



7 April 2015

MEDIA STATEMENT

ICWA to Divest Direct Property Assets

The Insurance Commission of Western Australia (ICWA) today announces that it is seeking to divest its direct property assets to change its investment portfolio asset allocation.

The direct property assets are all located in Western Australia and include three commercial office buildings in Perth and two major retail suburban shopping centres, specifically:

- Forrest Centre 219 and 221 St Georges Terrace;
- Westralia Square, 141 St Georges Terrace;
- Westralia Plaza, 167 St Georges Terrace;
- The Shops At Ellenbrook;
- Livingston Marketplace Shopping Centre.

These assets form a significant part of ICWA's total investment portfolio of approximately \$4.4 billion held to offset insurance liabilities. The diversified portfolio invests in equities, fixed interest, property, alternative assets and cash.

The Chief Executive of ICWA, Rod Whithear, said that PwC Real Estate Advisory and HWL Ebsworth had been appointed as the financial and legal advisory firms to assist ICWA deliver the transaction.

"We think this portfolio-sized transaction might be the largest direct property sale in Western Australia's history", said Mr Whithear.

"This is a rare opportunity for an institutional buyer to acquire three A-grade commercial towers prominently located in the heart of Perth on St Georges Terrace".

"We also anticipate significant interest in our retail shopping centres as investment institutions compete to acquire prime retail assets with development opportunities", according to Mr Whithear.

"In the current market, there is a lack of supply of properties for sale and historically low debt costs, so international and domestic buyers are actively searching for portfolio-level opportunities like this one."

"If we are able to extract the right value for these assets, it will provide an opportunity for ICWA to reallocate sale proceeds into indirect property investments and other investment classes in line with our investment strategy".

Treasurer Dr Mike Nahan MLA said: 'Commercial property development is not generally a primary function of Government Agencies, so ICWA's decision to sell its direct property assets will allow it to focus on its core insurance functions.'

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Investment Opportunity

Office and Retail Portfolio, Perth, Western Australia



A unique opportunity to acquire a sizable portfolio consisting of six quality assets

Six High Profile Assets - Portfolio Overview

Four A Grade prestigious office buildings in the heart of the Perth Central Business District (CBD) in Western Australia.

- **Forrest Centre** - Two office buildings at 219 and 221 St Georges Terrace, Perth
- **Westralia Square** - 141 St Georges Terrace, Perth
- **Westralia Plaza** - 167 St Georges Terrace, Perth

Two established shopping centres, one located within a high growth area and one within an established urban centre.

- **The Shops At Ellenbrook** - 11 Main Street, Ellenbrook
- **Livingston Marketplace** – Corner of Ranford and Nicholson Road, Canning Vale



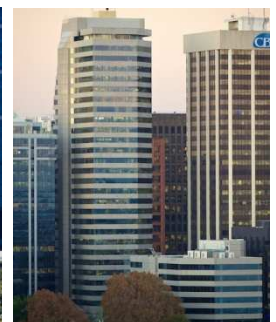
Forrest Centre and Westralia Square



Westralia Plaza



Westralia Square



Forrest Centre

Key Investment Attributes

A Grade Office Assets in Core Location and High Performing Retail Assets – The portfolio offers a substantial holding of iconic office towers in the centre of Perth's CBD and strategically located retail centres with Ellenbrook being one of the fastest growing urban areas in Perth and Canning Vale being an established urban and commercial area.

Good Cash Returns – Government and quality tenants. Significant capital expenditure has been invested ensuring the portfolio has been maintained to the highest standards.

Value-Add Opportunities – Several areas of untapped growth potential exist across the portfolio, including multiple opportunities to develop vacant and underutilised land parcels (subject to planning and development approvals).



The Shops At Ellenbrook

The Opportunity

The Vendor is seeking to divest its direct property assets as a change to its investment portfolio asset allocation.

The Vendor seeks offers for the following options:

- Sale of the entire portfolio (six assets)
- Sale of all office assets (four assets)
- Sale of all retail shopping centres (two assets)



Livingston Marketplace

Investment Opportunity

Forrest Centre



A unique opportunity to acquire a sizable portfolio consisting of six quality assets

Forrest Centre - Property Overview

Forrest Centre comprises two A Grade office buildings and was completed in 1986. The property stretches from St Georges Terrace to Mounts Bay Road in the premium west end location of the Perth CBD. The property is an integrated commercial precinct and includes a tavern, swimming pool, tennis court, gymnasium and a tenant and public car park.

- 219 St Georges Terrace, Perth

Approximately 8,970 m² of office space over 8 floors

- 221 St Georges Terrace, Perth

Approximately 21,130 m² of office space over 27 floors

- Rigby's Tavern approximately 1,228 m²
- 309 on site car parking bays on three levels (204 tenant and 105 public bays)

Property Features

- Large reception and foyer area in 221 St Georges Terrace with exposure to St Georges Terrace, the financial hub of Perth.
- Panoramic views over the Swan River.
- New air-conditioning and lift equipment.



Key Investment Attributes

Multifunctional Complex in a Prime

Location – The Forrest Centre is an iconic complex located in the west end of Perth's CBD.

Outstanding Tenant Facilities – Significant funds have been invested in the upgrading of Forrest Centre. New air-conditioning and lift equipment has been installed throughout and LED lighting has been installed on a number of floors. The complex also has excellent tenant amenities such as an outdoor pool, tennis court and gymnasium. There is a program to expand the gymnasium and shower facilities and increase the number of bike racks.

Investment Opportunity

Westralia Square



A unique opportunity to acquire a sizable portfolio consisting of six quality assets

Westralia Square - Property Overview

This A Grade building was completed in 1991 and is located in one of Perth's premier CBD locations. The Esplanade train station and Esplanade Busport and the Perth Convention and Exhibition Centre can be directly accessed from the building. The amenities in the area are first class.

- Westralia Square - 141 St Georges Terrace, Perth
- Approximately 32,635 m² of office space over 18 floors
- 536 on site car bays over 5 levels including a public car park

Property Features

- Large subdivisible floor plates of approximately 1,830 m².
- Majority of the floors offer views over the Swan River.
- High profile on the Perth CBD skyline.
- The Esplanade train station and Esplanade Busport and the Perth Convention and Exhibition Centre are accessible through a covered walkway over Mounts Bay Road.
- Walk through to St Georges Terrace, Alluvion and Brookfield Place buildings.



Key Investment Attributes

Strong Tenant Covenant – Westralia Square has attracted strong covenants due to its efficient floor plate, convenient location, landmark identity and views over the Swan River.

Significant Capital Expenditure – The property has been improved through the capital expenditure program. The property has an A Grade rating.

Opportunity for Development – There is an opportunity to develop underutilised land adjacent to the office tower to suit multiple uses including hotel development (subject to planning and development approvals).

Investment Opportunity

Westralia Plaza



A unique opportunity to acquire a sizable portfolio consisting of six quality assets

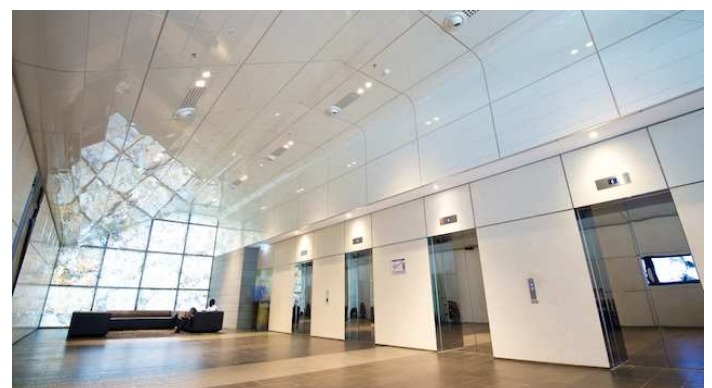
Westralia Plaza - Property Overview

This is an A Grade office tower with retail at ground floor. This property was developed by the Vendor and construction of the building was completed in 2010.

- Westralia Plaza – 167 St Georges Terrace, Perth
- Approximately 9,870 m² of office space over 11 floors
- Approximately 714 m² of retail space at ground floor
- 72 on site tenant car bays

Property Features

- The building is located in one of the primary pedestrian access routes from The Esplanade train station and Esplanade Busport through to St Georges Terrace.
- High profile presence on St Georges Terrace.
- Adjacent to a vibrant entertainment hub that includes numerous restaurants, bars and cafes.



Key Investment Attributes

Fully Leased Property – Westralia Plaza is fully leased with high profile tenants including Westpac Banking Group (St George Bank), Cisco Systems and HWL Ebsworth.

High Volume Pedestrian Traffic – The retail tenants include brands such as Sushi Master, Tartine and Dome Café attracting constant and high volume pedestrian traffic.

High Quality Development – Westralia Plaza is the first project in Western Australia to achieve a Green Building Council of Australia 'Green Star' certification. The building has a 4 star Greenstar and a 4.5 Australian Building Greenhouse Rating. The building was also presented with the AIB Professional Excellence in Building Award (2011).

Investment Opportunity

The Shops At Ellenbrook



A unique opportunity to acquire a sizable portfolio consisting of six quality assets

The Shops At Ellenbrook - Property Overview

The Shops At Ellenbrook is an exceptional regional shopping centre located approximately 22km from the Perth CBD in one of the fastest growing urban areas within Perth. There is significant potential for future expansion to enable the centre to continue to respond to and service population growth.

- The Shops At Ellenbrook – 11 Main Street, Ellenbrook
- Approximately 30,630 m² of retail accommodation
- Approximately 2,000 car parking bays
- Additional development land sites offer a mixed use site of approximately 3,000 m² on the corner of The Parkway and Main Street and a bulky goods precinct of over 4.4 hectares

Property Features

- High profile shopping destination located in the centre of Ellenbrook.
- 3 major tenants, 2 mini majors, 63 specialty stores, 10 kiosks and 14 external tenancies.
- Excellent future development potential as highlighted in yellow on the plan below right (map for identification purposes only – not exact boundaries).



Key Investment Attributes

Major Anchor Tenants – Major tenants at The Shops At Ellenbrook include Woolworths, Coles and Big W which occupy approximately 15%, 14% and 27% of the centre respectively.

Future Development and Expansion Potential – There is ample opportunity for future expansion (subject to planning and development approvals) with existing interest from a number of bulky goods and large retail occupiers.

Quality Development – Stage 2 of The Shops At Ellenbrook is the first shopping centre in Western Australia and only the fourth nationally to achieve a Green Star certification by the Green Building Council of Australia.

Investment Opportunity

Livingston Marketplace



A unique opportunity to acquire a sizable portfolio consisting of six quality assets

Livingston Marketplace - Property Overview

Livingston Marketplace is located in an urban area approximately 16km from the Perth CBD and is classified as a sub-regional shopping centre. The original centre was developed in 1998.

- Livingston Marketplace – Corner Ranford Road and Nicholson Road, Canning Vale
- Approximately 15,526 m² of retail space
- Approximately 1,025 car parking bays

Property Features

- 54 retail outlets including 2 majors, approximately 35 specialty stores, kiosks/ATM's and free standing tenancies.
- Over 3.3 million visitors annually.
- Livingston Marketplace was a finalist for the Excellence in Management Award for a sub-regional centre 10,000 to 30,000 m² (Property Council of Australia 2012 Western Australia Shopping Centre Awards).



Key Investment Attributes

Secure Anchor Tenants – The centre has solid anchor tenants including Woolworths and Big W. These tenants are both on long term leases and occupy approximately 28% and 42% of the centre respectively.

Future Development and Expansion Potential – High level investigations have been undertaken to assess the viability of a multi-deck car park on site to unlock land for a future expansion (map for identification purposes only – not exact boundaries).

Location – The centre is located on a high profile corner site with frontage to both Ranford Road and Nicholson Road. The centre is serviced by numerous bus routes to the Perth CBD and surrounding suburbs.



Investment Opportunity Offices in the Heart of the CBD High Performing Shopping Centres



Sale Process and Next Steps

PwC has been engaged by the Insurance Commission of Western Australia (Vendor) to provide advisory services to assist the Vendor to divest its property portfolio.

The Vendor has asked that all expressions of interest are lodged with PwC. Subject to the acceptance of your registration, interested parties will be required to sign a confidentiality agreement to receive further information on the portfolio and the formal sale process.

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