

# INFORMATION MEMORANDUM

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## In Specie Dividend of BGP Holdings: The GPT Group's interest in the European component of the Babcock & Brown Joint Venture

The GPT Group

comprises  
GPT Management Holdings Limited (ACN 113 510 188) and  
General Property Trust (ARSN 090 110 357) the responsible entity of which is  
GPT RE Limited (ACN 107 426 504) (AFSL 286 511)

**This is an important document and should be read in its entirety.  
Please contact your professional adviser or the BGP Holdings Information Line if you have any questions.**

## IMPORTANT NOTICE AND DISCLAIMER

### Purpose of this document

This document is an Information Memorandum that relates to the in specie dividend of BGP Holdings Shares to GPT Securityholders on a pro rata basis (“**In Specie Dividend**”). BGP Holdings represents GPT’s interest in the European component of its joint venture with Babcock & Brown (“**European Joint Venture**”). This Information Memorandum sets out the details of the In Specie Dividend, the Entitlement of GPT Securityholders to receive BGP Holdings Shares, including key dates, and information regarding BGP Holdings and the underlying European Joint Venture portfolio.

### No prospectus

This document has been prepared as an Information Memorandum by GPT.

This Information Memorandum is not a prospectus for the purposes of Chapter 6D of the Corporations Act and will not be lodged with ASIC.

A copy of this Information Memorandum has been lodged with the ASX. Neither ASX nor any of its officers takes any responsibility for the content of this Information Memorandum.

### No representations other than in this Information Memorandum

No person is authorised to provide any information or to make any representation in relation to BGP Holdings which is not contained in this Information Memorandum. Any information or representation not so contained may not be relied upon as having been authorised by GPT, BGP Holdings or any other person. Except as required by law, and then only to the extent so required, neither GPT, BGP Holdings nor any other person warrants as to the future performance of BGP Holdings.

### This is not investment advice. You should seek your own financial advice

The information provided in this Information Memorandum is not financial product advice. This Information Memorandum contains general information only, and does not take into account the investment objectives, financial situation or particular needs of individual investors. Accordingly, nothing in this Information Memorandum should be construed as a recommendation by GPT or BGP Holdings or any other person concerning an investment in BGP Holdings.

It is important that you read this Information Memorandum in its entirety. You should seek professional advice from your accountant, stockbroker, lawyer or other professional adviser in relation to the transactions contemplated by this Information Memorandum.

### Taxation

Section 5 contains important information with respect to the taxation implications of the In Specie Dividend. This section contains general comments on the major Australian income tax consequences for GPT Securityholders who hold their GPT Securities on capital account and who are residents of Australia for Australian income tax purposes. As the income tax consequences of the In Specie Dividend will depend on the precise personal circumstances of each GPT Securityholder, GPT Securityholders should seek independent taxation advice that is referable to their own particular circumstances.

GPT Securityholders that are not residents of Australia should seek their own professional taxation advice.

### Restrictions on distribution outside Australia

The distribution of this Information Memorandum (electronically or otherwise) outside Australia may be restricted by law, and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### No offer or invitation to the public

This Information Memorandum does not constitute an offer of securities in any jurisdiction in which the In Specie Dividend is being made. No action has been taken to register or qualify the BGP Holdings Shares or otherwise to permit a public offering or sale of the BGP Holdings Shares in any jurisdiction in which the In Specie Dividend is being made.

### Definitions and financial amounts

A number of terms and expressions used in this Information Memorandum have defined meanings, which are set out in the Glossary in Section 7.

Please note generally that references contained in this Information Memorandum to BGP Holdings, or to other entities within the BGP Holdings Group, should be construed as references to those entities as at the Distribution Date.

All financial amounts contained in this Information Memorandum are expressed in Euros unless otherwise stated.

### Further information

If you have any questions in relation to the In Specie Dividend or BGP Holdings, please call the BGP Holdings Information Line on 1800 115 044 (within Australia) or +61 2 8280 7058 (from outside Australia) any time from 8.30am to 5:00pm Australian Eastern Standard Time (“**AEST**”), Monday to Friday, or consult with your investment or other professional adviser.

Further information may also be obtained from the BGP Holdings website ([www.bgp-investment.com](http://www.bgp-investment.com)).

# TRANSACTION SUMMARY

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## Overview

The GPT Group (“**GPT**”) will undertake an in specie dividend of its interest in the European component of its joint venture with Babcock & Brown (“**European Joint Venture**”). This transaction will effectively separate the European Joint Venture from GPT.

GPT will make an in specie dividend of BGP Holdings Shares to the Trustee, the beneficiaries of which will be GPT Securityholders as at the Record Date (“**In Specie Dividend**”). BGP Holdings is a Maltese, unlisted, private limited company that will be converted into an unlisted, public limited company with effect on or prior to the Distribution Date. Accordingly, GPT Securityholders will receive a beneficial interest in one BGP Holdings Share for every GPT Security held on the Record Date.

As at the Distribution Date, BGP Holdings will indirectly own:

- A preferred equity interest in BGP Investment Sàrl, which indirectly owns the property assets of the European Joint Venture
  - face value of €728.4 million
  - current impaired value of €1,000
  - current economic exposure to 100% of the net assets of the European Joint Venture.
- A 50% ordinary equity interest in BGP Investment Sàrl
  - nil current book value
  - not anticipated to generate any future net income.

It is the current intention of the Directors of BGP Holdings and BGP Investment Sàrl to undertake an asset realisation process to maximise sale proceeds through the sale of the underlying assets and portfolios of BGP Investment Sàrl over a 3 year period. Any net income or capital consisting of sale proceeds in excess of property level debt and associated costs (including operating costs or provisions for future operating costs) will be distributed to investors at the completion of the asset realisation process, or earlier where it makes commercial sense to do so, at the absolute discretion of the Directors of BGP Holdings and BGP Investment Sàrl (i.e. the Directors of both companies will need to exercise their discretion to make any such distribution).

### Please note that:

- **As BGP Holdings Shares are considered to have no current value, beneficial holders of BGP Holdings Shares may not receive, and should not expect to receive, any distributions of income or capital from BGP Holdings.**
- **The actual asset realisation period may be materially shorter or longer than 3 years, which may materially impact the timing and quantum of any net income or net sale proceeds, and therefore any distributions, from BGP Holdings.**
- **There is a risk that BGP Investment Sàrl may be unable to undertake or complete the asset realisation process due to a future insolvency event, in which case beneficial holders of BGP Holdings Shares are unlikely to receive any distributions of income or capital from BGP Holdings.**

**If you hold GPT Securities as at 7.00pm AEST on the Record Date (12 August 2009), you will receive beneficial interests in BGP Holdings Shares through the In Specie Dividend. You do not need to do anything, nor do you need to pay anything, for the beneficial interests in BGP Holdings Shares that you will receive.**

**If you would like further information on the In Specie Dividend or on BGP Holdings, you can call the BGP Holdings Information Line on 1800 115 044 (within Australia) or on +61 2 8280 7058 (from outside Australia) at any time from 8.30am to 5.00pm (AEST) Monday to Friday, or visit the BGP Holdings website at [www.bgp-investment.com](http://www.bgp-investment.com).**

## KEY INFORMATION ON BGP HOLDINGS

Company	<ul style="list-style-type: none"> <li>BGP Holdings plc, a Maltese, unlisted, private limited company that will be converted into an unlisted, public limited company with effect on or prior to the Distribution Date.</li> </ul>
Intended strategy	<ul style="list-style-type: none"> <li>To realise the underlying assets and portfolios of the European Joint Venture over a 3 year period and return any net income or capital consisting of sale proceeds in excess of property level debt and associated costs (including operating costs or provisions for future operating costs) to investors <ul style="list-style-type: none"> <li>any such net income or capital will be distributed to investors at the completion of the asset realisation process, or earlier where it makes commercial sense to do so, at the absolute discretion of the Directors of BGP Holdings and BGP Investment Sàrl</li> <li>the actual term of the asset realisation process may be materially shorter or longer than 3 years. BGP Investment Sàrl may not be able to undertake or complete the asset realisation process at all</li> <li>as BGP Holdings Shares are considered to have no current value, beneficial holders of BGP Holdings Shares may not receive, and should not expect to receive, any distributions of income or capital from BGP Holdings.</li> </ul> </li> </ul>
Cost	<ul style="list-style-type: none"> <li>GPT Securityholders as at the Record Date do not need to pay anything for the beneficial interests in BGP Holdings Shares that they will receive.</li> <li>The deemed value of the In Specie Dividend is €0.000001 per GPT Management Holdings Limited (“GPTMHL”) share.</li> </ul>
Transferability	<ul style="list-style-type: none"> <li>Not transferable, except for transmission on death or by operation of law. However, where a GPT Securityholder holds GPTMHL shares as at the Record Date in its capacity as a nominee or custodian for another person then, at the request of the nominee or custodian, any such person may be recorded as the beneficial holder of the BGP Holdings Shares.</li> </ul>
Stock exchange listing	<ul style="list-style-type: none"> <li>Not currently listed on any stock exchange, and no intention to list on any stock exchange in the future.</li> </ul>
Trustee	<ul style="list-style-type: none"> <li>The Trustee will hold the BGP Holdings Shares on separate trusts for the benefit of each GPT Securityholder as at the Record Date.</li> </ul>
Meetings	<ul style="list-style-type: none"> <li>An annual general meeting will be held in Malta each year.</li> <li>Shareholders of BGP Holdings will be advised of meeting details in advance.</li> </ul>
Investment manager / property asset manager	<ul style="list-style-type: none"> <li>Typical investment and property asset management services will be provided by GPT Halverton on arm’s length terms and conditions.</li> </ul>

## KEY DATES

**All dates and times are indicative only.** GPT reserves the right to vary these dates and times.

All times in this Information Memorandum refer to AEST.

GPT will make an announcement to the ASX regarding any changes to these dates and times should they occur.

Announcement of In Specie Dividend	Friday, 31 July 2009
Information Memorandum lodged with ASX	Friday, 31 July 2009
Ex-entitlement Date for In Specie Dividend	Thursday, 6 August 2009
Record Date for In Specie Dividend	Wednesday, 12 August 2009 at 7.00pm AEST
Information Memorandum despatched to GPT Securityholders	Monday, 17 August 2009
Distribution Date for In Specie Dividend	Friday, 21 August 2009

If you hold GPT Securities as at the Record Date, you will receive beneficial interests in BGP Holdings Shares through the In Specie Dividend.

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## SECTION 1

# QUESTIONS AND ANSWERS

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Key question	Summarised answer	Where to find more information
What is the In Specie Dividend?	<ul style="list-style-type: none"> <li>GPT Securityholders will receive a beneficial interest in one BGP Holdings Share for every GPT Security held as at the Record Date.</li> <li>As a result, you will have an investment in GPT and a separate beneficial interest in BGP Holdings post the In Specie Dividend.</li> </ul>	Transaction summary
What is the role of the Trustee?	<ul style="list-style-type: none"> <li>GPT Securityholders as at the Record Date will hold their interest in BGP Holdings through the Trustee.</li> <li>Accordingly, the Trustee will be the legal owner of the BGP Holdings Shares, and GPT Securityholders as at the Record Date will be the beneficial owners of the BGP Holdings Shares.</li> </ul>	Section 6
What is BGP Holdings?	<ul style="list-style-type: none"> <li>A Maltese, unlisted, private limited company that will be converted into an unlisted, public limited company with effect on or prior to the Distribution Date <ul style="list-style-type: none"> <li>as such, beneficial holders of BGP Holdings Shares cannot be required to put more capital into BGP Holdings and cannot be liable for the debts of BGP Holdings or its subsidiaries</li> </ul> </li> <li>BGP Holdings indirectly holds interests in the European Joint Venture.</li> </ul>	Transaction summary, Section 2
Why will I receive interests in a Maltese company?	<ul style="list-style-type: none"> <li>BGP Holdings is the entity through which GPT currently holds its existing interests in the European Joint Venture.</li> </ul>	
What is the European Joint Venture?	<ul style="list-style-type: none"> <li>The European component of the Babcock &amp; Brown Joint Venture, which holds indirect interests in portfolios of real estate assets located throughout Europe.</li> </ul>	Sections 2 and 3
What do I need to do?	<ul style="list-style-type: none"> <li>You do not need to do anything, nor do you need to pay anything, for the beneficial interests in BGP Holdings Shares that you will receive.</li> </ul>	Transaction summary
What is the value of the In Specie Dividend?	<ul style="list-style-type: none"> <li>The deemed value of the In Specie Dividend is €0.000001 per GPTMHL share.</li> </ul>	Transaction summary
What if I do not want to receive the In Specie Dividend?	<ul style="list-style-type: none"> <li>If you hold GPT Securities as at 7.00pm AEST on the Record Date (12 August 2009), you will receive a beneficial interest in one BGP Holdings Share for every GPT Security held through the In Specie Dividend.</li> </ul>	Transaction summary, Key dates
Can I sell my GPT Securities and still retain my interest in BGP Holdings Shares?	<ul style="list-style-type: none"> <li>Yes. Your interest in BGP Holdings Shares is non-transferable, except for transmission on death or by operation of law.</li> </ul>	Transaction summary, Section 6

Key question	Summarised answer	Where to find more information
What is the strategy of the European Joint Venture?	<ul style="list-style-type: none"> <li>It is the current intention of the Directors of BGP Holdings and BGP Investment Sàrl to undertake an asset realisation process to maximise proceeds through the sale of the underlying assets and portfolios of the European Joint Venture over a 3 year period.</li> <li>The actual asset realisation period may be materially shorter or longer than 3 years. BGP Investment Sàrl may not be able to undertake or complete the asset realisation process at all.</li> </ul>	Transaction summary, Section 2
What is BGP Holdings' dividend policy?	<ul style="list-style-type: none"> <li>Any net income or capital consisting of sale proceeds in excess of the property level debt and associated costs (including operating costs or provisions for future operating costs) will be distributed to investors at the completion of the asset realisation process, or earlier where it makes commercial sense to do so, at the absolute discretion of the Directors of BGP Holdings and BGP Investment Sàrl.</li> </ul>	Transaction summary, Section 2
Who will manage BGP Investment Sàrl's assets?	<ul style="list-style-type: none"> <li>GPT Halverton will provide typical investment and property asset management services on arm's length terms and conditions.</li> </ul>	Transaction summary, Sections 2 and 6
What are the material risks of holding beneficial interests in BGP Holdings Shares?	<ul style="list-style-type: none"> <li>As BGP Holdings Shares are considered to have no current value, beneficial holders of BGP Holdings Shares may not receive, and should not expect to receive, any distributions of income or capital from BGP Holdings.</li> <li>The actual asset realisation period may be materially shorter or longer than 3 years, which may materially impact the timing and quantum of any net income or net sale proceeds, and therefore any distributions, from BGP Holdings.</li> <li>There is a risk that BGP Investment Sàrl may be unable to undertake or complete the asset realisation process due to a future insolvency event, in which case beneficial holders of BGP Holdings Shares are unlikely to receive any distributions of income or capital from BGP Holdings.</li> <li>There may be tax consequences - please refer to the following question.</li> <li>There may be regulatory or compliance issues - please seek professional advice from your lawyer or other professional adviser.</li> </ul>	Important notice and disclaimer, Transaction summary

Key question	Summarised answer	Where to find more information
What are the significant tax implications?	<ul style="list-style-type: none"> <li>• There may be tax consequences in connection with the In Specie Dividend.</li> <li>• For a summary of the tax implications for Australian resident investors, please refer to Section 5.</li> <li>• Investors resident outside Australia should seek their own professional advice.</li> <li>• There are no Maltese tax implications. Beneficial holders of BGP Holdings Shares will not be subject to Maltese tax. Please refer to Section 5 for further detail.</li> <li>• If you have any additional questions on the potential tax implications of the In Specie Dividend, please seek professional advice from your accountant or personal tax adviser.</li> </ul>	Section 5
Can I offer my interest in BGP Holdings Shares for sale?	<ul style="list-style-type: none"> <li>• No. Your interest in BGP Holdings Shares is non-transferable, except for transmission on death or by operation of law.</li> </ul>	Transaction summary, Section 6
Will BGP Holdings be listed on a stock exchange?	<ul style="list-style-type: none"> <li>• No.</li> </ul>	Transaction summary
Will investors resident outside Australia receive beneficial interests in BGP Holdings Shares?	<ul style="list-style-type: none"> <li>• Yes. Investors resident outside Australia will receive beneficial interests in BGP Holdings Shares if they hold GPT Securities as at 7.00pm AEST on the Record Date (12 August 2009).</li> </ul>	
How can further information be obtained on the In Specie Dividend or on BGP Holdings?	<ul style="list-style-type: none"> <li>• If you would like further information on the In Specie Dividend or on BGP Holdings, you can call the BGP Holdings Information Line on 1800 115 044 (within Australia) or on +61 2 8280 7058 (from outside Australia) at any time from 8.30am to 5.00pm (AEST) Monday to Friday, or visit the BGP Holdings website at <a href="http://www.bgp-investment.com">www.bgp-investment.com</a>.</li> </ul>	Transaction summary, Section 6

## SECTION 2

# OVERVIEW OF BGP HOLDINGS

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## 2.1 OVERVIEW OF BGP HOLDINGS

BGP Holdings is a Maltese, unlisted, private limited company that will be converted into an unlisted, public limited company with effect on or prior to the Distribution Date.

As at the Distribution Date, BGP Holdings will indirectly hold interests in portfolios of European real estate assets held through Special Purpose Vehicles (“SPVs”). These SPVs are highly geared.

Debt facilities pertaining to many of the SPVs contain lending covenants. Some of these covenants are currently in breach, or are expected to be in breach, and BGP Investment Sàrl is in negotiations with the relevant lending banks with respect to the future of those portfolios.

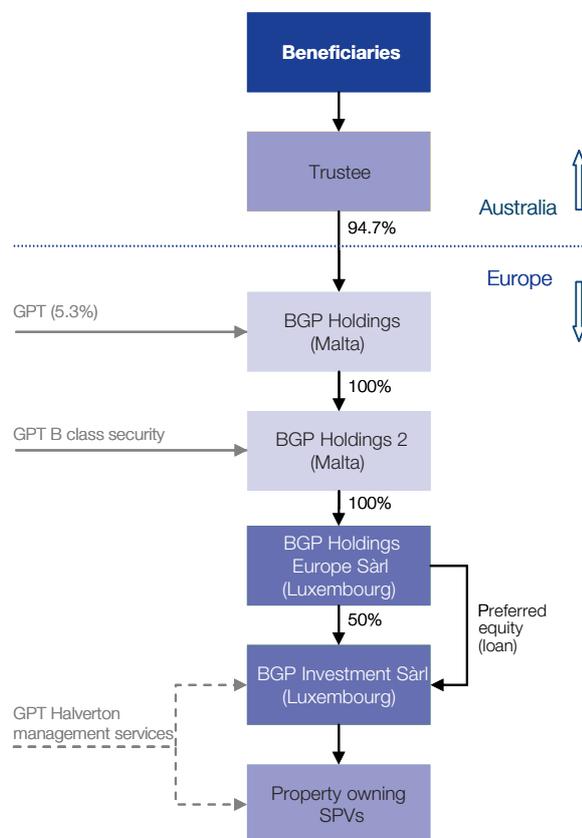
It is the current intention of the Directors of BGP Holdings and BGP Investment Sàrl to undertake an asset realisation process to maximise sale proceeds through the sale of the underlying assets and portfolios of BGP Investment Sàrl over a 3 year period. Any net income or capital consisting of sale proceeds in excess of the property level debt and associated costs (including operating costs or provisions for future operating costs) will be distributed to investors at the completion of the asset realisation process, or earlier where it makes commercial sense to do so, at the absolute discretion of the Directors of BGP Holdings and BGP Investment Sàrl (i.e. the Directors of both companies will need to exercise their discretion to make any such distribution).

**Please note that:**

- **As BGP Holdings Shares are considered to have no current value, beneficial holders of BGP Holdings Shares may not receive, and should not expect to receive, any distributions of income or capital from BGP Holdings.**
- **The actual asset realisation period may be materially shorter or longer than 3 years, which may materially impact the timing and quantum of any net income or net sale proceeds, and therefore any distributions, from BGP Holdings.**
- **There is a risk that BGP Investment Sàrl may be unable to undertake or complete the asset realisation process due to a future insolvency event, in which case beneficial holders of BGP Holdings Shares are unlikely to receive any distributions of income or capital from BGP Holdings.**

## 2.2 STRUCTURE

The structure of the BGP Holdings Group as at the Distribution Date will be as follows:



Babcock & Brown International Pty Limited owns the other 50% ordinary equity interest in BGP Investment Sàrl.

Babcock & Brown has consented to the In Specie Dividend, and has agreed to amend the joint venture documents between Babcock & Brown and GPT to reflect the fact that GPT will no longer manage BGP Investment Sàrl under the joint venture. Instead, after the In Specie Dividend has been implemented, BGP Investment Sàrl and its affiliates will receive investment management and property asset management services from GPT Halverton in accordance with the Investment Management Agreement and Property Asset Management Agreement summarised in Section 6.

BGP Holdings Europe Sàrl, the BGP Holdings Group shareholder of BGP Investment Sàrl as at the Distribution Date, has granted B&B MH 2 Co. Limited (the “B&B Shareholder”) an option to require BGP Holdings Europe Sàrl to execute a share acquisition agreement in terms of which it would purchase for €1 89% of the shares that the B&B Shareholder holds in BGP Investment Sàrl. Operation of the option is conditional on the In Specie Dividend being implemented, on applicable regulatory approvals being obtained, and on any material adverse tax

consequences of the exercise of the option and the share purchase being avoided or limited. The B&B Shareholder can exercise the option at any time within 120 business days after the conditions are fulfilled.

GPT will retain a 5.3% ordinary equity interest in the European Joint Venture to prevent the triggering of real estate transfer tax in some of the underlying portfolios.

GPT will also retain a B class share in BGP Holdings 2 so as to comply with Maltese corporate law requirements that there are a minimum of two shareholders in a Maltese company. This is a non-participating and non-voting share which is currently held by GPT.

## 2.3 CORPORATE GOVERNANCE

The Directors of BGP Holdings will be responsible for the overall management of BGP Holdings, including oversight of its strategic direction. The aim of the Directors is to maximise returns to beneficial holders of BGP Holdings Shares, although there is no guarantee of any distributions of income or capital from BGP Holdings. The Directors will be assisted by the management of BGP Investment Sàrl and their agents.

Shareholders of BGP Holdings will receive annual audited financial statements and notices of general meetings. BGP Holdings will hold a general meeting of shareholders annually in Malta within 8 months of year end.

### 2.3.1 Board of Directors of BGP Holdings

As at the Distribution Date, the BGP Holdings board will consist of 3 Directors:

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#### Mark Dunstan

Executive Director  
Luxembourg resident

Mark Dunstan has 20 years experience in corporate and institutional banking, including debt origination, structured finance and securitisation. Mark originally joined BGP in 2006 from ING where he was Managing Director within Wholesale Banking Europe. He rejoins BGP after 18 months as Head of Specialised Funds Europe at Babcock & Brown. Mark has a BA and LLB from the University of Sydney, and is a Luxembourg national.

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#### Francis J. Vassallo

Non-executive Director  
Maltese resident

Francis J. Vassallo was formerly the Governor of the Central Bank of Malta and was a founding member of the Board of Governors of the Malta Financial Services Authority. He also acted as Chairman of the Malta Development Corporation. Francis has held various

senior management positions with Chase Manhattan Bank in the Channel Islands, Luxembourg, Spain and Switzerland. Francis is a non-executive board member of a number of listed and unlisted companies, and is a member of the International Tax Planning Association, the Institute of Financial Services Practitioners and the Sovereign Military Order of the Knights of St. John. Francis is fluent in English, Maltese, Italian and Spanish.

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#### Ruth Agius Scicluna Buttigieg

Non-executive Director  
Maltese resident

Dr. Ruth Agius Scicluna Buttigieg holds a Doctorate of Law from the University of Malta. She has worked for a law firm in Malta before joining the corporate tax and legal department of KPMG Malta. Ruth joined Francis J. Vassallo & Associates Limited in 2002, specialising in international tax planning. She is a member of the Institute of Financial Services Practitioners. Ruth is fluent in English, Maltese, Italian and French.

Please note that the Directors of BGP Holdings may appoint an additional Director, who could be an Australian resident.

### 2.3.2 Board of Directors of BGP Investment Sàrl

As at the Distribution Date, the BGP Investment Sàrl board will consist of 3 Directors:

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#### Mark Dunstan

Executive Director  
Luxembourg resident

Please refer to Section 2.3.1 for biography.

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#### Nicolas Comes

Non-executive Director  
Luxembourg resident

Nicolas Comes is the Chairman and Chief Executive of Carrosserie Comes S.A. and Co-Founder and Chairman of HITEC Luxembourg S.A. He gained extensive entrepreneurial expertise in the fields of industry, technology, high technology and finance through his various ventures in Luxembourg and abroad over the past 30 years. He holds a MA in Economics and Finance from the University of Mannheim and a BSc in Industrial Technology from the University of Mannheim. Nicolas is a Luxembourg national.

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#### Yves Elsen

Non-executive Director  
Luxembourg resident

Yves Elsen is the Managing Partner and CEO of HITEC Luxembourg S.A. and Board Member of Carrosserie

Comes S.A. Previously a member of the Management Committee of SES S.A., he has served in a wide range of technical, business development, marketing and management functions over the past 20 years. He is an MBA graduate from INSEAD in Fontainebleau, France and holds a MScE from the Swiss Federal Institute of Technology in Zurich. Yves is a Luxembourg national.

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Please note that the Directors of BGP Investment Sàrl may also appoint an additional Director, who could be an Australian resident.

The B&B Shareholder has the right to nominate the same number of Directors to the board of BGP Investment Sàrl as BGP Holdings Europe Sàrl. The B&B Shareholder has not taken up that right and is not expected to do so in the future.

### 2.3.3 Management of BGP Investment Sàrl

As at the Distribution Date, the BGP Investment Sàrl management team will comprise 7 employees. Key members of the management team include:

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#### **Mark Dunstan**

Managing Director  
Luxembourg resident

Please refer to Section 2.3.1 for biography.

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#### **Serge Morel**

Chief Financial Officer  
Luxembourg resident

Serge Morel joined BGP from PricewaterhouseCoopers where he was Business Assurance Audit Director. Prior to this role, Serge was CFO at Baloise Insurance in Luxembourg and an Audit Manager at PricewaterhouseCoopers in Luxembourg and San Francisco. He holds a Masters in Finance and Accounting from the Université des Sciences Economiques, Clermont-Ferrand. Serge is a French national, has been resident in Luxembourg for 11 years, and is fluent in French, English and German.

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#### **Maire Gallagher**

General Counsel  
Luxembourg resident

Maire Gallagher is a qualified solicitor of the Law Society of Ireland and at the Luxembourg Bar, and has worked as an attorney at a leading Luxembourg law firm before taking up the role of corporate counsel at Satlynx S.A. in Luxembourg. She holds a Bachelor of Civil Law from University College Dublin and a Diplôme d'Etudes Approfondies in European Union Law from the Centre Européen Université de Nancy. Maire is an Irish National and has been resident in Luxembourg for 15 years.

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#### **Kelan Kelly**

Financial Controller  
Luxembourg resident

Kelan Kelly previously worked at PricewaterhouseCoopers in Ireland and Luxembourg for 6.5 years as an Audit Manager specialising in Insurance, Pensions and Holding Structures. He is a Chartered Accountant and member of the Institute of Chartered Accountants of Ireland. Kelan is an Irish national, but was born and is resident in Luxembourg.

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In addition, GPT Halverton will provide investment and property asset management services to BGP Investment Sàrl and its subsidiaries. These management services will be provided on arm's length terms and conditions. For a summary of these terms and conditions, please refer to Section 6.

## 2.4 FURTHER INFORMATION

If you would like further information on the In Specie Dividend or on BGP Holdings, you can call the BGP Holdings Information Line on 1800 115 044 (within Australia) or on +61 2 8280 7058 (from outside Australia) at any time from 8.30am to 5.00pm (AEST) Monday to Friday, or visit the BGP Holdings website at [www.bgp-investment.com](http://www.bgp-investment.com).

SECTION 3

OVERVIEW OF  
EUROPEAN  
JOINT  
VENTURE  
PORTFOLIOS

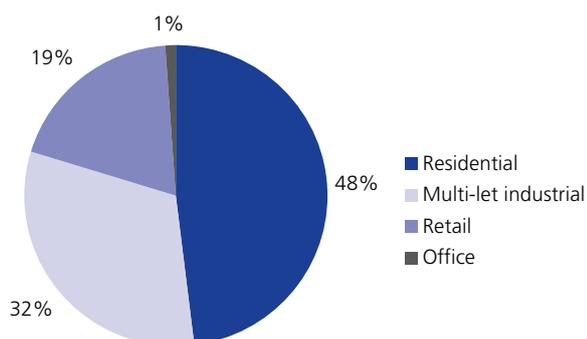
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### 3.1 OVERVIEW OF PORTFOLIOS UNDERLYING THE EUROPEAN JOINT VENTURE

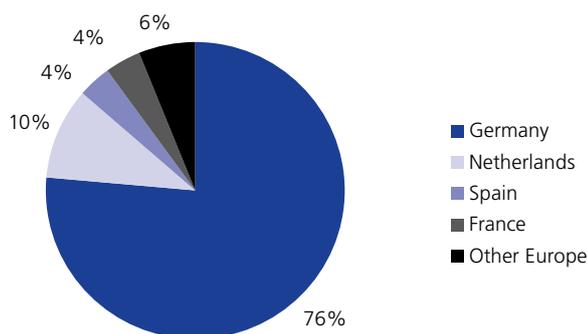
BGP Holdings has an indirect interest in a number of property portfolios located throughout Europe within the residential, multi-let industrial, retail and office sectors.

The sector and geographic diversification of these portfolios as at 31 March 2009 is provided below.

#### Total investments by sector<sup>1</sup>



#### Total investments by geography<sup>1</sup>



Note:

<sup>1</sup> By asset book value as at 31 March 2009. Current economic conditions may have a materially adverse effect on property valuations

#### 3.1.1 German residential

The German residential portfolio had interests in 29,312 apartments and 996 commercial units located throughout Germany as at 31 March 2009. Key portfolio metrics include:

31 March 2009	
Number of apartments	29,312
Number of commercial units	996
Total GLA ('000 sqm)	1,992
Occupancy (%)	88.3%

#### 3.1.2 Multi-let industrial

The European multi-let industrial portfolio comprised of interests in 107 properties located throughout the Netherlands, Germany, France, Denmark and Sweden as at 31 March 2009. Key portfolio metrics include:

31 March 2009	
Number of properties	107
Number of leases	2,227
Total GLA ('000 sqm)	1,642
Occupancy (%)	84.0%
WALE (years) <sup>1</sup>	2.4

Note:

<sup>1</sup> Weighted average lease expiry, by rent

#### 3.1.3 European retail

The European retail portfolio consisted of interests in 52 retail properties located throughout Germany, Spain and Lithuania as at 31 March 2009. Key portfolio metrics include:

31 March 2009	
Number of properties	52
Total GLA ('000 sqm)	362
Occupancy (%)	99.4%
WALE (years) <sup>1</sup>	8.9

Note:

<sup>1</sup> Weighted average lease expiry, by rent

#### 3.1.4 German office

The German office portfolio consisted of a 30% interest in Cologne Technology Park as at 31 March 2009. Key metrics include:

31 March 2009	
Total GLA ('000 sqm)	117.3
Occupancy (%)	94%

## SECTION 4

# FINANCIAL INFORMATION

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#### 4.1 PRO FORMA STATEMENTS OF FINANCIAL POSITION

Set out below are:

- The pro forma consolidated statement of financial position of BGP Holdings Group as at 31 December 2008; and
- The pro forma parent entity statement of financial position of BGP Holdings plc as at 10 July 2009.

	BGP Holdings Group Pro forma 31 December 2008 €	BGP Holdings plc Pro forma 10 July 2009 €
<b>ASSETS</b>		
<i>Non-current assets</i>		
Loan to BGP Investment Sàrl (preferred equity)	1,000	0
Investment in BGP Investment Sàrl	0	0
<b>Total non-current assets</b>	<b>1,000</b>	<b>0</b>
<i>Current assets</i>		
Debtors	9,401	3,451
Cash and cash equivalents	2,577,549	2,231,292
<b>Total current assets</b>	<b>2,586,950</b>	<b>2,234,743</b>
<b>TOTAL ASSETS</b>	<b>2,587,950</b>	<b>2,234,743</b>
<b>EQUITY AND LIABILITIES</b>		
<i>Equity</i>		
Share capital	100,000	100,000
Share premium account	166,606,786	166,606,786
Accumulated losses	(164,149,680)	(164,485,700)
<b>Total equity</b>	<b>2,557,106</b>	<b>2,221,086</b>
<i>Current liabilities</i>		
Creditors	30,844	13,657
<b>Total current liabilities</b>	<b>30,844</b>	<b>13,657</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,587,950</b>	<b>2,234,743</b>

The pro forma statements of financial position have been prepared according to the recognition and measurement principles prescribed in International Financial Reporting Standards. They are in an abbreviated form and therefore do not contain all the disclosures prescribed in International Financial Reporting Standards.

##### 4.1.1 Consolidated entity - BGP Holdings Group

The pro forma consolidated statement of financial position of BGP Holdings Group has been extracted from the consolidation schedules of The GPT Group utilised in the preparation of the statutory accounts of The GPT Group for the year ended 31 December 2008, being the latest available schedules concerning the consolidated BGP Holdings Group.

The consolidated statement of financial position of BGP Holdings Group has been adjusted for the following transactions which have occurred since 31 December 2008, or will occur as a result of the

transactions set out in this Information Memorandum, as if they had occurred as at that date, to derive the pro forma consolidated statement of financial position of BGP Holdings Group as at 31 December 2008:

- The sale of BGP Holdings Group's interest in GPT Europe 2 Sàrl for €1;
- The sale of BGP Holdings Group's interest in GPT Europe Finance S.A. for €1;
- The sale of loan receivable and interest outstanding from Hamburg Trust Grundvermögen und Anlage GmbH of €3,957,534 for €1;
- The forgiveness of loans payable to GPT Trust of €3,807,423;
- The issue of share capital of €1,225,020 to GPTMHL which was partially used to repay amounts owing by BGP Holdings Group to GPT Trust and GPTMHL of €1,065,020;

- The issue of additional share capital of €2,430,000 to GPTMHL; and
- The acquisition of the preferred equity in BGP Investment Sàrl for €1,000 from GPT Trust.

#### 4.1.2 Parent entity - BGP Holdings plc

The pro forma parent entity statement of financial position of BGP Holdings plc has been extracted from the audited statement of financial position as at 10 July 2009, adjusted for the issue of 10,753 shares for a cash consideration of €2,430,000 to be undertaken prior to the In Specie Dividend and the investment of €250,000 in subsidiary companies (subsequently impaired to € nil). The audited accounts of BGP Holdings plc including its accounting policies and its audited statement of financial position as at 10 July 2009 will be available on the BGP Holdings website at [www.bgp-investment.com](http://www.bgp-investment.com).

#### 4.1.3 Investment in BGP Investment Sàrl

BGP Holdings Group equity accounts for its 50% interest in BGP Investment Sàrl which indirectly owns interests in a number of property portfolios throughout

Europe. Babcock & Brown International Pty Limited indirectly owns the other 50% ordinary equity interest in BGP Investment Sàrl. BGP Holdings Europe Sàrl and the B&B Shareholder have entered into a put option arrangement in relation to 89% of the shares that the B&B Shareholder holds in BGP Investment Sàrl, the key terms and conditions of which are set out in Section 2.2.

Should the B&B Shareholder exercise its put option, BGP Holdings plc would be determined to control BGP Investment Sàrl and the consolidated position of BGP Investment Sàrl would be reflected in the financial statements of BGP Holdings Group from that date. Due to potentially material fluctuations in the fair value of the portfolios underlying the European Joint Venture and the resultant impact on debt covenants, the Directors consider that there is not a reasonable basis as at the date of this Information Memorandum to estimate what the asset and liability position of the European Joint Venture might be at that future date. In addition it is not certain that Babcock & Brown International Pty Limited will exercise the put option. Accordingly the above pro forma statements of financial position do not reflect the potential impact of BGP Holdings Group consolidating BGP Investment Sàrl.

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## SECTION 5

# TAX IMPLICATIONS

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## 5.1 AUSTRALIAN TAX ADVICE

## Greenwoods & Freehills

The Board of Directors  
GPT Management Holdings Limited  
Level 52, MLC Centre  
Martin Place  
SYDNEY NSW 2000

24 July 2009

Dear Directors

### **GPTMHL In Specie Dividend Taxation summary for Securityholders**

We have been instructed by GPT to prepare a taxation summary to be included in this Information Memorandum in relation to the In Specie Dividend of BGP Holdings.

Capitalised terms not otherwise defined in this letter have the meaning given in the Information Memorandum.

All legislative references in this letter are to the *Income Tax Assessment Act 1936* or the *Income Tax Assessment Act 1997* (the **Act**) as applicable.

#### **1 Scope**

The taxation summary contained in this letter is based upon the information contained in the Information Memorandum and represents our opinion as to how the Australian income tax and goods and services tax (**GST**) laws will apply to Securityholders in relation to the In Specie Dividend.

This letter contains general comments on the major Australian income tax consequences for Securityholders who hold their Securities on capital account and who are residents of Australia for income tax purposes. As the income tax consequences of the In Specie Dividend will depend on the precise personal circumstances of each Securityholder, Securityholders should seek independent advice that is referable to their own particular circumstances.

This letter does not address the consequences arising under the controlled foreign company (**CFC**) regime in Part X of the Act as we have been advised by GPTMHL that no Securityholder is likely to be subject to the CFC regime as a result of the In Specie Dividend.

This letter does not address the consequences that arise for Securityholders that hold their Securities on revenue account or as trading stock or who are non-residents of Australia for income tax purposes. Further, this letter does not address the consequences for Securityholders whose GPTMHL Shares are subject to the employee share scheme rules.

The analysis in this letter is based on the Australian income tax law and GST law in force and the practice of the ATO as at the date of this letter.

## 2 Overview of the In Specie Dividend

Each Stapled Security comprises one Trust Unit and one GPTMHL Share.

Each Securityholder will be entitled to receive one BGP Holdings Share for each GPTMHL Security held on the Record Date. The value of one BGP Holdings Share is less than € 0.01.

Specifically, to implement the In Specie Dividend, GPTMHL will declare a dividend in respect of each GPTMHL Share which will be applied by GPTMHL on behalf of the Securityholder to acquire one BGP Holdings Share. The amount of the dividend per GPTMHL share will be equal to the value of one BGP Holdings Share which is less than € 0.01.

As a result of the In Specie Dividend each Securityholder will own the same number of BGP Shares as the number of GPTMHL Shares that they owned on the Record Date.

The BGP Shares that are transferred to Securityholders under the Demerger will be held by the Trustee in a separate trust for each Securityholder.

## 3 Summary

The Australian income tax and GST consequences arising for Securityholders in relation to the In Specie Dividend can be summarised as follows:

- Securityholders will be taken to have received a dividend per each GPTMHL Share owned at the Record Date. The amount of the dividend is less than € 0.01 per GPTMHL Share. This dividend should be treated as a “demerger dividend” and should not be subject to Australian income tax.
- The BGP Holdings Shares will be held by the Trustee in a separate trust for each Securityholder. For capital gains tax (CGT) purposes, Securityholders should be treated as the holder of the BGP Holdings Shares on the basis that they are absolutely entitled to their BGP Shares as against the Trustee.
- The In Specie Dividend should not result in a CGT event happening for Securityholders. Consequently, Securityholders should not make a capital gain or loss as a result of the In Specie Dividend. However, CGT consequences will arise for Securityholders in relation to the cost base and acquisition date:
  - the existing cost base of the GPTMHL Shares held by each Securityholder must be spread across the Securityholder’s GPTMHL Shares and the new BGP Holdings Shares received as a result of the In Specie Dividend based on the relative market values of these shares at the time just after the In Specie Dividend. We are advised that GPT will provide details to Securityholders as to how the existing cost base of GPTMHL Shares should be spread.
  - for the purposes of applying the CGT discount concession in respect of a subsequent CGT event happening in relation to the BGP Holdings Shares, each Securityholder should be taken to have acquired their BGP Holdings Shares at the time they acquired their existing Securities. The CGT acquisition date of the GPTMHL Shares will be unchanged.
- As a result of the In Specie Dividend each Securityholder will own shares in BGP Holdings. Based on the information available to us, this interest in BGP Holdings should be treated as an interest in a “foreign investment fund” (FIF) for Australian taxation purposes. The FIF regime may apply to tax Securityholders on an accruals basis in relation to their BGP Holdings Shares unless the Securityholder is eligible for an exemption.
- The Board of Taxation is currently reviewing the laws that apply to tax foreign source income, including the FIF regime. It is expected that this review may

## Greenwoods & Freehills

result in significant changes to the law in this area. However, based on the information that is publicly available to date we would not expect that the review will result in changes to the law that would adversely affect Securityholders in relation to their BGP Holdings Shares. However, it is impossible to obtain certainty on this issue until the relevant legislation is introduced. Accordingly, we recommend that Securityholders monitor the progress of the Board of Taxation's review in this area.

- The In Specie Dividend should not give rise to any GST payable by Securityholders.

These taxation consequences are discussed in further detail below.

#### **4 Demerger dividend**

Each Securityholder will be taken to have received a dividend in respect of each GPTMHL Share owned on the Record Date. The amount of the dividend will be less than € 0.01 per GPTMHL Share. This dividend should be a "demerger dividend" and should not be assessable to Securityholders.

#### **5 CGT consequences**

##### **5.1 No CGT event**

The In Specie Dividend should not result in a CGT event occurring for Securityholders. Although the In Specie Dividend should not result in a capital gain or loss arising for Securityholders we consider that the In Specie Distribution meets the requirements to be a "demerger" for the purposes of the demerger CGT roll-over relief in Division 125 of the Act. This is significant because it affects whether the dividend paid by GPTMHL is eligible to be treated as a "demerger dividend". As outlined in section 4 above, a "demerger dividend" is generally not assessable. Whether Division 125 applies is also relevant because it impacts the CGT outcomes for Securityholders in relation to the cost base and acquisition date of the GPTMHL Shares and the BGP Holdings Shares received in satisfaction of the In Specie Dividend. These CGT outcomes are discussed further in sections 5.3 and 5.4 below.

##### **5.2 Holder of BGP Holdings Shares**

We are advised that Securityholders will be absolutely entitled to their BGP Holdings Shares as against the Trustee. As Securityholders will be absolutely entitled to the BGP Holdings Shares, Securityholders should be treated as the holder of the BGP Holdings Shares for CGT purposes notwithstanding that legal title to the BGP Holdings Shares will be held by the Trustee.

##### **5.3 Cost base spreading**

Each Securityholder's existing cost base in their GPTMHL Shares should be spread across their existing GPTMHL Shares and the new BGP Holdings Shares received under the In Specie Dividend. This spreading should be based on the relative market values of the Securityholder's GPTMHL Shares and the BGP Holdings Shares at the time just after the In Specie Dividend, or a reasonable approximation of those market values.

We are advised that GPT will provide information via their website which will allow Securityholders to determine their new cost base for the shares in GPTMHL and BGP Holdings at the time of the In Specie Dividend.

##### **5.4 Acquisition date of BGP Holdings Shares**

The BGP Holdings Shares received by Securityholders under the Demerger should be taken to have been acquired at the time the Securityholder acquired their GPTMHL Shares (i.e. Securities) for the purpose of determining eligibility for the CGT discount concession on a subsequent CGT event happening to their BGP Holdings Shares. Broadly, the CGT discount concession is a discount of 50% for individuals and trusts and

## Greenwoods & Freehills

33<sup>1/3</sup>% for complying superannuation entities provided the shares were held for at least 12 months prior to the CGT event.

There is no change to the date that Securityholders are treated as having acquired their existing Securities for tax purposes.

### **6 Foreign investment fund (FIF) regime**

#### **6.1 Introduction**

The FIF regime in Part XI of the Act applies to tax an Australian resident taxpayer on an accruals basis in relation to an interest held in a foreign company or trust unless the taxpayer satisfies one of the available exemptions. If an exemption is not available, the amount that is taxed to the Australian resident taxpayer on an accruals basis under the FIF regime is referred to as the “**FIF income**”. Significantly, FIF income is assessable to the Australian resident taxpayer notwithstanding that no distribution may have been received from the foreign company or trust.

The BGP Holdings Shares should be treated as an interest in a FIF on the basis that they are shares in a foreign company which is not a CFC. The FIF regime will apply to treat Securityholders as the holder of the FIF interest on the basis that they are absolutely entitled to the BGP Holdings Shares as against the Trustee. Consequently, unless an exemption is available, the FIF regime will apply to assess amounts to Australian resident Securityholders in relation to BGP Holdings notwithstanding no distributions are received.

There are a number of exemptions from the FIF regime that are contained in Divisions 2 to 15 of Part XI of the Act. In this section we have outlined some of the exemptions that we consider may be relevant to Securityholders. If an exemption is available then no assessable amounts should arise for Securityholders under the FIF regime.

In section 7 below we have outlined the consequences that should arise under the FIF regime for Securityholders that are not exempt from the FIF regime in relation to their BGP Holdings Shares.

#### **6.2 De minimis exemption**

Securityholders who are natural persons should be exempt from the FIF regime in relation to their BGP Holdings shares if the value of all their FIF interests is less than AUD\$50,000.

It is important to note that the AUD\$50,000 valuation threshold is tested on an associate-inclusive basis. That is, in addition to a Securityholder's FIF interests, any FIF interests that are owned by associates of that Securityholder must also be taken into account in testing whether the Securityholder qualifies for this exemption.

#### **6.3 Complying superannuation entities**

Complying superannuation entities are exempt from FIF attribution.

#### **6.4 Balanced portfolio exemption**

Broadly, this exemption is available if the value of an Australian resident taxpayer's particular FIF interest represent less than 10% of the Australian dollar value of all the taxpayer's FIF interests at year end that are not otherwise exempt from the FIF regime .

#### **6.5 Eligible activities exemption**

The eligible activities exemption applies where the foreign company is principally engaged in “eligible activities”. Broadly, the legislation operates so that all business activities are eligible activities except for certain excluded activities. Significantly, activities undertaken in connection with real property other than construction and management activities are within the list of excluded activities. As BGP Holding's income will principally be derived from a series of European real estate holding companies it is therefore unlikely that Securityholders will be eligible for this exemption.

## Greenwoods & Freehills

### 7 Consequences if foreign investment fund (FIF) regime applies

#### 7.1 FIF income

As discussed in section 6 above, Australian resident Securityholders should be taken to hold a FIF interest as a result of the receipt of BGP Holdings Shares under the In Specie Dividend. Consequently, unless an exemption is available, the FIF regime will apply to assess amounts to Australian resident Securityholders in relation to the BGP Holdings notwithstanding that BGP Holdings may not make any distributions to Securityholders.

In this section we have provided an overview of how Securityholders may calculate the FIF income arising in relation to their BGP Holdings.

#### 7.2 How to calculate the FIF income amount

The FIF regime sets out three methods pursuant to which FIF income may be calculated:

- The “market value method”;
- The “deemed rate of return method”; and
- The “calculation method”.

The market value method is not likely to be available to Securityholders in relation to their interest in BGP Holdings. This is because BGP Holdings will not be listed and there will not be a publicly offered buy-back or redemption price from which the market value of the shares could be ascertained at any particular time. As the market value method is not likely to be available we have not made any further comments on this method.

#### 7.3 Choosing between the calculation method and the deemed rate of return method

On the basis that the market value method is not available, Securityholders can effectively choose between the calculation method and the deemed rate of return method. Specifically:

- Securityholders can choose the calculation method by making an election to use that method; or
- Securityholders can choose the deemed rate of return method by not making an election to use the calculation method. That is, the deemed rate of return method will apply in default if a Securityholder does not elect to use the calculation method.

In deciding whether to elect to use the calculation method it is important to note that the appropriate election must be made in the income year in which the In Specie Dividend occurs and in each subsequent income year in which the Securityholder wishes to use the calculation method in relation to BGP Holdings. Accordingly, we recommend that Securityholders who wish to use the calculation method consult their taxation advisors to ensure the appropriate elections are made in each income year.

#### 7.4 The calculation method

Under the calculation method, the FIF income amount is determined as being the Securityholder’s share of BGP Holdings’ “calculated profit” or “calculated loss” for the relevant income year.

Broadly, the “calculated profit” or “calculated loss” amount would be BGP Holdings’ accounting profit or loss as disclosed in the accounts subject to certain adjustments as required by the Act. If a Securityholder elects to apply the calculation method, then the Securityholder’s share of the calculated profit or loss amount would generally be based on its percentage shareholding in BGP Holdings.

#### 7.5 Deemed rate of return method

Under the deemed rate of return method the FIF income amount is calculated by applying a prescribed statutory rate, currently approximately 11%, to the “opening value” of the BGP Holdings Shares:

## Greenwoods & Freehills

$$\text{FIF income} = \text{statutory rate (\%)} \times \text{"opening value" of BGP Holdings Shares}$$

The "opening value" for the first income year in which each Securityholder owns shares in BGP Holdings should reflect the amount "paid" to acquire the BGP Holdings Shares. Under the In Specie Dividend, the dividend paid in relation to each GPTMHL Share will be applied on behalf of each Securityholder to acquire one BGP Holdings Share. On this basis, the "opening value" of each BGP Holdings Share should be the value of the dividend per GPTMHL Share, which is less than € 0.01, expressed in Australian dollars.

For subsequent income years, the "opening value" of the BGP Holdings Shares should be calculated as:

- The "opening value" at the start of the preceding income year; plus
- The amount of FIF income for the preceding income year; less
- The amount of any dividends received from BGP Holdings during the preceding income year.

### 7.6 FIF attribution accounts

Each Securityholder that is not exempt from the FIF regime will be required to maintain a FIF attribution account in relation to BGP Holdings. The purpose of the FIF attribution account is to record the amount of FIF income that has been assessed to the Securityholder under the FIF regime to ensure that these same amounts are not subject to further Australian taxation if BGP Holdings subsequently pays a dividend to Securityholders.

In broad terms, the FIF attribution account should be credited each time an amount of FIF income is assessed to the Securityholder. The FIF attribution account should then be debited when dividends are received from BGP Holdings. To the extent that dividends paid by BGP Holdings can be debited to the FIF attribution account the dividend should not be assessable to Securityholders.

Further, any taxable capital gain or loss arising on a subsequent disposal of BGP Holdings Shares should be adjusted to reflect any credit balance in the FIF attribution account at that time.

### 8 Dividends paid by BGP Holdings

In this section we have outlined the Australian taxation implications that will arise for Securityholders if dividends are paid by BGP Holdings although we have been advised by GPT that Securityholders should not expect that any distributions will be paid by BGP Holdings.

The Australian taxation implications that would arise for a Securityholder on the payment of dividends by BGP Holdings would depend on whether any amounts have been previously assessed to the Securityholder under the FIF regime.

For Securityholders that are not exempt from FIF attribution, dividends paid by BGP Holdings should generally be assessable unless the Securityholder has available FIF attribution credits (refer section 7.6 above).

For Securityholders that are exempt from FIF attribution, all dividends paid by BGP Holdings should generally be assessable.

**Greenwoods  
& Freehills**

**9 Goods and Services Tax**

Securityholders should not be liable to GST as a result of the In Specie Dividend.

\*\* \*

Yours sincerely

**Greenwoods & Freehills Pty Limited**

*Greenwoods + Freehills*

## 5.2 TAX FILE NUMBERS

Under the tax law, certain companies and trusts are entitled to ask their interestholders to disclose their tax file number (“**TFN**”) to the company or trust. An interestholder can choose to disclose or not to disclose their TFN.

If an interestholder chooses not to disclose their TFN to the company or trust, the company or trust is generally required by the tax law to withhold tax, at the top marginal tax rate plus Medicare levy (being 46.5% as at the date of this Information Memorandum), on any dividends or distributions paid to a resident interestholder. If the tax withheld by the company or trust is more than the interestholder would have paid in tax, the interestholder must wait until they lodge an income tax return before being entitled to a refund of any excess tax withheld from the payment. On the other hand, if an interestholder chooses to disclose their TFN, the company or trust does not have to withhold any tax from any dividends or distributions paid to the interestholder.

If required as part of the In Specie Dividend, GPTMHL (or the share registry of GPTMHL) proposes to transfer the TFNs provided to GPTMHL by shareholders of

GPTMHL to the Trustee and BGP Holdings (or the share registry of BGP Holdings) on behalf of the shareholders of GPTMHL in respect of their tax affairs so that the neither the Trustee nor BGP Holdings will be required to withhold tax from any distributions.

However, a shareholder of GPTMHL may request that GPTMHL (or the share registry of GPTMHL) not transfer that shareholder’s TFN to the Trustee and BGP Holdings (or the share registry of BGP Holdings). If a shareholder of GPTMHL does not indicate or otherwise advise in writing that they do not wish their TFN to be disclosed and collected in accordance with the process discussed above, they are deemed under the terms of the In Specie Dividend to agree to such disclosure and collection of their TFN.

GPTMHL, the Trustee and BGP Holdings intend to seek guidance from the ATO that confirms both the requirement to obtain TFNs and also their ability to transfer the TFNs as described above. If the ATO considers that either the TFNs are not required to be provided or the transfer is not permissible, then the TFNs will not be transferred. If the ATO considers that the TFNs are required to be provided but are not able to be transferred, the Trustee and/or BGP Holdings may request that the TFNs be separately provided.

### 5.3 MALTESE TAX ADVICE

**LOYENS & LOEFF**  
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The Board of Directors  
GPT Management Holdings Limited  
Level 52, MLC Centre  
Martin Place  
Sydney NSW 2000  
AUSTRALIA

21 July 2009

Dear Directors,

**re: GPTMHL *In Specie* Dividend - Maltese Taxation implications for shareholders of BGP Holdings plc, a Maltese entity having registration number C-36451 and currently registered under the name GPT Malta Co 1 Limited**

We have been instructed by GPTMHL to prepare a taxation summary to be included in the Information Memorandum in relation to the Maltese taxation implications arising to shareholders of BGP Holdings plc following the distribution in specie of shares by GPTMHL.

After the distribution in specie, the majority (direct) shareholder of BGP Holdings plc will be an Australian resident bare trust. The beneficiaries of the trust will be the current shareholders of GPTMHL, all of which are not resident and not domiciled in Malta.

We hereby confirm that neither the Australian trust nor the beneficiaries of the Australian trust will be subject to Maltese taxation provided that the shares are not held through a Maltese branch. No Maltese withholding taxes apply on dividends distributed by BGP Holdings plc towards its shareholders. Any non-Maltese resident and domiciled shareholder is not taxed on capital gains realised on a transfer of their shares in BGP Holdings plc provided that the shares are not held through a Maltese branch.

Please note that all Loyens & Loeff's services shall be governed by its General Terms and Conditions, including, inter alia, a limitation of liability and a nomination of competent jurisdiction. These General Terms and Conditions may be consulted via <http://www.loyensloeff.com/en-US/Pages/Terms.aspx>. The conditions were deposited with the Registry of the Rotterdam District Court on 1 July 2009 under number 43/2009.



Geneva, 21 July 2009  
Ramona Piscopo



Luxembourg, 21 July 2009  
Peter Moons

## SECTION 6

# ADDITIONAL INFORMATION

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## 6.1 MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

The constitution of BGP Holdings is contained in its Memorandum of Association and Articles of Association.

### 6.1.1 Memorandum of Association

The Memorandum sets out the objects, powers and capital structure of BGP Holdings. The objects include the management, letting, administration and disposal of property. The Memorandum notes that the liability of the members of BGP Holdings is limited to the amount (if any) unpaid on any shares in BGP Holdings. There will be no amount outstanding on any share in BGP Holdings, and consequently no liability on members. The management and administration of BGP Holdings is entrusted to its board of directors.

### 6.1.2 Articles of Association

The Articles provide for the following matters (among others):

- Classes of shares and variation of rights;
- The fact that share certificates will not be issued;
- The transfer and transmission of shares, providing specifically for the fact that the shares will not be transferable except for purposes of the In Specie Dividend, to permit the Trustee to transfer shares to beneficiaries, and to permit transfer by operation of law (for example, on the death of a beneficiary);
- General meetings of BGP Holdings (including the requirement for notice, the conduct of proceedings at meetings, and proxies. It is intended that the Trustee will grant a standing proxy to each beneficiary to represent it at all meetings of BGP Holdings and to vote on its behalf all shares in which that beneficiary has a beneficial interest);
- The powers of the general meeting (which include the power to approve the annual accounts, the directors' report and the auditors' report; any increase or reduction of authorised share capital; amendments to the Memorandum or Articles; the appointment or removal of the auditors; and the fixing of remuneration payable to the directors and auditors);
- The directors (including their powers and duties; their appointment and removal; and the conduct of proceedings at board meetings. BGP Holdings may, by a simple majority at a company meeting, remove a director);

- The declaration and payment of dividends; and
- The winding up of BGP Holdings.

## 6.2 TRUST DEED

The declaration of trust in relation to the shares in BGP Holdings has been entered into by the Trustee and BGP Holdings (the **"Trust Deed"**) under which:

- The Trustee agrees to act as trustee of each of the separate trusts described more fully below (the **"Separate Trusts"**); and
- BGP Holdings agrees to indemnify the Trustee and carry out certain obligations.

### 6.2.1 Separate Trusts

Separate trusts will be established over that proportion of A class shares in BGP Holdings attributable to each GPT Securityholder (the **"Beneficiary"**) as a result of the in specie dividend of shares in BGP Holdings (the **"Shares"**) described more fully in the Transaction summary and Section 1 of this Information Memorandum. The Trustee will hold the Shares and any distributions or rights attaching to the Shares for the benefit of each Beneficiary absolutely.

### 6.2.2 Restrictions on transfer

Beneficiaries are not permitted to transfer their beneficial interest in the Shares other than by operation of law or if the Beneficiary dies. Any other purported transfer will be void and will not be registered.

### 6.2.3 Trustee powers

The Trustee must:

- Transfer or otherwise deal with the Trustee's legal right, title and interest in the relevant trust property as the Beneficiary directs; and
- Do all things necessary to vest any or all of the Trustee's right, title and interest in the Separate Trust Property and any accretions in the Beneficiary, as the Beneficiary directs.

The powers and duties of the Trustee are limited to those expressly contained in the Trust Deed.

### 6.2.4 Qualified Person

Under Maltese law, the Trustee is required to appoint a licensed trustee company as a 'qualified person' (**"QP"**) and, at the request of BGP Holdings, the Trustee must appoint FJV Fiduciary Limited in that

role. Accordingly, BGP Holdings has requested and the Trustee has agreed to execute an agreement with FJV Fiduciary Limited (“**QP Agreement**”), dated on or about the date of the Trust Deed, in relation to its appointment as QP.

### 6.2.5 The register

BGP Holdings, rather than the Trustee, will maintain a register of the trusts. Beneficial interests in the Separate Trusts may only be transferred on death or by operation of the law. A Maltese resident may only be entered on a trust register if the Maltese resident agrees to indemnify BGP Holdings for any loss which may arise from such registration, including any tax that becomes payable.

### 6.2.6 Obligations of BGP Holdings

BGP Holdings is required to notify the Trustee and QP of certain events, including:

- Transfers of beneficial ownership of Shares, either through the death of a Beneficiary or in accordance with the terms of the Memorandum and Articles of Association of BGP Holdings, as well as any purported transfer;
- Any which results in a Beneficiary having an aggregate beneficial or legal interest in 10% or more of the Shares;
- Any Maltese resident becoming entitled to hold a beneficial or legal interest in any Shares.

BGP Holdings also agrees to:

- Send all shareholder information directly to the Beneficiaries;
- Make all distributions and dividend payments directly to the Beneficiaries; and
- Directly notify all Beneficiaries of shareholder meetings.

In relation to the latter, the Trustee agrees to prepare all documentation, including proxies and powers of attorney, required to enable Beneficiaries to vote at the proposed meeting – the Trustee is not permitted to vote at any meeting in its own right.

### 6.2.7 Trustee’s obligations

The Trustee is required to requisition a meeting of shareholders of BGP Holdings if an equivalent number of Beneficiaries request such as meeting as would be required under BGP Holdings’ Memorandum and Articles of Association. Meetings of the members of the Separate Trusts will not be held.

If the Trustee retires or is removed by BGP Holdings, the Trustee must do everything to facilitate the change of trustee. All associated costs will be borne by BGP Holdings.

### 6.2.8 Limitation of liability and indemnities

BGP Holdings indemnifies the Trustee for any loss incurred as a result of acting as trustee of the Separate Trusts. The Trustee will be entitled to make a claim for indemnity against the assets of the Separate Trusts only to the extent that it is not satisfied by the indemnity provided by BGP Holdings.

The Trustee is not entitled to be indemnified for any loss caused by its fraud, negligence or wilful default. However, because BGP Holdings is responsible for a number of obligations in relation to the Separate Trusts, no act or omission of the Trustee will be considered the fraud, negligence or wilful default of the Trustee to the extent that it was caused by, or contributed to by, any failure of BGP Holdings to satisfy these obligations.

### 6.2.9 Fees and costs

BGP Holdings must pay:

- The Trustee the agreed fees under the Trust Deed; and
- The QP all of the fees (and reimburse all of the costs) payable by the Trustee to the QP under the QP Agreement;
- All duties and taxes (other than goods and services tax) in connection with the Trust Deed.

### 6.2.10 Duration

Each Separate Trust will terminate on the earlier of:

- The date a Beneficiary is registered as the legal owner of the Shares on BGP Holdings’ share register;
- If BGP Holdings is wound up, the date on which the Beneficiary is paid its entitlement to the proceeds of realisation; or
- The date the Separate Trusts are terminated by operation of any applicable law.

## 6.3 INVESTMENT MANAGEMENT AGREEMENT

The Investment Management Agreement (“**IMA**”) will be between BGP Investment Sàrl and GPT Halverton Limited (“**GPT Halverton**”). Under the IMA, BGP Investment Sàrl appoints GPT Halverton exclusively to provide investment management services in respect

of BGP Investment Sàrl and its affiliates and its investments, on the terms set out in the IMA.

The exact terms of the IMA are yet to be finalised and are subject to change.

### 6.3.1 Condition precedent

The operation of the IMA is subject to the condition precedent that the Trustee becomes registered as the legal owner of BGP Holdings Shares.

### 6.3.2 Term

The term of the IMA is the period until the assets under management have been disposed of, all post-disposal steps have been completed and all fees owing have been paid.

### 6.3.3 Investment Management Services

GPT Halverton must provide the following investment management services:

- Advisory and capital management services;
- Procuring tax planning advice;
- Negotiating with lenders;
- Managing implementation of an agreed realisation framework;
- Providing suitable directors for subsidiary companies of BGP Investment Sàrl outside Luxembourg; and
- Procuring external valuations of investments.

GPT Halverton may subcontract its obligations but must obtain BGP Investment Sàrl's consent before appointing related parties, must deal with third parties at arm's length and will remain liable for its subcontractors.

### 6.3.4 Fees

BGP Investment Sàrl must pay GPT Halverton's fees calculated as 100 basis points on the disposal of any of BGP Investment Sàrl's investments in accordance with the realisation framework.

The fee is calculated on:

- The implied gross asset value of any entity that BGP Investment Sàrl disposes of (and a corresponding proportion of any partial interest disposed of);

- The implied gross asset value of BGP Investment Sàrl if BGP Investment Sàrl shares are sold and;
- In other cases, the sale price of the investment (and the proportional sale price of any disposal of a partial interest in an investment).

50% of any fee must be paid within 20 business days of BGP Investment Sàrl completing its disposal of the investment, and a further 50% of the fee must be paid within 20 business days of BGP Investment Sàrl completing post-disposal steps such that BGP Investment Sàrl has no further obligation in respect of the investment.

The fee is payable only from cash available to BGP Investment Sàrl as a result of any disposals, less costs, tax and reasonable provisions for liabilities, but interest is payable on outstanding fees.

### 6.3.5 Termination

The IMA will terminate immediately on the termination of the Property Asset Management Agreement (see below).

BGP Investment Sàrl may terminate the IMA if there is a change in control of GPT Halverton, by giving 60 days' written notice to GPT Halverton.

Either party may terminate the IMA if the other party defaults, including if the defaulting party:

- Fails to perform a material obligation under the IMA (including a failure to pay); or
- Triggers an insolvency event.

## 6.4 PROPERTY ASSET MANAGEMENT AGREEMENT

The Property Asset Management Agreement ("**PAMA**") will be between BGP Investment Sàrl and GPT Halverton. BGP Investment Sàrl owns certain investments indirectly through its affiliates ("**Affiliates**"). Under the PAMA, BGP Investment Sàrl appoints GPT Halverton non-exclusively to provide property management services to BGP Investment Sàrl and relevant Affiliates, in respect of the properties. An Affiliate must enter into an entry letter agreement ("**ELA**") with GPT Halverton to receive services in relation to the properties of that Affiliate ("**Properties**"). In that case, BGP Investment Sàrl, the relevant Affiliate and GPT Halverton will each be parties to each ELA.

The exact terms of the PAMA are yet to be finalised and are subject to change.

#### 6.4.1 Condition precedent

The operation of the PAMA is subject to the condition precedent under the IMA (i.e. that the Trustee becomes registered as the legal owner of BGP Holdings Shares).

#### 6.4.2 Term

The term of the PAMA is the period until the assets under management have been disposed of, all post-disposal steps have been completed (as contemplated in the IMA) and all fees owing have been paid.

#### 6.4.3 Asset management services

GPT Halverton must provide the following services (among others) in relation to the Properties:

- Prepare annual operating and capital budgets for the management and operation of Properties; quarterly operational reports, monthly solvency reports and monthly cash flow forecasts;
- Appoint and supervise property managers;
- Ensure the Properties are ready for sale;
- Manage cash and banking requirements;
- Ensure accounting records are maintained (at BGP Investment Sàrl or the Affiliate's cost);
- Attend to statutory reporting requirements of Affiliates not domiciled in Luxembourg (at BGP Investment Sàrl or the Affiliate's cost);
- Submit annual financial reporting packs to BGP Investment Sàrl (at BGP Investment Sàrl or the Affiliate's cost);
- Supervise and assist with audit requirements (at BGP Investment Sàrl or the Affiliate's cost);
- Co-ordinate and manage performance of tax obligations; and
- Insurance and risk management.

#### 6.4.4 Fees

Affiliates that have entered into ELAs must pay the Asset Manager an annual base fee of 60 basis points calculated on the higher of:

- The value of the Properties (calculated as at 31 December 2008); and

- The market value of the Properties (based on a valuation undertaken within approximately the past year),

plus any other fees set out in the relevant ELA.

Fees are non-recourse to BGP Investment Sàrl: if an Affiliate fails to pay any fee, BGP Investment Sàrl is not liable and GPT Halverton cannot make a claim against BGP Investment Sàrl.

#### 6.4.5 Termination

The PAMA and each Entry Letter Agreement will terminate immediately on the termination of the IMA.

Each ELA will terminate immediately on the termination of the PAMA.

BGP Investment Sàrl may terminate the PAMA if there is a change in control of GPT Halverton, by giving 60 days' written notice to GPT Halverton.

Either BGP Investment Sàrl or GPT Halverton may terminate the PAMA if an event of default occurs in respect of the other party.

BGP Investment Sàrl or an Affiliate may terminate an ELA if an event of default occurs in respect of GPT Halverton. GPT Halverton may terminate an ELA if an event of default occurs in respect of BGP Investment Sàrl or the relevant Affiliate.

The events of default include:

- Failing to pay money under the PAMA or relevant ELA within 30 business days after receiving a written demand, or 6 months, if the reason for non-payment is that a lender has exercised its right of security in relation to an asset owned by the defaulting party;
- Failing to perform a material obligation under the PAMA and that default is either not remediable, or, if it is remediable, is not remedied within 5 business days; or
- An insolvency event.

#### 6.5 FURTHER INFORMATION

If you would like further information on the In Specie Dividend or on BGP Holdings, you can call the BGP Holdings Information Line on 1800 115 044 (within Australia) or on +61 2 8280 7058 (from outside Australia) at any time from 8.30am to 5.00pm (AEST) Monday to Friday, or visit the BGP Holdings website at [www.bgp-investment.com](http://www.bgp-investment.com).

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## SECTION 7

# GLOSSARY

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AEST	Australian Eastern Standard Time
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ACN 008 624 691), or the market operated by it, as the context requires
ATO	Australian Taxation Office
B&B Shareholder	B&B MH 2 Co. Limited
Babcock & Brown Joint Venture	GPT's joint venture with Babcock & Brown, the details of which are publicly available
BGP Holdings	GPT MaltaCo 1 Limited, which will be renamed BGP Holdings plc with effect on or prior to the Distribution Date
BGP Holdings 2	GPT MaltaCo 2 Limited, which will be renamed BGP Holdings 2 Limited with effect on or prior to the Distribution Date
BGP Holdings Group	The consolidated group comprising BGP Holdings and its subsidiaries
BGP Holdings Share	An ordinary share in BGP Holdings
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Distribution Date	The date that GPT Securityholders as at the Record Date will receive beneficial interests in BGP Holdings Shares pursuant to the In Specie Dividend, being 21 August 2009
€	Euros
Entitlement	The entitlement of GPT Securityholders to 1 BGP Holdings Share for every 1 GPT Security held as at the Record Date
European Joint Venture	GPT's interest in the European component of the Babcock & Brown Joint Venture
Ex-entitlement Date	The date that GPT Securities are to be quoted ex-entitlement in relation to the In Specie Dividend, being 6 August 2009
GLA	Gross lettable area
GPT	The GPT Group, comprising GPTMHL and GPT Trust, the responsible entity of which is GPT RE
GPT Halverton	GPT Halverton Limited
GPT RE	GPT RE Limited (ACN 107 426 504) (AFSL 286511)
GPTMHL	GPT Management Holdings Limited (ACN 113 510 188)
GPT Security	A stapled security of GPT, comprising one share in GPTMHL stapled to one unit in GPT Trust
GPT Securityholder	The registered holder of a GPT Security
GPT Trust	General Property Trust (ARSN 090 110 357)
IFRS	International Financial Reporting Standards
In Specie Dividend	The in specie dividend by GPTMHL of BGP Holdings Shares to the Trustee, the beneficiaries of which will be GPT Securityholders as at the Record Date

Information Line	1800 115 044 (from within Australia) +61 2 8280 7058 (from outside Australia) Operating hours from 8.30am to 5.00pm (AEST), Monday to Friday
Information Memorandum	This document dated 31 July 2009
Record Date	The date for determining Entitlements under the In Specie Dividend, being 7.00pm AEST on 12 August 2009
SPV	Special purpose vehicle
sqm	Square metre
TFN	Tax File Number
Trustee	Trust Company Limited (ACN 004 027 749)
WALE	Weighted average lease expiry (denominated in years, unless specified otherwise)
You	A GPT Securityholder as at the Record Date

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# DIRECTORY

## **BGP Holdings registered office**

259 St. Paul Street  
Valletta VLT 1213  
Malta

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## **Trustee**

Trust Company Limited  
Level 4  
35 Clarence Street  
Sydney NSW 2001  
Australia

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## **Registry**

Link Market Services Limited  
Level 12  
680 George Street  
Sydney NSW 2000  
Australia

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## **BGP Holdings Information Line**

1800 115 044 (from within Australia)  
+61 2 8280 7058 (from outside Australia)  
Operating hours from 8.30am to 5.00pm (AEST), Monday to Friday

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## **Website**

[www.bgp-investment.com](http://www.bgp-investment.com)

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