefully consider their personal circumstances and consult their stockbroker, solicitor, accountant or other professional adviser before making an investment decision.

## **Funding**

- The real estate investment industry tends to be highly capital intensive. The ability of BWP to raise funds on favourable terms for future refinancing and acquisitions depends on a number of factors including general economic, political, and capital and credit market conditions. The inability of BWP to raise funds on favourable terms for future acquisitions and refinancing could adversely affect its ability to acquire new properties or refinance its debt.

## **Market price**

- The market price of BWP units will fluctuate due to various factors including general movements in interest rates, the Australian and international general investment markets, and economic conditions, global geo-political events and hostilities, investor perceptions and other factors that may affect the Trust's financial performance and position. The market price of BWP units could trade on the ASX at a price below their issue price.

## **Interest rates**

- Adverse fluctuations in interest rates, to the extent that they are not hedged or forecast, may impact BWP's earnings before interest and asset values due to any impact on property markets in which the Trust operates.

## **Leverage**

- The use of leverage may enhance returns and increase the number of assets that can be acquired, but it may also substantially increase the risk of loss. Use of leverage may adversely affect the Trust if economic impacts such as rising interest rates, severe economic downturns or deterioration in the condition of the market occur. In the event an investment is unable to generate sufficient cash flow to meet the principal and interest payments on its indebtedness, the value of the Trust's equity component could be significantly reduced or even eliminated.

## **Debt covenants**

- BWP has various covenants in relation to its banking facilities, including interest cover, leverage ratio and weighted average lease expiry requirements. Factors such as falls in asset values or the inability of BWP to extend current leases or acquire long term leased properties could lead to a breach in debt covenants. In such an event, BWP's lenders may require their loans to be repaid immediately, and may affect BWP's ability to renew or extend existing borrowing facilities.

## **Taxation implications**

- You should be aware that future changes in Australian taxation law including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect taxation treatment of an investment in BWP units, or the holding and disposal of those units.

## **Realisation of assets**

- Property assets are by their nature illiquid investments. This may make it difficult to alter the balance of income sources for BWP in the short term in response to changes in economic or other conditions.

## **Employees**

- All employees of the Trust are employed by Wesfarmers Limited, the owner of BWP's responsible entity Bunnings Property Management Limited. The Trust is reliant on retaining and attracting quality senior executives and other employees. The loss of the services of any of BWP's senior management or key personnel, or the inability to attract new qualified personnel, could adversely affect the Trust's operations.

# Key investment risks (cont'd)

## Customers

- Insolvency or financial distress of BWP's tenants may reduce the income received from its assets.

## Counterparty/credit risk

- Third parties, such as tenants, developers and other counterparties to contracts may not be willing or able to perform their obligations to the Trust.
- Over 90% of BWP's rental income is generated from its leases to a wholly owned subsidiary of Wesfarmers Limited, Bunnings Group Limited. The stability of the income and value of the assets are dependent on Bunnings Group Limited delivering on its contractual obligations.

## Insurance

- The Trust purchases insurance, customarily carried by property owners, managers, developers and construction entities, that provides a degree of protection for its assets, liabilities and people. There are however certain risks that are uninsurable (e.g. nuclear, chemical or biological incidents) or risks where the insurance coverage is reduced (e.g. cyclone or earthquakes). Further, insurance markets may be detrimentally affected by the current global downturn such that insurance becomes more expensive or the financial ability of insurance companies to respond to claims is diminished.

## Property market risks

- BWP will be subject to the prevailing property market conditions in sectors in which it operates. Adverse changes in market sentiment or market conditions may impact BWP's ability to acquire, manage or develop assets, as well as the value of BWP's properties. These impacts could lead to a reduction in earnings or the carrying value of assets.

## Change in value and income of properties

- Returns from investment in properties largely depend on the rental income generated from the property and the expenses incurred in its operation, including the management and maintenance of the property as well as the changes in the market value of the property. Rental income and/or the market value of properties may be adversely affected by a number of factors, including:
  - a) the overall conditions in the national and local economy;
  - b) local real estate conditions;
  - c) the perception of prospective customers regarding attractiveness and convenience of properties and the intensity of competition with other participants in the real estate industry;
  - d) the convenience and quality of properties;
  - e) unforeseen capital expenditure;
  - f) supply of developable land, new properties and other investment properties; and
  - g) investor demand/liquidity in investments.

## Acquisitions

- BWP's future strategy may involve the acquisition of properties to add to its property portfolio. Whilst it is BWP's policy to conduct a thorough due diligence process in relation to any such acquisition, risks remain that are inherent in such acquisitions.

## Regulatory issues and changes in law

- BWP is subject to the usual business risk that there may be changes in laws that reduce income or increase costs.

## Change in capitalisation rates

- The capitalisation rates considered appropriate by independent valuers may change in response to market conditions.

# Key investment risks (cont'd)

## **Litigation and disputes**

- Legal and other disputes (including industrial disputes) may arise from time to time in the ordinary course of operations. Any such dispute may impact on earnings or affect the value of BWP's assets.

## **Competition**

- Competition may lead to an oversupply through overdevelopment or to prices for existing properties or services being inflated via competing bids by prospective purchasers.

## **Fixed nature of significant costs**

- Significant expenditures associated with each investment, such as funding costs, maintenance costs, employee costs and taxes are generally not reduced when circumstances cause a reduction in income from investment. The value of an asset owned by the Trust may be adversely affected if the income from the asset declines and other related expenses remain unchanged.

## **Occupational Health & Safety (OH&S)**

- If BWP fails to comply with necessary OH&S legislative requirements across the jurisdictions in which the Trust operates, it could result in fines, penalties and compensation for damages as well as reputational damage to the Trust.

## **Forward looking statements**

- There can be no guarantee that the assumptions and contingencies on which the forward looking statements, opinions and estimates (including projections, guidance on future earnings and estimates) are based will ultimately prove to be valid or accurate. The forward looking statements, opinions and estimates depend on various factors, many of which are outside the control of the Trust.

## **Environment**

- BWP's properties are subject to various environmental laws and regulations, including liability for remediation of contamination. There are no known sites for which the RE is responsible that require remediation under the current use. However, there can be no guarantee that all contamination has been identified or that changes in legislation will not affect permitted use or the requirement for remediation in the future.

# Glossary

Term	Meaning
A-REIT sector	Australian Real Estate Investment Trust sector
ASX	Australian Securities Exchange or ASX Limited or the financial market which it operates as the case requires
Bunnings Group Limited	Bunnings Group Limited and its subsidiaries
BWP	Bunnings Warehouse Property Trust
CAGR	Compound annual growth rate
Cap rate	Capitalisation rate
Covenant gearing	Total debt and non-current liabilities/total tangible assets
CPI	Consumer price index
CPU	Cents per unit
DPU	Distribution per unit
EBIT	Earnings before interest tax
FY	Financial year (July to June)
Gearing	Total Debt/Total Assets
ICR	Interest coverage ratio (EBIT/Interest)
ITS	Integrated Trading System
NCL	Non-current liabilities
NTA	Net tangible asset value
Operating Earnings	Earnings of the Trust excluding property revaluations
RE	Responsible Entity - Bunnings Property Management Limited
S&P/ASX 200 A-REIT Accumulation Index	Standard & Poor's/Australian Securities Exchange 200 Australian Real Estate Investment Trust Accumulation Index
TA	Total assets
TD	Total debt
Trust	Bunnings Warehouse Property Trust
WALE	Weighted average lease expiry (by income)
WAST	Western Australian Standard Time
Wesfarmers	Wesfarmers Limited

# Appendix: Portfolio update

60 properties — good geographic spread

-  **53 Bunnings Warehouses**
-  **1 Bunnings distribution centre**
-  **1 Bunnings Warehouse development site**
-  **4 Industrial properties**
-  **2 Bulky goods showrooms\***

	Dec 08	Value \$m	Cap rate
VIC	*21	392.9	7.42%
NSW/ACT	14	213.1	7.61%
QLD	10	150.7	8.01%
WA	12	161.0	7.49%
SA	3	38.6	7.44%
<b>Total</b>	<b>60</b>	<b>956.3</b>	<b>7.57%</b>

\* Showrooms at Bayswater are on the same site as the Bayswater BWH

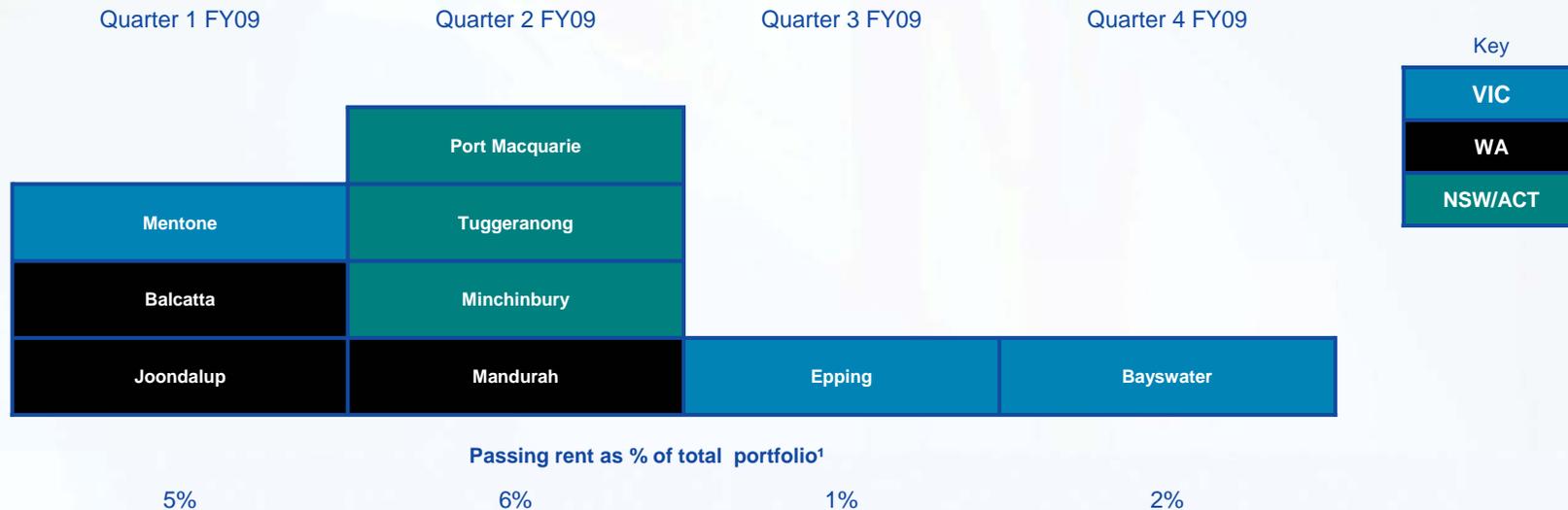


# Appendix: Future market rent reviews and revaluations

## Future Bunnings Warehouse market rent reviews and revaluations

	FY09	FY10	FY11	FY12	FY13	FY14
Rent reviews	9	10	4	7	7	22
Revaluations	23	19	19	23	19	19

## 9 market rent reviews remaining in FY09



<sup>1</sup> Percentage based on rental as at 31 December 2008

# Appendix: Portfolio lease expiry

- 6.5 year weighted average lease expiry (by rental income) at May 2009
- Typical Bunnings Warehouse Property Trust lease features
  - 15 years (plus 2 x 5 year options)
  - Annual CPI escalation
  - 5 yearly market rent reviews (majority uncapped)
  - Wesfarmers covenant (BBB+ credit rating)



## Appendix: Bunnings Warehouse recent sales evidence

- Discussion with independent valuers and recent sales of Bunnings Warehouses supports BWP's estimated cap rate expansion at May 2009
  - Properties have been sold/contracted at a weighted average cap rate of 7.75%
- Profile of properties sold are reflective of BWP's portfolio with:
  - Well located with good growth oriented demographics
  - Buildings in good condition
  - Similar land area (approximately 3.0ha - 3.5ha)
- Lease structure of recent sales incorporate:
  - Lease terms varying between 7.5 - 12 years
  - Annual rental growth from set increases of 3% or CPI
  - +/- 10% cap/collar on market rent reviews during initial term and at expiry/option exercise
  - “upgrade and buyback clauses”

Property	Location	Date	Yield
Bendigo	Bendigo, VIC	Apr 09	7.39%
Rothwell	Brisbane, QLD	Apr 09	7.93%
Mill Park	Melbourne, VIC	Mar 09	7.75%

# Appendix: Bunnings Group Limited trading update

## Bunnings Group Limited trading update for the period 1 January 2009 to 13\* April 2009

(Source: Wesfarmers Limited Investor Presentation 21 April 2009)

### Cash store-on-store sales growth of 11.1%

- Good performance across existing store network
- Growth across all merchandising categories
- Ongoing focus on creating customer value and improving operational effectiveness and efficiency

### Challenging trade market

- Continued weakness in most housing construction markets
- Growth in first home owner market has had minimal impact
- Strategic agenda progressed

### Bunnings Group Limited outlook

- Continued cash sales growth – sensitive to an extended downturn
- Challenging trade market conditions
- Likely for 13 store and 10 trade centre openings for FY09
- Ongoing focus on operating the business for long term success, while managing through the current economic environment
- Strong focus on cost

\* Allows for Easter timing

## Bunnings Group Limited network (as at April 2009)

-  **172 Warehouses stores**
-  **58 Small format stores**
-  **20 Trade Centres**



# Foreign jurisdictions

## **New Zealand**

The Information is not a New Zealand prospectus or an investment statement and have not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Securities Act 1978 (or any other relevant New Zealand law). The Information may not contain all the information that an investment statement or prospectus under New Zealand law is required to contain. The New Units will be offered to the public of New Zealand in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

## **United States**

The Information does not constitute an offer to sell, or the solicitation of an offer to buy, New Units in the United States. The offer and sale of the New Units have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Units may not be offered, sold or resold in the United States except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

## **United Kingdom**

Neither this Presentation nor any accompanying letter or other document has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of FSMA) has been published or is intended to be published in respect of the New Units.

Each of Bunnings Property Management Limited ("BPML") and J.P. Morgan Australia Limited ("Underwriter") have:

- (a) complied and will comply with all applicable provisions of Financial Services and Markets Act 2000 of the United Kingdom (the "FSMA") with respect to anything done by it in relation to the New Units in, from or otherwise involving the United Kingdom; and
- (b) only communicated or caused to be communicated and will only communicate or cause to be communicated in the United Kingdom any invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) received by it in connection with the issue or sale of the New Units in circumstances in which Section 21(1) of FSMA does not apply to BPML.

## **European Economic Area (which includes Germany)**

This Presentation has been prepared on the basis that all offers of New Units will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the European Economic Area ("EEA"), from the requirement to produce a prospectus for offers of securities. Accordingly any person making or intending to make any offer within the EEA of New Units which are subject to the placement contemplated in this Presentation should only do so in circumstances in which no obligation arises for BPML or the Underwriter to produce a prospectus for such offer. Neither BPML nor the Underwriter have authorised, nor do they authorise the making of any offer of New Units through any financial intermediary, other than offers made by the Underwriter which constitute the final placement of New Units contemplated in this Presentation.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive 2003/71/EC (each, a "Relevant Member State") an offer to the public of any New Units may not be made in that Relevant Member State except that an offer of any New Units may be made to the public in that Relevant Member State at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts

# Foreign jurisdictions (cont'd)

## European Economic Area (which includes Germany) (cont'd)

(c) to fewer than 100 natural or legal persons (other than defined as qualified investors in the Prospective Directive) subject to obtaining the prior consent of BPML and the Underwriter for any such offer; or

(d) in any other circumstances falling within Article 3(2) of the Prospective Directive,

provided that no such offer of New Units shall result in a requirement for the publication by BPML of a prospectus pursuant to Article 3 of the Prospective Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any New Units in any Relevant Member State means the communication in any form and by any means of sufficient Presentation on the terms of the offer and any New Units to be offered so as to enable an investor to decide to purchase any New Units, as the same may be varied in that Relevant Member State by any measure implementing the Prospective Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Each subscriber for or purchaser of New Units in the offering located within a Relevant Member State will be deemed to have represented, acknowledged and agreed that it is a qualified investor within the meaning of the local law of the Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive or, if such implementation has not taken place, within the meaning of Article 2(1)(e) of the Prospectus Directive respectively ("Qualified Investor"). In the case of any New Units being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, warranted to and agreed with the Underwriter and BPML that: (i) the New Units acquired by it have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors, as that term is defined by the local law of the Relevant Member State or as defined in the Prospectus Directive respectively, or in circumstances in which the prior consent of the Underwriter has been obtained to each such proposed offer or resale; or (ii) where New Units have been acquired by it or on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those New Units to it is not treated under the Prospectus Directive or under the local law of the Relevant Member State as a public offer which requires the prior publication of a prospectus or a respective offering document. BPML and the Underwriter, each of their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, warranty and agreement.

## Hong Kong

The contents of this Presentation have not been reviewed or approved by any regulatory authority in Hong Kong. Recipients are advised to exercise caution in relation to any offer of New Units by BPML. If Recipients are in any doubt about any of the contents of this document, they should obtain independent professional advice.

The Presentation has not been, and will not be, registered as a prospectus in Hong Kong under the Companies Ordinance (Cap 32) ("CO") nor has it been authorized by the Securities and Futures Commission ("SFC") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) of the Laws of Hong Kong (the "SFO"). Accordingly, the Presentation must not be issued, circulated or distributed in Hong Kong other than:

(a) to "professional investors" within the meaning of SFO and any rules made under that ordinance ("Professional Investors"); or

(b) in other circumstances which do not result in this Presentation being a "prospectus" as defined in the CO nor constitute an offer to the public which requires authorisation by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors. No person allotted New Units may sell, or offer to sell, such Units to the public in Hong Kong within six months following the date of issue of such New Units.

This offering is not an offer for sale to the public in Hong Kong and it is not the intention of BPML that the New Units be offered for sale to the public in Hong Kong.

# Foreign jurisdictions (cont'd)

## Singapore

This Presentation and any accompanying documents has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Presentation and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of New Units may not be circulated or distributed, nor may New Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 282Y of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 282Z(1) of the SFA, or any person pursuant to Section 282Z(2) of the SFA, and in accordance with the conditions specified in Section 282Z of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where New Units are subscribed or purchased under Section 282Z of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the New Units pursuant to an offer made under Section 282Z of the SFA except:
  - (1) to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 282Z(3) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;
  - (2) where no consideration is or will be given for the transfer; or
  - (3) where the transfer is by operation of law.

## Switzerland

The New Units may not and will not be publicly offered, sold, advertised, distributed or re-distributed, directly or indirectly, in or from Switzerland, and no solicitation for investments in the New Units may be communicated, distributed or otherwise made available in Switzerland in any way that could constitute a public offering within the meaning of the articles 1156 or 652a of the Swiss Code of Obligations ("CO") or of article 3 of the Swiss Federal Act on Collective Investment Schemes ("CISA").

No offer in respect of the New Units has been authorised by the Swiss Financial Markets Supervisory Authority (FINMA) under the CISA. Investors in the New Units do not benefit from any potential investor protection measures under the CISA.

New Units may only be offered to qualified investors such as banks, securities dealers, insurance institutions, fund management companies and high net worth individuals as defined in the CISA in circumstances such that there is no public offering.

This Presentation does not constitute a public offering prospectus within the meaning of articles 652a and 1156 CO or the CISA and may not comply with the information standards required thereunder. Bunnings Property Management Limited has not applied for a listing of the New Units on the SIX Swiss Exchange or any other regulated securities market in Switzerland, and consequently, the information presented in the Presentation does not necessarily comply with the information standards set out in the listing rules of the SIX Swiss Exchange.

# Foreign jurisdictions (cont'd)

## Norway

This Presentation has not been approved by, or registered with, any Norwegian securities regulators pursuant to the Norwegian Securities Trading Act of 29 June 2007. Accordingly, the Presentation does not constitute, or shall be deemed not to constitute, an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007. The New Units may not be offered or sold, directly or indirectly, in Norway except:

- (a) in respect of an offer of New Units addressed to investors subject to a minimum purchase of New Units for a total consideration of not less than €50,000 per investor;
- (b) to "professional investors" as defined in the Norwegian Securities Regulation of 29 June 2007 no. 876, being:
  - (i) legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
  - (ii) any legal entity which is registered as a professional investor with the Oslo Stock Exchange (No. Oslo Børs) and which has two or more of:
    - an average of at least 250 employees during the last financial year;
    - a total balance sheet of more than €43,000,000;
    - an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
  - (iii) any natural person which is registered as a professional investor with the Oslo Stock Exchange (No. Oslo Børs) and which has two or more of:
    - an average execution of at least ten – 10 – transactions in securities of significant volume per quarter for the last four quarters;
    - a portfolio of securities with a market value of at least €500,000;
    - worked or works, for at least one – 1 – year, within the financial markets in a position which presuppose knowledge of investing in securities;
- (c) to fewer than 100 natural or legal persons (other than "professional investors" as defined in the Norwegian Securities Regulation of 29 June 2007 no. 876), subject to obtaining the prior consent of the Lead Managers for any such offer;
- (d) in any other circumstances provided that no such offer of New Units shall result in a requirement for the registration, or the publication by BWP, the Lead Manager or Underwriter, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

## Other jurisdictions

The New Units may not be offered or sold in any other jurisdiction under the Offer, except to persons to whom such offer, sale or distribution is permitted under applicable law. No offers or sales may be made into the People's Republic of China (excluding the Hong Kong Special Administrative Region).