



AUGUST 2016

EG'S FIRST CLOSE ON \$750 MILLION FUND

25 August 2016 (Sydney, Australia) – EG Funds Management today announced the launch of their **Yield Plus Infrastructure Fund No. 2** (YPI 2). The closed-ended, unlisted real estate fund raised just under AU\$400 million in equity at first close with both domestic and offshore institutional investors.

EG plans to target commercial, industrial and retail assets in major Australian cities to create a portfolio of circa AU\$750 million. The predecessor of this fund, Yield Plus Infrastructure Fund No. 1 (YPI 1), acquired 17 assets, including the “jewel in the crown” Flour Mill of Summer Hill site.

“EG will bring our 16 year track record in successful management of complex urban planning processes to rezone land to highest and best use alongside key infrastructure corridors,” says EG Executive Director Roger Parker.

EG's YPI 2 will be focusing on yielding property assets near new and upgraded infrastructure, such as Sydney's North West Rail Link or the Melbourne Metro Rail project. The rezoned assets will then be ready for development at the appropriate point in the market cycle.

The fund is a successor to YPI 1, which was established in 2006 and is on track to achieve 13.0% p.a.. YPI 2 is supported by a number of investors from the initial fund.

“This fund will be our third fund under EG's Absolute Alignment® model. The capacity for this model to engender trust and long term alignment between EG and our investors has been comprehensively demonstrated,” says CEO Adam Geha.

“Investors want to know that fund managers are in it for the long haul, especially given that these funds can span a decade.”

YPI 2 will be the second fund that EG has launched this year after launching the **High Income Sustainable Office Trust** in July, with equity commitments of over AU\$150 million from institutional investors.

EG's current assets under management are circa AU\$2.4 billion.

- ENDS -

Yield Plus Infrastructure Fund No. 1 (YPI 1) Background

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- YPI 1 was launched in 2006, almost ten years before this YPI 2
- Equity raised circa AU\$250 million
- Total of 17 assets were acquired for AU\$311 million; the fund has divested ten of these assets
- In spite of the GFC, YPI 1 is on track to achieve 13.0% p.a.
- YPI 1's success stories include the [Flour Mill of Summer Hill](#) and [Room 4](#)

The Flour Mill of Summer Hill

The site at Summer Hill was acquired by EG in 2006. The location capitalises on the new light rail between Central and Dulwich Hill and the burgeoning urban renewal in the area. EG recognised the potential to revitalise the site through retaining the existing heritage of the iconic Allied Mills silos, while complementing them with contemporary design. Over 300 apartments are currently being constructed on site.



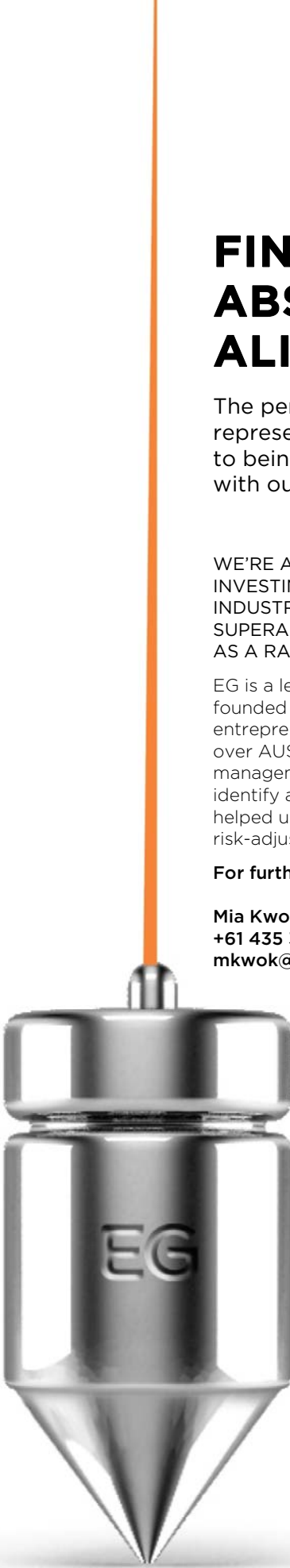
Figure 1: The Flour Mill of Summer Hill (artists' impression)

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FINDING ABSOLUTE ALIGNMENT®

The pendulum symbol represents our commitment to being in alignment with our partners.

WE'RE AN AUSTRALIAN BUSINESS INVESTING ON BEHALF OF LEADING INDUSTRY AND PUBLIC SECTOR SUPERANNUATION FUNDS, AS WELL AS A RANGE OF FAMILY OFFICES.

EG is a leading real estate fund manager founded in 2000. We're a disciplined, entrepreneurial group of people with over AU\$2.4 billion in assets under management. Our team's ability to identify and realise opportunities has helped us achieve consistently high, risk-adjusted returns for our investors.

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