

## ASX Release / Media Release

16 December 2011

### HOTEL ASSETS SALE

Mirvac Group ("Mirvac") [ASX: MGR] has today entered into contracts for the sale of its hotel management business, Mirvac Hotels & Resorts, and various associated investments to a consortium comprising Accor Asia Pacific ("Accor"), one of the world's leading hospitality groups, and Ascendas, Asia's leading provider of business space solutions based in Singapore.

The total proceeds to Mirvac upon successful completion of the transaction are up to \$327.0 million, which represents a 15.1 per cent premium to the current carrying value of the assets<sup>1</sup>. The final proceeds to Mirvac are subject to certain potential adjustments and material changes to the business and will be determined primarily over the course of 12 months post settlement.

Mirvac's 50 per cent Travelodge investment, which has a book value of \$123.1 million, is not included in these transactions. Mirvac continues to assess options for this investment.

The contracts are subject to a number of conditions, consents and approvals, including consent from the Foreign Investment Review Board and New Zealand's Overseas Investment Office. Settlement is expected to occur prior to 30 June 2012.

Mirvac's Managing Director, Nick Collishaw said, "The sale outcome is in line with Mirvac's strategy and it is a transforming event for the Hotel's business as it becomes part of a globally recognised hospitality group."

"When we started down the path of strategically reviewing our Hotels operation we knew that we had a high quality business – but one that needed greater scale to deliver on its potential. In an environment where new opportunities are scarce, scale was going to be difficult to achieve. In these circumstances, today's sale at a premium to book value represents an excellent result.

"The sale also marks an important milestone for Mirvac and is consistent with the simplification of our operations that commenced in 2008. We remain committed to delivering on the Group's strategy and managing our capital position in a prudent manner.

"As stated previously, we will look to reinvest the proceeds of asset or business sales towards the best use of capital, including the potential for a security buyback, at the time proceeds are realised. In conjunction with any capital management initiatives, we will also apply a proportion of the sale proceeds towards debt repayment," Mr Collishaw said.

The sale transactions announced today follow the strategic review of Mirvac's Hotel management business and associated investments announced on 16 June 2011.

<sup>1</sup> As at 30 June 2011.

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Further updates will be provided to the market as required.

### ENDS

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### **About Mirvac ([www.mirvac.com](http://www.mirvac.com))**

Mirvac is a top 50 ASX listed company and leading Australian real estate investment trust with \$7.8bn of activities across the investment and development spectrums.

Mirvac operates two core divisions, Investment and Development. Investments actively manage a high quality portfolio of office, retail and industrial assets, leased to leading Australian and international companies. The Development Division, which delivers innovative and quality commercial and residential developments, is underpinned by the strength of Mirvac's brand, established over 39 years in the Australian development and construction industry.

### **About Accor**

Accor, the world's leading hotel operator and market leader in Europe, is present in 90 countries with 4,200 hotels and more than 500,000 rooms. Accor's broad portfolio of hotel brands - Sofitel, Pullman, MGallery, Novotel, Suite Novotel, Mercure, Adagio, ibis, all seasons/ibis styles, Etap Hotel/ibis budget, hotelF1 and Motel 6 - provide an extensive offer from luxury to budget. With 145,000 employees worldwide, the Group offers to its clients and partners nearly 45 years of know-how and expertise.

### **About Ascendas ([www.ascendas.com](http://www.ascendas.com))**

Ascendas is Asia's leading provider of business space solutions with key markets in Singapore, China, India, South Korea and South East Asia (including Vietnam, Malaysia and Philippines). Based in Singapore, Ascendas has built a strong regional presence and serves a global clientele of over 2,000 customers.

Ascendas specialises in developing, managing and marketing IT parks, industrial & logistics parks, business parks, science parks, hi-tech facilities, office and retail space. Its flagships include the Singapore Science Park, International Tech Park Bangalore in India and Dalian-Ascendas IT Park in China. Ascendas provides end-to-end real estate solutions, assisting corporate customers through the entire real estate process.