

Westfield/Unibail merger: What happens next

APRIL 2018

It's been almost four months since the news broke that Unibail-Rodamco wanted to acquire Westfield. Shareholders now have a better idea of how the proposed deal will unfold.

The transaction remains subject to the conditions described in the Implementation Agreement, which essentially summarised the terms of the bid.

A few key milestones to completion have already been reached, including the approval of the proposed terms by various internal Unibail committees and Australian Foreign Investment Review Board (FIRB) approval.

The next steps from a Westfield perspective includes the first Australian Scheme Court hearing, scheduled for April 12.

Of more importance to Westfield shareholders is the forthcoming Explanatory Memorandum. It will set out the detail behind the rationale for the transaction and will almost certainly strongly endorse the proposal.

Separately, Westfield will also have commissioned an Independent Experts Report. It, too, is likely to support the acquisition.

During this period shareholders will need to assess these documents and make up their own minds about supporting the plan, before voting on it.

From there, the Unibail-Rodamco Annual General Meeting is on May 17, followed by the Westfield Scheme meeting a week later, when shareholder votes will be tallied and the deal approved (or otherwise).

If the deal proceeds - and we fully expect it will - Westfield shareholders will then have to elect whether to accept the offer and hold units in Unibail (separately listed on the ASX) or sell their units beforehand.

By the end of May we expect the second Australian Scheme Court hearing, which will be asked to formally approve the implementation of the agreement (that has, presumably, been approved by the respective shareholders in the two weeks prior).

If all goes to plan, the implementation date is expected to be June 7, 2018. This will be a momentous day for the Australian Securities Exchange, the first since 29 September, 1961 that a Westfield entity is not listed on the ASX.

It will, however, herald the availability of a new, lower risk, highly diversified, higher yielding investment option in Unibail. (See this post on why we believe Unibail might be a better investment than Westfield - <http://blog.apngroup.com.au/four-reasons-why-unibail-may-be-a-better-investment-than-westfield/>).

We'll be keeping Westfield shareholders abreast of developments as the timeline proceeds so please check back regularly for updates.

This article has been prepared by APN Funds Management Limited (ACN 080 674 479, AFSL No. 237500) for general information purposes only and without taking your objectives, financial situation or needs into account. You should consider these matters and read the product disclosure statement (PDS) for each of the funds described in this article in its entirety before you make an investment decision. The PDS contains important information about risks, costs and fees associated with an investment in the relevant fund. For a copy of the PDS and more details about a fund and its performance, visit our website at www.apngroup.com.au.



Visit our Blog to read the latest insights on the market at <http://blog.apngroup.com.au>

APN Property Group

A specialist real estate investment manager

We actively invest in, develop and manage real estate and real estate securities on behalf of institutional and retail investors. APN's approach to real estate investment is based on a 'property for income' philosophy.

Established in 1996, APN's listed on the ASX and manages \$2.8 billion (as at 31 December 2018) of real estate and real estate securities. APN trades on the ASX under the code 'APD'.

Contact us

APN Property Group Limited

Level 30, 101 Collins Street,
Melbourne, Victoria 3000

Investor Services Hotline 1800 996 456

Adviser Services Hotline 1300 027 636

Email apnpg@apngroup.com.au

Website apngroup.com.au