PEET

Investor Presentation
Peet Bonds - Series 1, Tranche1

120 YEARS 1895 2015

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You should consider and read the Offer Documents in full (including information incorporated by reference) before deciding whether to invest in the Bonds. A copy of the Offer Documents is available at www.peetbonds.com.au. Applications for Bonds can only be made in the relevant application form in or accompanying the replacement Offer Documents (whether paper or electronic copy).

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Section 1

Overview of the Offer

OVERVIEW OF THE OFFER

Issuer	» Peet Limited (ABN 56 008 665 834) ("Peet") – Develops and markets residential land estates predominantly under a capital efficient funds management model – At 31 December 2015, Peet managed and marketed a land bank of approximately 48,000 lots with an on completion value of approximately $12 billion strategically weighted to east coast states (61%) and balanced between Funds Management (60%), JVs (10%) and Development (30%)
Security	» Peet Bonds – Series 1, Tranche 1 ("Bonds") are interest paying, unsubordinated and unsecured debt securities » The Bonds are being offered under the simple corporate bond regime » The payment obligations of the Issuer under the Bonds are guaranteed by wholly owned Subsidiaries of Peet
Offer size	» $75 million, with the ability to raise more or less
Use of proceeds	» To refinance the $50 million Peet Convertible Notes issued in 2011 ("Peet Convertible Notes") and » To diversify Peet's debt capital structure to further strengthen the Peet Group's balance sheet and to support its growth objectives » To pay the costs of the issue of the Bonds
Maturity date	» 7 June 2021 (unless Redeemed early)
Interest payment dates	» The first Interest Payment Date will be 16 December 2016. Interest will be paid semi-annually in arrears on the following dates in each year as well as on the Maturity Date, or any earlier Redemption Date: 16 December and 16 June » If any of these scheduled dates is not a Business Day, then the Interest Payment Date will be the next Business Day and Interest will continue to accrue until that date
Interest rate	» Fixed rate
Fixed rate coupon	» The coupon will be determined following the completion of the Bookbuild » The coupon will be announced by Peet on or around the Opening Date
Offer structure	» Peet Offer » Broker Firm Offer » Institutional Offer » Reinvestment Offer
Bookbuild	» Expected to take place on 9 May 2016
Sole Arranger	» National Australia Bank Limited
Lead Manager	» National Australia Bank Limited
Listing	» Application has been made for the Bonds to be quoted on ASX under the code 'PPCHA'

1895 2015 120 YEARS PEET

Section 2

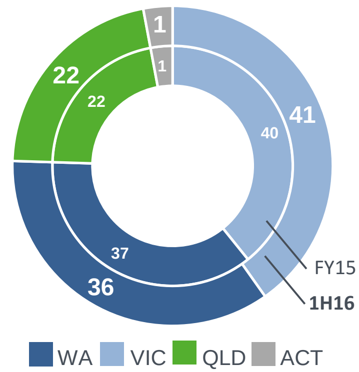
Overview of Peet

GROUP BUSINESS MODEL

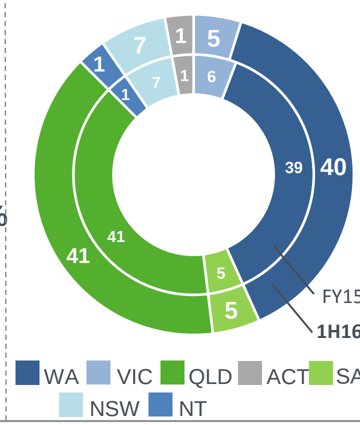
Target EBIT Composition		Target EBIT Margin	Land Bank	Capital Employed[2]	Sources of Revenue
40% – 50% EBIT	Development	20%-25%	Lots: 13,855 GDV ($bn): 3.0 # Projects: 30	$485m	» Development profit
50% – 60% EBIT	FM[3]: Retail	60%-70%	Lots: 16,835 GDV ($bn): 3.8 # Projects: 35	$388m	» Underwriting and capital raising fees » Project management fees » Performance fees » Profit shares
	FM[3]: Wholesale		Lots: 17,250 GDV ($bn): 4.9 # Projects: 5		
			Lots: 47,940 **GDV ($bn): 11.7** **# Projects: 70**	$963m[4]	

Land Bank Diversification by Geography (%)[1]

Development



FM[3]



Notes:
1. Based on number of lots
2. Balance sheet assets at cost as at 31 December 2015
3. Includes joint ventures
4. Includes $90m of unallocated assets & cash

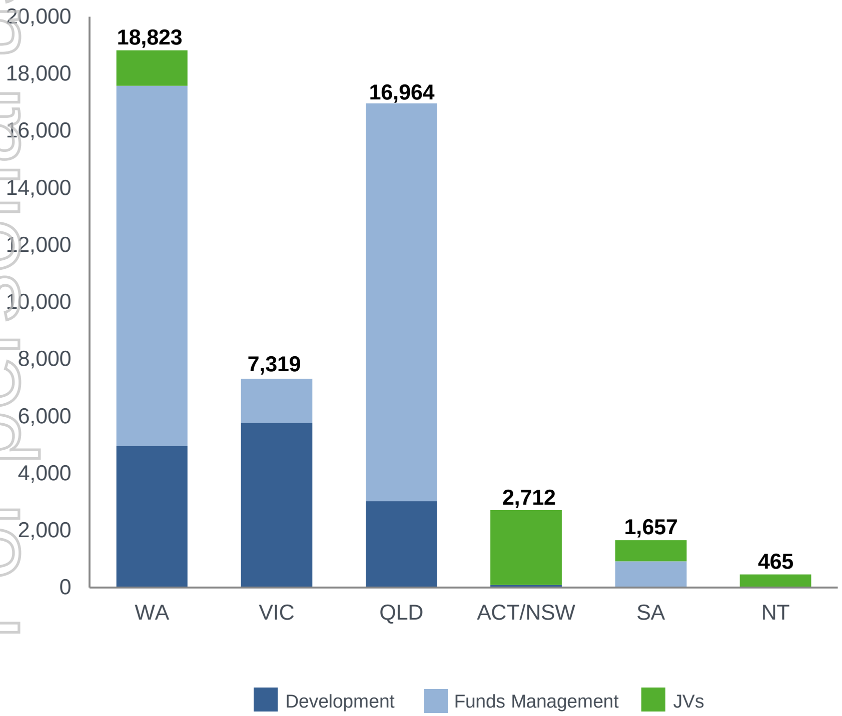
OVERVIEW OF PEET'S LAND BANK

» Diversified land bank across all mainland states and territories
  - Pipeline of 48,000 lots[1] with an on completion value of approximately $12 billion
  - More than 70% of the landbank is held via Funds Management and JVs

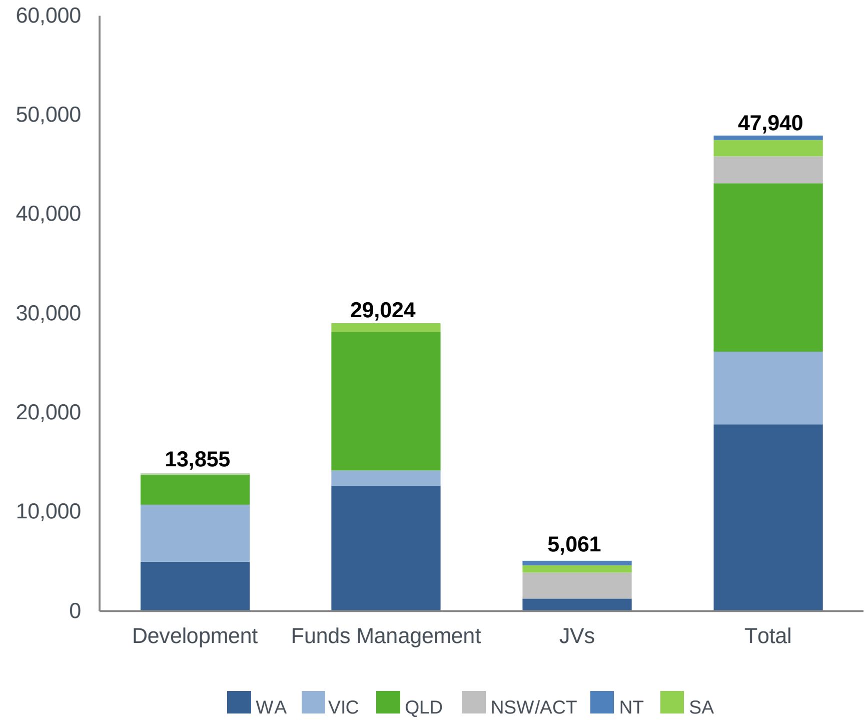
» WA exposure balanced against eastern seaboard

» WA exposure weighted toward FM and JV, with relatively lower proportion of development projects located in WA

LANDBANK COMPOSITION BY BUSINESS TYPE AND GEOGRAPHY (LOTS[1])



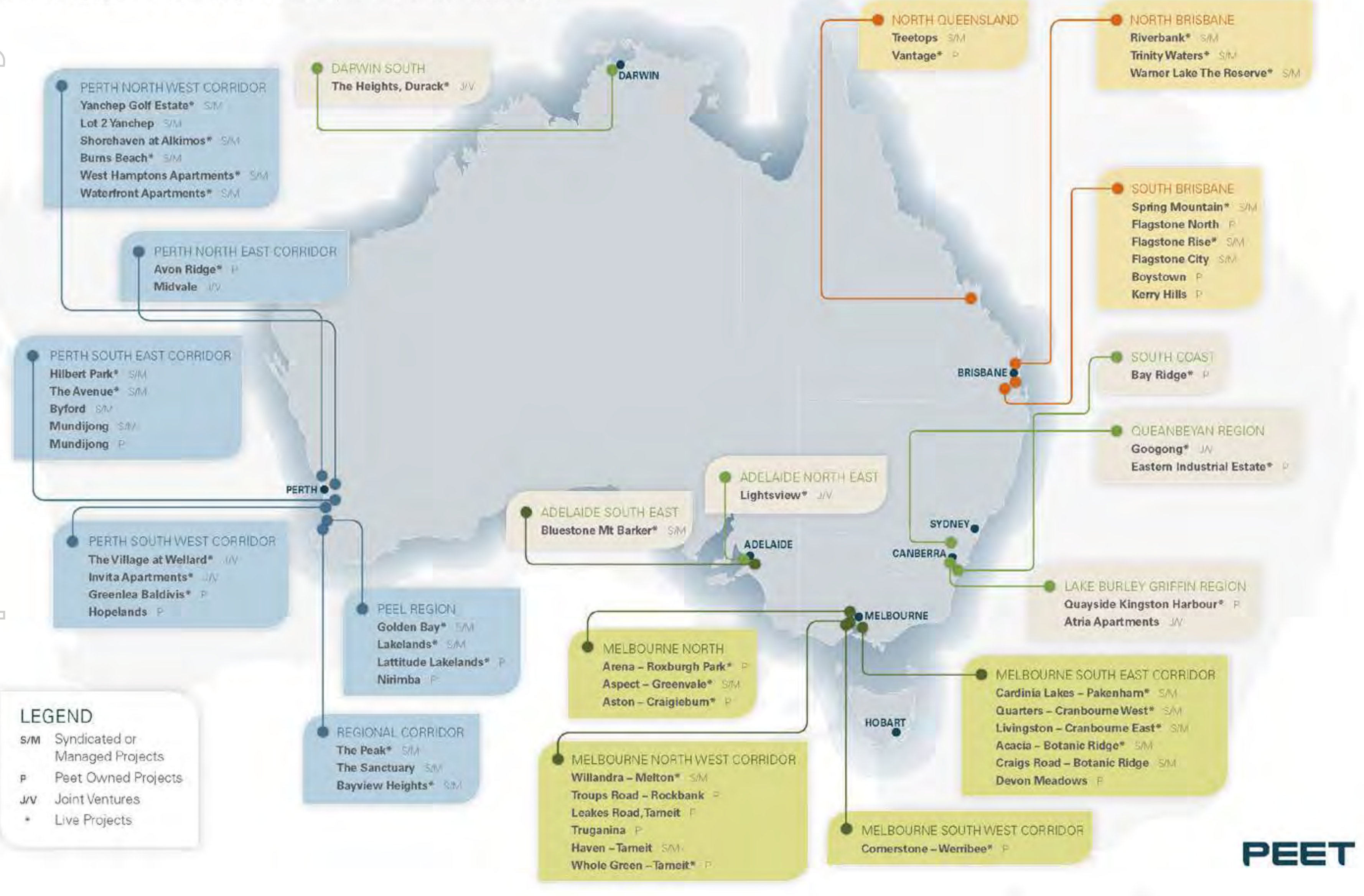
LANDBANK COMPOSITION BY GEOGRAPHY AND BUSINESS TYPE (LOTS[1])



Notes:
1 Equivalent lots as at 31 December 2015

Extensive experience in development

Peet is developing some of the most significant master-planned communities across Australia.



PEET

LAND BANK – FUNDS MANAGEMENT KEY PROJECTS

PROJECT NAME	STATE	GDV	LOTS[1] REMAINING	PROJECT LIFECYCLE 2016	2017	2018	2019
Alkimos	WA	$999m	2,350	Selling			
Burns Beach	WA	$307m	585	Selling			
Golden Bay	WA	$275m	1,202	Selling			
Lakelands	WA	$226m	1,395	Selling			
Yanchep Golf Estate	WA	$388m	1,417	Selling			
The Avenue	WA	$176m	923	Selling			
Hilbert Park	WA	$226m	976	Selling			
Midvale	WA	$253m	1,050	Selling			
Mundijong	WA	$136m	852	Planning		Start up	Selling
Yanchep (Wholesale)	WA	$171m	888	Planning		Start up	Selling
Byford	WA	$49m	259	Start up	Selling		
Other	WA	$135m	729	Planning			
Flagstone Rise	QLD	$7m	47	Selling	Completion		
Spring Mountain	QLD	$141m	397	Selling			
Caboolture	QLD	$234m	1,061	Selling			
Warner Springs	QLD	$17m	71	Selling	Completion		
Flagstone City	QLD	$3,230m	11,749	Selling			
Other	QLD	$95m	614	Planning			
Haven	VIC	$45m	212	Selling			
Cranbourne Central	VIC	$54m	237	Selling		Completion	
Cranbourne West	VIC	$25m	176	Selling	Completion		
Greenvale	VIC	$67m	251	Selling		Completion	
Botanic Village	VIC	$144m	672	Selling			
Mt Barker	SA	$134m	911	Selling			
Total Funds Management		**$7,534m**	**29,024**				

Notes:
1 Equivalent lots as at 31 December 2015

LAND BANK – COMPANY-OWNED KEY PROJECTS

PROJECT NAME	STATE	GDV	LOTS[1] REMAINING	2016	2017	2018	2019
				PROJECT LIFECYCLE			
Brigadoon	WA	$66m	132	Selling	Selling	Selling	Selling
Greenlea	WA	$80m	485	Selling	Selling	Selling	Selling
Mundijong	WA	$124m	511	Planning	Planning	Start up	Selling
Other	WA	$686m	3,824	Planning	Planning	Planning	Planning
Gladstone	QLD	$86m	340	Selling	Selling	Selling	Selling
Beaudesert	QLD	$246m	1,045	Planning	Planning	Planning	Planning
Flagstone North	QLD	$224m	1,400	Planning	Planning	Planning	Planning
Redbank Plains	QLD	$46m	240	Start up	Selling	Selling	Selling
Aston, Craigieburn	VIC	$443m	1,792	Selling	Selling	Selling	Selling
Werribee	VIC	$198m	961	Start up	Selling	Selling	Selling
Tarneit North	VIC	$57m	248	Planning	Planning	Planning	Planning
Rockbank	VIC	$123m	571	Planning	Start up	Selling	Selling
Whole Green	VIC	$398m	1,694	Selling	Selling	Selling	Selling
Other	VIC	$166m	505	Planning	Planning	Planning	Planning
Bay Ridge	NSW	$4m	15	Selling	Selling	Selling	Completion
Eastern Industrial Estate	ACT	$28m	73	Selling	Selling	Selling	Selling
Quayside Apartments	ACT	$5m	5	Selling	Completion	Completion	Completion
Lightsview Apartments	SA	$4m	14	Selling	Completion	Completion	Completion
Total company-owned		**$2,984m**	**13,855**				

Notes:
1 Equivalent lots as at 31 December 2015

LAND BANK – JOINT VENTURE KEY PROJECTS

PROJECT NAME	STATE	GDV	LOTS[1] REMAINING	PROJECT LIFECYCLE 2016	2017	2018	2019
Googong[2]	NSW	$577m	2,452	*Selling*			
Eyre Kingston	ACT	$111m	167	*Selling*			
Wellard	WA	$253m	1,245	*Selling*			
The Heights	NT	$125m	465	*Selling*			
Lightsview	SA	$133m	732	*Selling*			
Total joint venture		**$1,199m**	**5,061**				
TOTAL PIPELINE		**$11,717m**	**47,940**				

Notes:
1 Equivalent lots as at 31 December 2015
2 Googong represents 50% shareholding of project

NEW PROJECTS IN FY16 - FY18

Pipeline of approximately 48,000 lots providing visibility of future earnings

- Up to 12 new projects expected to commence development within the next 2-3 years
  - Up to 8 new projects commencing development/sales in FY16
  - Approximately 79% of the lots in these projects sit within the Funds Management business
  - Represents approximately 40% of existing pipeline
  - Average project duration of 7 years providing visibility of future earnings and cash flows
- Approximately 80% of entire land bank is expected to be in development by end of FY17
- Land portfolio well balanced across key growth corridors

FY16 - FY18 PROJECT RELEASE SCHEDULE

Project	State	Segment	First Sales	Lots[1]	Project Life (Years)
Botanic Village	VIC	Funds	1H16	783	6yrs
Haven	VIC	Funds	1H16	300	4yrs
Hilbert Park	WA	Funds	1H16	997	8yrs
Atria Apartments (Kingston)	ACT	JV	2H16	167	2yrs
Flagstone City	QLD	Funds	2H16	12,000+	25yrs+
Greenlea	WA	Owned	2H16	483	3yrs
Midvale	WA	Funds	2H16	1,050	7yrs
Whole Green	VIC	Owned	2H16	1,694	8yrs
Byford	WA	Funds	2017	259	4yrs
Redbank Plains	QLD	Owned	2017	240	3yrs
Werribee	VIC	Owned	2017	961	7yrs
Rockbank	VIC	Owned	2018	571	5yrs
Total				**19,505**	**Ave: 7 yrs**

Notes:
1 Includes equivalent lots as at 30 June 2015

Section 3

Financial Information – 1H16

GROUP FINANCIAL SUMMARY

- Operating profit[2] after tax of $18.5m - up 8%
- Group EBITDA[2] of $40.3m – down 12% due to completed projects
  - Quayside apartments (ACT) and The Chimes project (WA)
- Group EBITDA[2] margin increased to 29%
  - Higher price growth from VIC and ACT/NSW projects
  - Further cost-outs from WA operations
- 1H16 operating EPS of 3.8 cents
  - Same as 1H15 but on expanded capital base
- Return on capital employed at 13%
- Market adjusted NTA[6] per share of $1.14
  - Does not include value for Funds Management business

KEY PERFORMANCE STATISTICS	1H16	1H15	VAR (%)
Lot sales	1,659	1,610	3%
Lot settlements	1,275	1,456	(12%)
Revenue[1]	$136.7m	$184.2m	(26%)
EBITDA[2]	**$40.3m**	**$45.9m**	**(12%)**
EBITDA[2] margin	29%	25%	4%
Operating profit after tax[2,3]	**$18.5m**	**$17.1m**	**8%**

KEY METRICS	1H16	1H15	VAR (%)
EPS (operating)	3.8c	3.8c	-
DPS[4]	1.75c	1.5c	17%
ROCE[5]	12.9%	13.3%	(0.4%)

	DEC 15	JUN 15	VAR (%)
Book NTA per share	$1.05	$1.04	1%
Market adjusted NTA[6] per share	$1.14	$1.17	(3%)

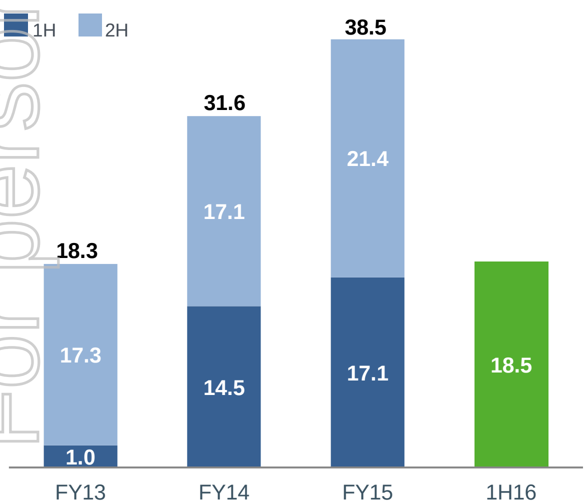
Notes:
1 Includes share of net profit / (loss) of associates and joint ventures accounted for using the equity method
2 Pre write-downs of $ nil and includes effects of non-cash movements in investments in associates and joint ventures
3 Attributable to owners of Peet Limited
4 Fully franked
5 Rolling 12 month EBITDA / (average net debt + average total equity)
6 Market adjusted NTA is based on independent bank-instructed mortgage valuations, adjusted for development costs and settlements post valuation date

IMPROVING FINANCIAL PERFORMANCE

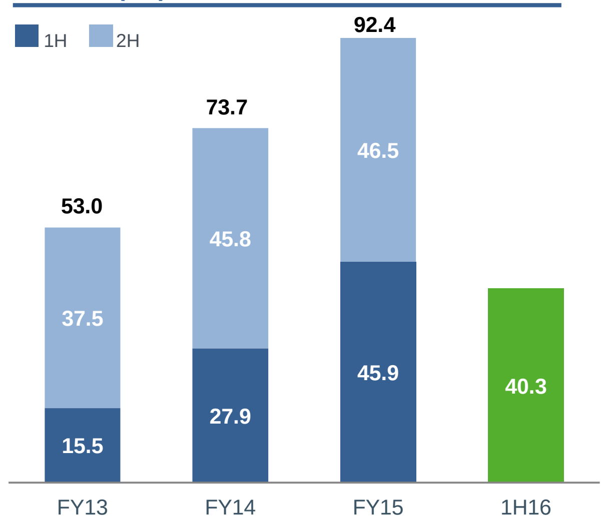
Growth in earnings via improvement in margins

- » Solid growth in first half earnings since FY13
- » Ongoing EBITDA[1] margin improvement driven by improved gross margin through net price growth, cost efficiencies and greater impact of high margin projects

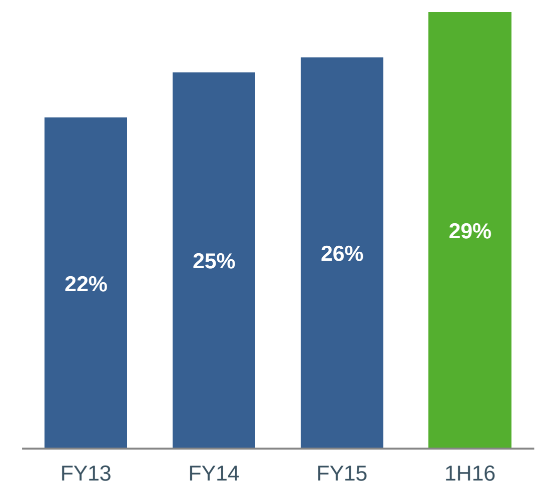
OPERATING PROFIT[1] AFTER TAX ($M)



EBITDA[1] ($M)



EBITDA[1] MARGIN



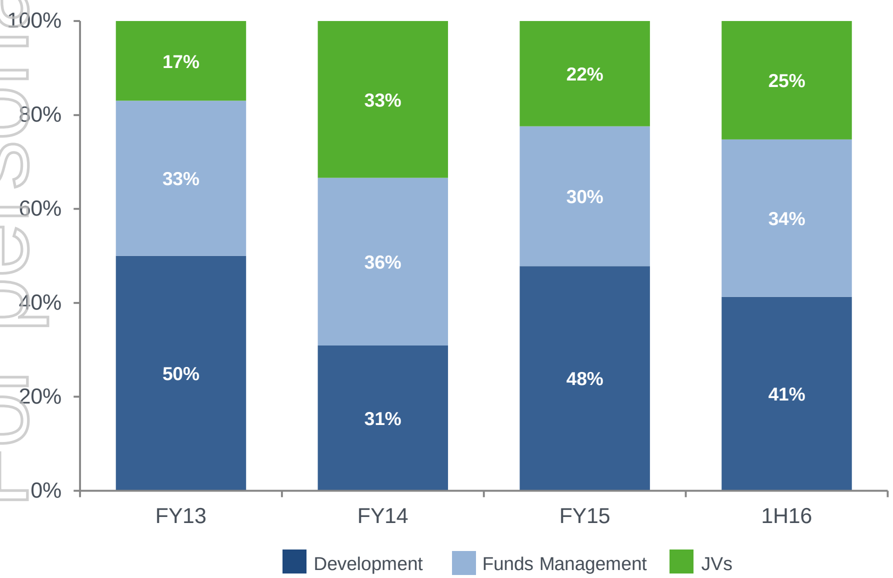
Notes:
1 Pre write-downs and includes effects of non-cash movements in investments in associates and joint ventures

GROUP OPERATING PERFORMANCE

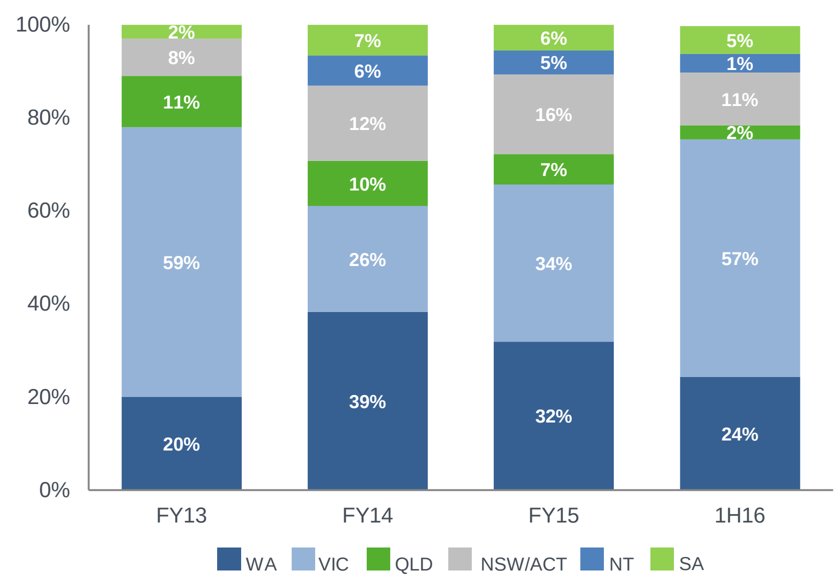
Strategic reweighting of portfolio to east coast delivering diversified earnings base

- Contribution from east coast projects increased to 76% of EBITDA
- Higher contribution driven by Victoria
- Funds Management business provided solid earnings base representing 34% of Group EBITDA[1]
- East coast EBITDA contributions expected to offset WA and NT weakness
  - Flagstone (QLD) and Whole Green (VIC) projects on track to contribute to 2H16 earnings

EBITDA[1] COMPOSITION BY BUSINESS TYPE (%)



EBITDA[1] COMPOSITION BY GEOGRAPHY (%)



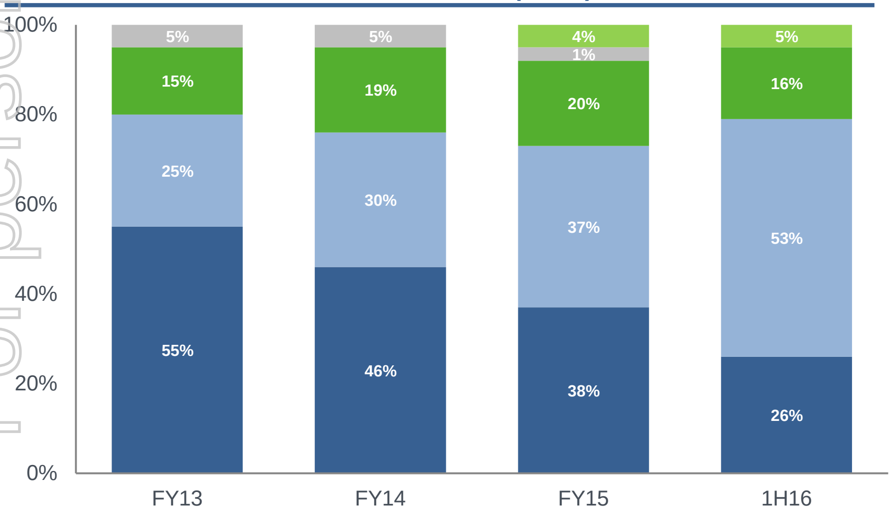
Notes:
1 Pre write-downs of $ nil and includes effects of non-cash movements in investments in associates and joint ventures

FM OPERATING PERFORMANCE

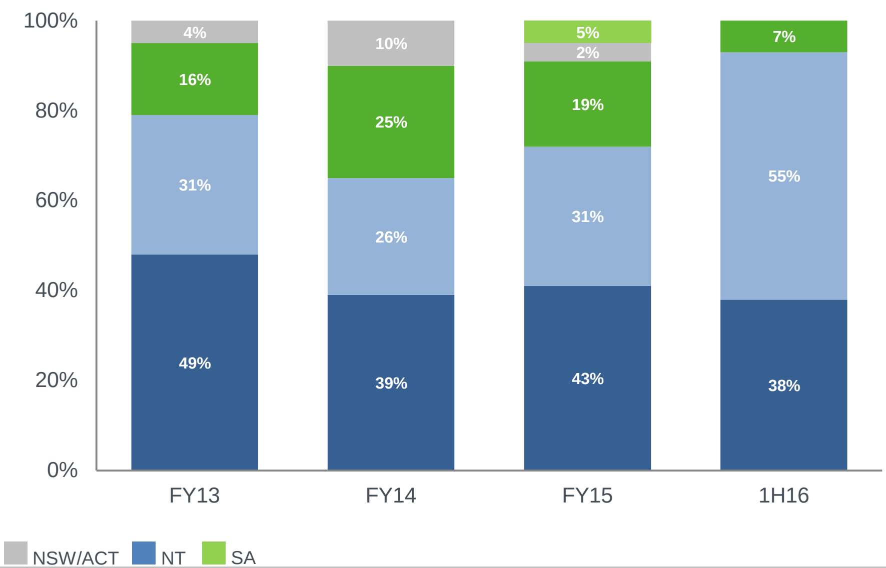
- 1H16 revenue increased to $21.6m – up 2% on 1H15
  - EBITDA[1] margin 66%, up 1% on 1H15
- Increased exposure to improving QLD market expected with Flagstone launch 2H16
- Funds Management business provided solid earnings base representing 34% of Group's EBITDA[1]
  - EBITDA[1] up 3% to $14.6m due to increased fees on sales
- Contracts on hand[2] up 13% to 1,295 lots with a total value of $269m

KEY PERFORMANCE STATISTICS	1H16	1H15	VAR (%)
Lot sales	1,008	906	11%
Lot settlements	657	786	(16%)
Revenue	$21.6m	$21.2m	2%
Share of net profit of equity accounted investments	$0.6m	$0.9m	(33%)
EBITDA[1]	$14.6m	$14.2m	3%
EBITDA[1] margin	66%	65%	1%
	DEC 15	**JUN 15**	**VAR (%)**
Contracts on hand[2]	1,295	1,150	13%

FM SALES COMPOSITION BY GEOGRAPHY (LOTS)



FM EBITDA[1] COMPOSITION BY GEOGRAPHY



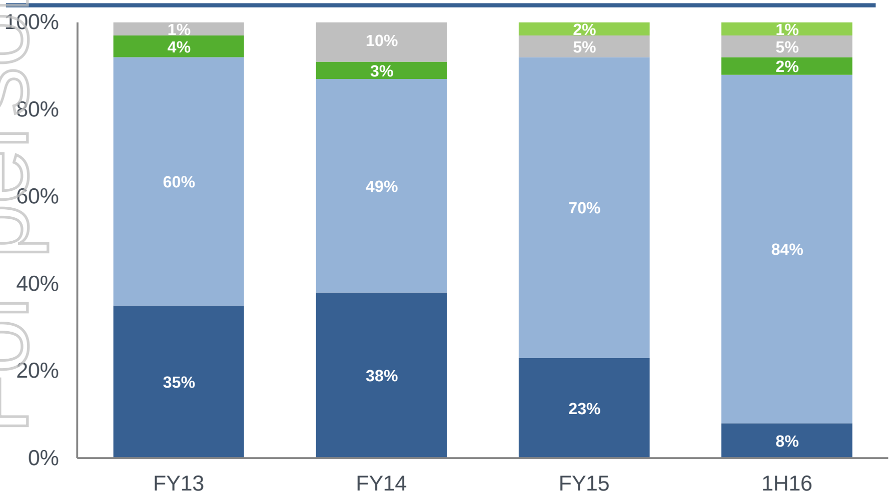
Notes:
1 Includes effects of non-cash movements in investments in associates
2 Includes equivalent lots

DEVELOPMENT OPERATING PERFORMANCE

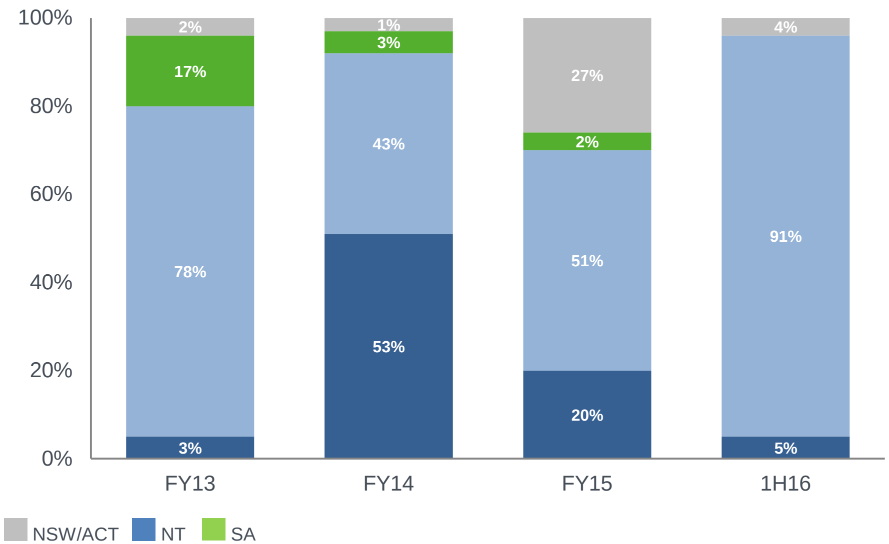
- Revenues for 1H16 of $67.4m – down 29% on 1H15
  - 1H16 settlements down due to Quayside apartment project (ACT) and The Chimes (WA), substantially completed FY15
- Weighted exposure to better performing Melbourne market from both a sales and EBITDA perspective
- EBITDA[2] decreased to $17.8m, down 9%
  - EBITDA[2] margins increased to 26% from 21%
- Contracts on hand increased by 70% to 416 lots with a total value of $96m

KEY PERFORMANCE STATISTICS	1H16	1H15	VAR (%)
Lot sales[1]	256	256	-
Lot settlements			
Retail	180	287	(37%)
Super lots	1	2	(50%)
Revenue	$67.4m	$94.8m	(29%)
EBITDA[2]	$17.8m	$19.6m	(9%)
EBITDA[2] margin	26%	21%	5%
	DEC 15	**JUN 15**	**VAR (%)**
Contracts on hand[3]	416	245	70%

DEVELOPMENT SALES[1] COMPOSITION BY GEOGRAPHY (LOTS)



DEVELOPMENT EBITDA[2] COMPOSITION BY GEOGRAPHY



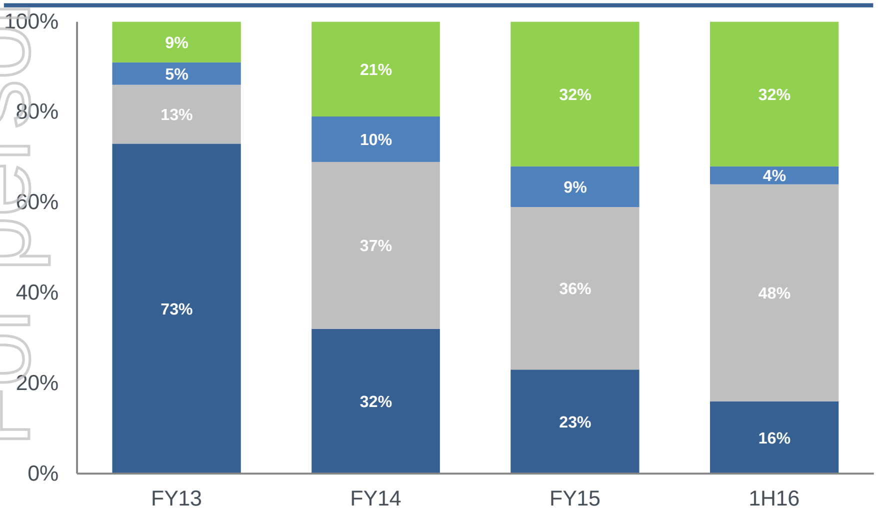
Notes:
1 Includes super lots
2 Pre write-downs
3 Includes equivalent lots

JV OPERATING PERFORMANCE

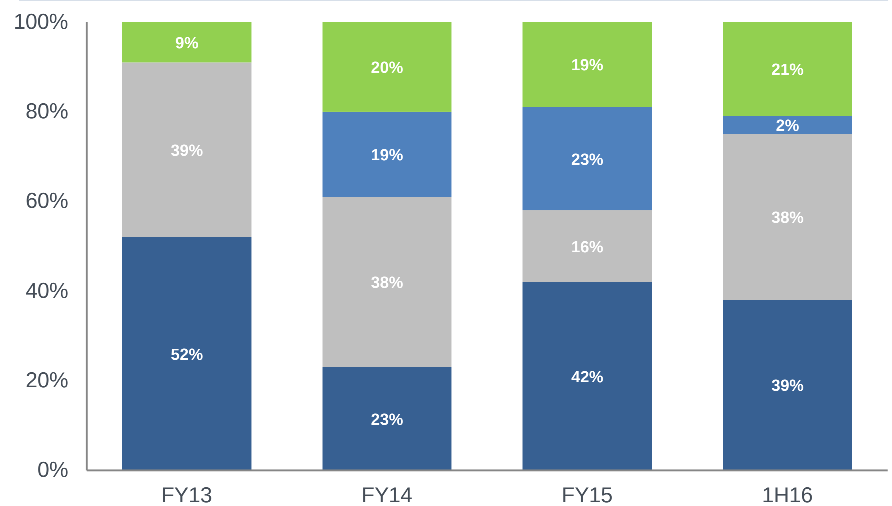
- 1H16 revenue of $29.7m, down 38% on 1H15 predominantly due to soft market conditions in NT
- Equity accounted profits up 294% during the half to $6.3m
- EBITDA[1] of $11.1m up from 1H15 due to Googong (NSW) and Lightsview (SA)
- Contracts on hand down 9% to 607 lots with a total value of $158m

KEY PERFORMANCE STATISTICS	1H16	1H15	VAR (%)
Lot sales	395	448	(12%)
Lot settlements	437	381	15%
Revenue	$29.7m	$47.7m	(38%)
Share of net profit of equity accounted investments	$6.3m	$1.6m	294%
EBITDA[1]	$11.1m	$10.2m	9%
EBITDA[1] margin	31%	21%	10%
	DEC 15	**JUN 15**	**VAR (%)**
Contracts on hand[2]	607	666	(9%)

JV SALES BY GEOGRAPHY (LOTS)



JV EBITDA[1] COMPOSITION BY GEOGRAPHY



WA NSW/ACT NT SA

Notes:
1 Includes effects of non-cash movements in investments in joint ventures
2 Includes equivalent lots

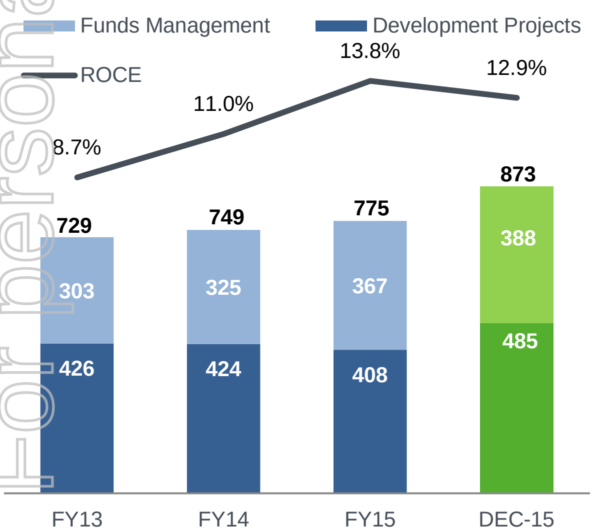
CAPITAL MANAGEMENT AND FINANCIAL RATIOS

Significant improvement in capital position

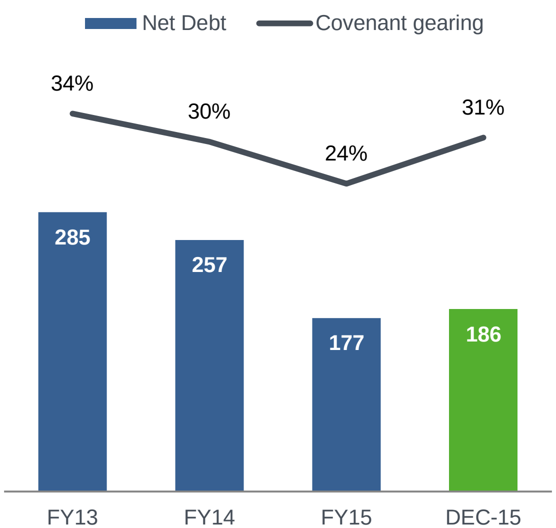
» ROCE[1] of 13%
  – Expected to improve during 2H16 as a result of improved underlying earnings performance
  – New retail syndicate to be launched in March 2016 further improving ROCE

» Increase in covenant gearing to 30.6% as at 31 December 2015
  – Acquisition of the operating Whole Green estate in Tarneit (VIC) during December 2015
  – Gearing expected to return to within target range of 20-30% by June 2016
  – Cash interest cover at 4 times
  – Cost of debt expected to trend lower during 2H16

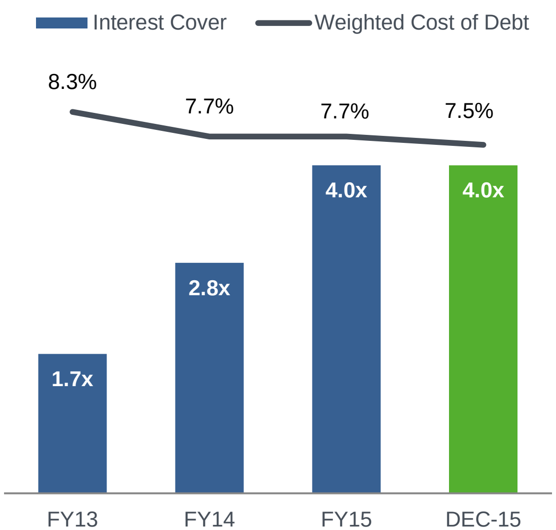
CAPITAL EMPLOYED ($M)[2] AND ROCE[1]



NET DEBT[3] ($M) AND COVENANT GEARING[4]



INTEREST COVER AND CASH COST OF DEBT[3]



Notes:
1 Rolling 12 month EBITDA / (average net debt + average total equity)
2 Development projects and Funds Management/JV only
3 Includes convertible notes
4 (Total interest bearing liabilities (including land vendor liabilities) less cash) / (Total assets adjusted for market value of inventory less cash, less intangible assets). Excluding syndicates consolidated under AASB10)

RESIDENTIAL MARKET OVERVIEW

Melbourne

- Ongoing strong population growth, relative affordability and solid economy to support dwelling demand
  - Metropolitan Melbourne growth expected to remain strong
  - Volumes beginning to stabilise near current high levels with moderate price growth

Brisbane

- Market demand continues to remain steady supported by improving economic fundamentals and relative affordability
  - Brisbane land market has not seen the same supply increases and as a result is seeing moderate price growth
  - Price growth continues to lag VIC & NSW to date
    - Increased demand via a recovery in interstate migration resulting in improved price growth

Sydney / Canberra

- Demand remains solid supported by pent-up demand and improved economy
  - NSW population growth has accelerated over the past few years
  - Undersupply of dwellings relative to demand is expected to continue in the near term
  - Price growth expected to moderate

Perth

- Subdued economic conditions are generally impacting the market
  - Demand for affordable product is being supported by policy incentives such as low interest rates and First Home Buyers' grants
  - Moderate decline in prices expected as production levels are adjusted to reflect current market conditions
  - Challenging market conditions are expected to continue into FY17 as economy continues to transition

OUTLOOK

Portfolio well positioned for sustainable long-term growth and value creation

- Outlook generally supported by market fundamentals with sustained low interest rates and modest economic growth
  - Conditions across Victoria, New South Wales/ ACT and South Australia are expected to remain supportive, while Western Australia and Northern Territory are expected to remain subdued through the 2016 calendar year
  - Activity in the Queensland residential market continues to improve due to its relative affordability, which has seen a recovery in interstate migration
    - This market recovery is expected to support the launch of Peet's 12,000-lot Flagstone project in 2H16.

- Peet's key focus
  - Accelerating production where possible and appropriate, and active management of product mix
    - Delivery of affordable product targeted at the low and middle market segments
  - Actively managing landbank with a focus on increasing ROCE
  - Development spend to be self-funded through operating cash flows
  - Further improvement in EBITDA margins
  - Selective acquisition of projects to restock pipeline, predominantly through funds platform

- The Group has moved into the second half of FY16 well-positioned to achieve earnings growth, subject to market conditions and the timing of settlements

Section 4

Key Risks

KEY RISKS

A detailed outline of risks relating to the Bonds and Peet's business is contained in Section 4 of the Base Prospectus and Section 3 of the Offer Specific Prospectus. All potential investors should read both the Base Prospectus and the Offer Specific Prospectus in full before deciding whether to invest in the Bonds and they should not rely on this presentation. The list of risks herein and in the Offer Documents is not exhaustive and there may be other risks both known and unknown that may be relevant.

MAIN RISKS ASSOCIATED WITH THE BONDS INCLUDE:

Market price of the Bonds

The market price of the Bonds may fluctuate due to various factors including general movements in interest rates, credit margins, the Australian and international investment markets, international economic conditions, changes in inflation rates and inflationary expectations, the market price of any other Peet debt, factors that affect Peet's financial position and performance or credit worthiness, global geo-political events and hostilities, investor perceptions and other factors beyond the control of Peet and its Directors.

It is possible that the Bonds may trade at a market price below their Face Value. If the Bonds trade at a market price below the amount at which you acquired them, there is a risk that if you sell them prior to the Maturity Date, you may lose some of the money you invested.

Liquidity of the Bonds

Peet has applied for the Bonds to be listed on ASX. However, the Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may be less liquid than the market for other securities. If Holders wish to sell their Bonds, they may be unable to do so easily or at an acceptable market price, or at all if insufficient liquidity exists in the market for the Bonds.

Changes in the Interest Rate payable

For any Series of Bonds issued with a floating interest rate, the Interest Rate for each Interest Period will be calculated on the first Business Day of that Interest Period by reference to a Market Rate, which will be influenced by a number of factors and varies over time. The Interest Rate will fluctuate (both increase and decrease) over time with movement in the Market Rate.

If a Series of Bonds is issued with a fixed interest rate, the Interest Rate for each Interest Period will be fixed and not vary over time. As the Market Rate fluctuates, there is a risk that the Interest Rate may become less attractive when compared to the rates of return available on other securities, which could decrease the trading price of fixed rate bonds.

Peet may default on payment of Face Value or Interest

Depending upon its performance and financial position, Peet's cash flows and capital resources may not be sufficient to pay some or all of the Face Value or Interest due on Bonds as and when payable under their terms.

KEY RISKS (CONTINUED)

MAIN RISKS ASSOCIATED WITH THE BONDS INCLUDE (CONTINUED):

Restrictions on Holders' rights and ranking in a winding-up

Each series of Bonds will be unsecured and unsubordinated. In the event of a winding-up of Peet, assuming the Bonds have not been previously Redeemed, Holders will be entitled to be paid the Redemption Amount for each outstanding Bond.

The claim for this amount ranks behind any secured creditors of Peet and any other creditors preferred by law, such as employees. It ranks ahead of obligations which by their terms or at law rank behind the Bonds (including subordinated instruments and shareholders' interests in Peet), and equally with other Bonds and any other obligations of Peet which by their terms or at law rank equally with the Bonds (such as general and trade creditors of Peet).

Subject to the relevant gearing ratio limits specified in the Offer Specific Prospectus, Peet may incur additional obligations that may rank ahead of the Bonds. These additional obligations may be secured, subject to the provisions of the negative pledge condition in the Bonds. The negative pledge condition in the Bonds permits Peet to secure other Bonds, syndicated loans and term loan arrangements without having to accord security to the Bonds or equal ranking with the Bonds, subject to meeting the relevant gearing ratio limits specified in the Offer Specific Prospectus.

If there is a shortfall of funds on a winding-up to pay the amounts above, there is a risk that Holders will not receive the full payment (or any part thereof) to which they are otherwise entitled.

The majority of Peet's assets are held via its wholly-owned Subsidiaries and Peet is dependent on intercompany transfers to meet its obligations under the terms of the Bonds.

Unless specified in the relevant Offer Specific Prospectus, there is a risk of early Redemption

The Bonds may be Redeemed early in certain circumstances, including following certain changes in taxation law (a "**Tax Event**"), a Change of Control Event, or where less than 10% of the Series of Bonds remain on issue (this is a "**Clean Up Condition**"). In the event of an early Redemption of the Bonds, you may not receive the returns you expected to receive on the Bonds (if held until maturity) by investing the proceeds in alternative investment opportunities at that time.

Refer to Section 2 **("About the Bonds")** of the Base Prospectus and clause 5 of the Base Terms for information relating to the events that may trigger an early redemption of the Bonds.

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KEY RISKS (CONTINUED)

MAIN RISKS ASSOCIATED WITH THE BONDS INCLUDE (CONTINUED):

Unless specified in the relevant Offer Specific Prospectus, Holders may only collectively request early Redemption following a Change of Control Event

Holders of the Bonds have the option to require Peet to Redeem their Bonds prior to the Maturity Date upon the occurrence of a Change of Control Event, but only if they pass a Holder Resolution in favour of exercising that option. Individual Holders have no right to require Redemption of Bonds in any circumstances.

To realise your investment prior to Redemption or the Maturity Date, you can sell your Bonds on the ASX, or the relevant securities exchange on which the Bonds are listed, at the prevailing market price. However, depending on market conditions at the time, the Bonds may be trading at a market price below the Face Value for that particular Series, and/or the market for the Bonds may not be liquid and you may not be able to sell your Bonds.

Future issues of securities by Peet

Peet has the right to create and issue any class of debt securities, including an additional Series of Bonds, without the approval of Holders. Any such future debt securities issuance by Peet is subject to the relevant gearing ratio limits specified in the Offer Specific Prospectus.

An investment in Bonds carries no right to participate in any future issue of debt securities by Peet.

No prediction can be made as to the effect, if any, of any future issuance of debt securities by Peet on the market price or liquidity of the Bonds.

Corporate actions

The Terms do not provide Holders with any rights in the event that Peet undertakes any transactions that may involve the restructure of the Group, such as asset disposals or acquisitions, or other corporate transactions. Any such transactions would only give rise to rights for Holders if they constituted a Change of Control Event. Any such transactions by Peet may be subject to the relevant gearing ratio limits specified in the Offer Specific Prospectus.

Taxation considerations

Holders should be aware that future changes in taxation law, including changes in interpretation or application of the law by the courts or taxation authorities, may affect the taxation treatment of an investment in Bonds, or the holding and disposal of Bonds.

In addition, if any changes in taxation law or the interpretation or application of law by the courts or taxation authorities result in any payment to a Holder being subject to an amount of withholding or deduction in respect of any taxes or governmental charges or in the payment of interest on the Bonds not being allowed as a deduction to Peet, then Peet is entitled to Redeem the Bonds.

KEY RISKS (CONTINUED)

MAIN RISKS ASSOCIATED WITH THE BONDS INCLUDE (CONTINUED):

Risks associated with the Peet business include:

Residential property market conditions

Peet derives earnings from its development business, funds management business and joint venture business based on the future value and sale of residential lots. Should the future market value and/ or sales volumes be lower than expected, as a result of negative market conditions, Peet's earnings and returns to investors could be negatively impacted.

General and specific market conditions also have an impact on the rate of fall overs (sales cancellations) of lots already under contract. A significant number of contracts for the sale of residential lots are signed up on a 'conditional' basis (e.g. subject to finance or subject to sale). As market conditions deteriorate, the level of fall overs may increase.

Property market conditions have a significant impact on the ability of investor buyers, both domestically and internationally, to settle on sales contracts. The Group does not have a direct sales channel into foreign markets. Its sales exposure is predominantly across first home buyers, second and third home buyers, builders, domestic investors and domestic investor groups.

Rezoning and planning approval delays

The sale of lots in Peet's residential projects depends on obtaining rezoning and planning approvals. If these approvals take longer than expected, or are not obtained, Peet's sales volumes and profitability could be negatively impacted.

KEY RISKS (CONTINUED)

RISKS ASSOCIATED WITH THE PEET BUSINESS INCLUDE (CONTINUED):

Property values

Unanticipated factors can influence the realisable value of the Group's property and property-related assets. These include:

- the profit and risk factors, including discount rates applied, that are considered appropriate by professional valuers, for any properties held by Peet, in response to changes in market conditions;
- changes in the conditions of town planning consents applicable to Peet's projects, as a consequence of changes to council policies;
- development cost increases including, but not limited to, construction, consultants, imposition of taxes and increases to State and Local Government charges will reduce the profitability of Peet;
- the presence of previously unidentified threatened flora and fauna species, which may influence the amount of developable land on major projects;
- the activities of lobby groups;
- general cost increases;
- archaeological or ethnographic claims, including native title claims; and
- land resumptions for roads and major infrastructure, which cannot be adequately offset by the amount of compensation eventually paid, if any.

Interest rates and bank lending criteria

Increases in interest rates and/ or the tightening of lending criteria for the provision of mortgage financing could have the effect of reducing the affordability and availability of properties for purchasers, therefore reducing demand and the number of lot sales made by Peet and its managed projects. Interest rates also impact on Peet's costs of funds.

Regulatory review of banks

Recent calls for formal regulatory reviews of banks (whether by Government or ASIC) coupled with increased APRA focus may result in banks tightening lending criteria and or increasing the costs of funding.

Apartment market

There is a risk that at any point in time there may be an over-supply of apartment product across Australian markets. As at 31 December 2015, Peet's exposure to medium density/ apartment product represented a very minor proportion of its landbank. Peet's exposure to apartments is currently limited to low and medium-rise product with no exposure to high-rise towers. Peet does not currently have a direct sales channel into foreign markets to sell its medium density/ apartment product.

KEY RISKS (CONTINUED)

RISKS ASSOCIATED WITH THE PEET BUSINESS INCLUDE (CONTINUED):

Sales prices
Lower than expected sales prices across Peet's portfolio of projects would generally result in lower profits by reducing the settlement revenue from the Development business and the fee income from the funds management and joint venture businesses.

Inflation and construction costs
Higher than expected inflation rates generally, or specific to the broadacre, residential development industry, could be expected to increase operating costs and development costs and potentially reduce the value of the Group's land. These cost increases may be offset by increased selling prices, although there can be no certainty that increased selling prices will be achieved.

Availability of funding and refinancing risk
Peet's business is capital intensive. Peet's ability to raise funds on favourable terms for future refinancing, development and acquisitions depends on a number of factors including general economic conditions, political, capital and credit market conditions and the reputation, performance and financial strength of Peet's business. These factors could increase the cost of funding, or reduce the availability of funding, as well as increase Peet's refinancing risk for maturing debt facilities.

Peet's ability to refinance its debt facilities as they fall due, and on terms and conditions that are suitable to it and allow it to seek to implement its strategies, will depend upon market conditions, Peet's operating performance and the policies of its financiers. If the debt facilities are not refinanced and need to be repaid, it is possible that Peet will need to realise assets for less than their fair value, which would impact future cash flows and profits. If debt facilities are refinanced on terms that are not conducive to Peet implementing its strategies, Peet may be required to amend, or hold off on the implementation of, its strategies in the short-term until suitable debt facility terms and conditions can be sourced.

Changes in government policy
Changes in government policy (including fiscal, monetary and regulatory policies at federal, state and local levels), including policies on government land development, public housing, immigration and first homebuyer assistance and delays in the granting of approvals or the registration of subdivision plans may affect the amount and timing of Peet's future profits. State government and/or council development contributions may be introduced or increased in jurisdictions, impacting land values and the profitability of projects.

KEY RISKS (CONTINUED)

RISKS ASSOCIATED WITH THE PEET BUSINESS INCLUDE (CONTINUED):

Breach of financial covenants

As at the date of this Prospectus, Peet was in compliance with all covenants (or has in place any necessary waivers) under its debt facilities. Proceeds from the Bond, together with other capital management initiatives will strengthen Peet's balance sheet.

The financial covenants in Peet's debt facilities relate to Peet's earnings, cash flow and asset values, and a material movement in any of these may cause covenants under Peet's debt facilities to be breached. If a breach occurs, this is likely to have negative consequences for Peet, including the possibility of early repayment of drawn debt.

Property assets are by their nature illiquid investments. This may make it difficult to sell assets quickly to repay debt.

Inability to launch further retail syndicates and institutional joint ventures

Peet's business model depends on the ability to successfully raise money from retail and institutional investors. An inability to launch further syndicates and joint ventures may result in a reduction of earnings from the funds management/ joint ventures segments of the business. The inability to sell down inventory from Peet's balance sheet into new syndicates or joint ventures over time may require Peet to obtain funding from other sources which may be expensive or difficult to obtain.

Performance of existing syndicates and joint ventures

Peet generally derives a combination of project management, marketing and selling fees, performance fees and profit shares from Peet Syndicates and joint ventures. Poor performance by any or a number of these Peet Syndicates and joint ventures may impact negatively on the revenues and profitability of Peet. Peet may also elect to provide loans to some of its Peet Syndicates and joint ventures which will reduce capital available to Peet.

Major suppliers' risk

Peet may face the risk of a civil contractor or other major service provider encountering financial difficulty and being unable to complete contracted works either in a timely fashion or at all.

In the event of a civil contractor or other major service provider being unable to complete its work in a timely manner, the timing of settlement of lots may be delayed resulting in a greater risk of lots under contract falling over, additional holding costs and/ or a delay in the receipt of settlements proceeds or fees.

In addition to the above, if a major civil contractor or other major service provider is unable to complete its work, (for example, because it becomes insolvent or is otherwise unable to perform its contractual obligations) requiring Peet to appoint an alternative service provider to complete outstanding works, Peet may have to incur additional expenses than would otherwise have been the case. Insurance may not be available to cover such additional expenses (for example, Peet's insurance may not cover those events or insurance held by that civil contractor or other service provider may not cover those events or entitle Peet to recover under such policy).

KEY RISKS (CONTINUED)

RISKS ASSOCIATED WITH THE PEET BUSINESS INCLUDE (CONTINUED):

Increase in unemployment rate

Sales of lots in Peet's residential projects may be negatively impacted by a sustained increase in the unemployment rate in Australia, particularly in key markets where Peet has residential projects. This impact could be through a reduction in the number of lots sold and/or in the value of lots sold and profit achieved.

Inventory write downs

Unanticipated factors affecting the value of land or development costs, including environmental issues, native title claims, land resumptions, failure to obtain rezoning, market conditions and major infrastructure charges might impact future earnings through a write down in property values.

Dependence on key personnel

Peet is reliant on a number of key personnel employed by Peet. Loss of such personnel, or inability to attract suitably qualified personnel, may have a materially adverse impact on Peet's business and financial performance. Peet's efforts to retain and develop key personnel may also result in additional expenses which could adversely affect its profitability.

Acquisitions and joint ventures

Peet may make strategic acquisitions of businesses and joint ventures as part of its growth strategies. Peet is also required to replenish its landbank. There can be no assurance that Peet will be able to successfully identify, acquire or integrate such acquisitions or joint ventures. Peet may also elect to fund acquisitions using existing or new bank facilities. The Directors will adopt prudent financial practices in assessing the appropriate funding mix.

Whilst it is Peet's policy to conduct a thorough due diligence process in relation to any such acquisition, risks remain that are inherent in such acquisitions, such as the reliance on advice from consultants and assumptions made, which may prove to be incorrect.

Subject to relevant joint venture agreements, Peet may be unable to control the actions of its joint venture partners and therefore cannot guarantee that the joint ventures will be operated or managed in accordance with Peet's preferred direction or strategy. Joint venture partners and/ or co-investment partners may change their internal investment strategies requiring them to exit existing arrangements with Peet or which prevents them from entering into future potential transactions with Peet.

Australian Financial Services Licence

Peet, via one of its wholly-owned Subsidiaries, holds an Australian Financial Services Licence ("AFSL") that entitles it to conduct a financial services business as part of its funds management business. Earnings from Peet's funds management business are significant and failure to comply with the requirements of the AFSL may have a significant impact on Peet's earnings and cash flows.

KEY RISKS (CONTINUED)

RISKS ASSOCIATED WITH THE PEET BUSINESS INCLUDE (CONTINUED):

Environmental and Cultural Heritage matters

The discovery of, or incorrect assessment of costs associated with, environmental matters, cultural heritage or contamination on any of Peet's projects could have an adverse effect on the profitability and timing of receipt of revenue from that project. Peet's policy is to endeavour to undertake environmental and cultural heritage due diligence on any property before acquisition, subject to time constraints and in the absence of indicative environmental concerns.

There is a risk that a property development may be contaminated now or in the future. Government regulatory authorities may require such contamination to be remediated. There is a risk that Peet may be required to undertake any such remediation at its own cost. Further, environmental laws impose penalties for environmental damage and contamination, which can be material in size. Such events could adversely affect Peet's financial performance or financial condition.

Capital expenditure

The risk of unforeseen capital or other expenditure requirements for Peet may impact returns to investors.

Insurance

Peet carries a range of insurance products for (amongst other things) workers compensation, public liability, professional indemnity, industrial special risks and directors & officers. However, Peet's insurance will not cover every potential risk associated with its operations.

The occurrence of a significant adverse event, the risks of which are not fully covered by insurance, could have a material adverse effect on Peet's financial condition and financial performance. Dependent on the type of coverage, Peet may have to incur an excess prior to any payment by the insurer or pay for any difference between the full replacement cost and insured amount. Peet may also incur increases to its insurance premium applicable to other areas of cover as a result of the event.

Peet may not be able to recover under its insurance if the company or companies providing the insurance (or any reinsurance) are under financial distress or fail.

Occupational health and safety

Peet may face the risk of workplace injuries, which may result in production or industrial stoppages, workers' compensation claims, related common law claims and potential work health and safety prosecutions. Peet has in place a range of practices and policies which seek to provide a safe working environment for its employees, customers and visitors.

Competition risk

Peet may face the risk of loss of market share in the various residential corridors in which it operates as a result of the launch of competitors' residential estates. Such competition may result in the reduction of sales of residential lots or reduction in sales prices of residential lots or both. This may negatively impact on profits and cash flows and the ability of Peet to meet its interest paying and debt repayment obligations.

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PEET

KEY RISKS (CONTINUED)

OTHER GENERAL RISKS INCLUDE:

General economic and financial market conditions

General economic conditions (both domestic and international), long-term inflation rates, exchange rate movements, interest rate movements and movements in the general market for ASX and internationally listed securities, changes in domestic or international fiscal, monetary, regulatory and other government policies, changes in investor sentiment and perceptions, geo-political conditions such as acts or threats of terrorism, military conflicts or international hostilities may have a significant impact on the performance of the Group and adversely impact Peet's ability to pay interest and repay the Face Value and may affect the price of the Bonds. As a result of the above mentioned factors, Peet is unable to forecast the market price for the Bonds and they may trade on the ASX at a price that is below Face Value.

Market risks

Market risk is the risk of an adverse event in the financial markets that may result in a loss of earnings for entities in the Group.
Market risk includes exposures to funding risk (that is, being unable to meet financial obligations as they fall due or over-reliance on a funding source whereby market or environmental changes limit access to that funding source and thereby increase overall funding costs or cause difficulty in raising funds).

Reputational risk

Issues of a varying nature may arise that would give rise to reputational risk and cause harm to the Group's business dealings and prospects. These issues include appropriately dealing with potential conflicts of interest, legal and regulatory requirements, issues of ethics, money laundering laws, trade sanctions legislation, privacy, information security policies, sales and trading practices and conduct by companies in which the Group holds strategic interests. Failure to address these issues appropriately could give rise to additional legal risk, subject entities within the Group to regulatory actions, fines and penalties, or harm the reputation of Peet or the Group among its shareholders, customers and investors including its co-investors and joint venture partners in the marketplace.

The material failure of a Peet Syndicate may also have a material negative impact on the reputation of Peet, making it more difficult to launch new Peet Syndicates (refer to Sections 4.3.12 and 4.3.13 for further information).

Taxation

The Group is subject to taxation legislation in the various jurisdictions in which it has operations and conducts business. Any significant change in taxation law or its interpretation and application by an administrative body could have an adverse effect on the results of its operations. Peet manages taxation risk, in relation to specific transactions, generally by obtaining opinions from taxation specialists but may also seek rulings from revenue authorities. Peet employs a proactive approach to managing potential disputes with revenue authorities

KEY RISKS (CONTINUED)

OTHER GENERAL RISKS (CONTINUED):

Litigation, claims and disputes

From time to time, the Group may be exposed to the risk of litigation or disputes with various parties arising from the conduct of its business, including contractual counterparties, shareholders, Peet syndicate investors, past and present employees, regulators, co-investment partners, competitors, suppliers and customers. As well as the risk of financial damage, such claims also carry a risk of damage to the reputation of Peet and the Group. Although the Group holds liability insurance, this insurance may not cover all potential claims or may not be adequate to indemnify Peet for all liability that may be incurred or loss which may be suffered.

Losses, liability or legal expenses as a result of litigation proceedings could have a material adverse effect on the Group's business and the financial performance of Peet. Whilst entities within the Group may from time to time make certain provisions against the possibility of adverse outcomes, there is no guarantee that the provisioned amounts (if any) will adequately cover any such loss suffered or liability incurred.

It is possible a material and costly claim, whether successful or not, could distract management from its core business and impact the value of the assets, income and dividends of Peet.

Changes in Australian Accounting Standards

Peet is subject to the usual business risks that there may be changes in Australian accounting standards which have an adverse financial impact on Peet or members of the Group. Holders should be aware that the Key Financial Ratios and the ratios used by Peet (disclosed in Section 3.8.2) are calculated by reference to figures from the accounts of Peet prepared on the basis of the Australian accounting standards in place as at the date of issuance of the Bonds. The Issuer has the right under the Terms to notify Holders and the Trustee that components of the ratios will instead be determined in accordance with Australian accounting standards in force at the time of making the determination.

General operational risks

Peet is subject to various operational type risks which may have an impact on its business. These may include risks related to technology, processes and procedures, systems and employee-related risks.

Section 5

Offer summary

KEY TERMS AND CONDITIONS

Issuer	» Peet Limited (ABN 56 008 665 834) ("Peet")
Series	» Series 1 – Tranche 1
Peet Bonds – Series 1, Tranche 1	» Bonds are interest paying, unsubordinated and unsecured debt obligations. Each Bond is issued on and subject to the provisions of the Trust Deed and the Terms » Bonds are being offered under the simple corporate bond regime
Offer size	» $75 million, with the ability to raise more or less
Face value	» The Face Value and Issue Price is $100 per Bond
Use of proceeds	» The proceeds of the Offer will be used to refinance the $50 million Peet Convertible Notes issued in 2011 ("Peet Convertible Notes") and to diversify Peet's debt capital structure to further strengthen the Peet Group's balance sheet and to support its growth objectives
Issue Rating	» The issue will not be rated
Term	» 5 years
Maturity Date	» 7 June 2021 (unless redeemed early)
Guarantee	» The payment obligations of the Issuer under the Bonds are guaranteed by certain wholly owned subsidiaries of Peet
Interest Rate	» Fixed rate. The coupon will be determined following the completion of the Bookbuild
Interest Payment Dates	» The first Interest Payment Date will 16 December 2016 » Interest will be paid semi-annually in arrears on the following dates in each year as well as on the Maturity Date, or any earlier Redemption Date: – 16 June – 16 December » If any of these scheduled dates is not a Business Day, then the Interest Payment Date will be the next Business Day. Interest will continue to accrue until that date
Early Redemption	» The Issuer will only have the right (but not the obligation) to Redeem the Bonds prior to the Maturity Date, following the occurrence of a Tax Event or a Change of Control Event or when a Clean Up Condition subsists
Early Redemption rights of Holders	» Holders of Bonds will only have the right to require Redemption prior to the Maturity Date following the occurrence of a Change of Control Event (which requires a Holder Resolution to be passed in favour of Redemption)
Tax Event	» A "Tax Event" will occur if, as a result of a change in a law or in the application or interpretation of a law, there is a more than insubstantial risk that: – any payment to a Holder under an Peet Bond will be subject to an amount of withholding or deduction in respect of any Taxes or other governmental charges for which Peet must pay an Additional Amount; or – payment of Interest will not be allowed as a deduction for the purposes of Peet's Australian tax purposes
Clean Up Condition	» A "Clean Up Condition" will subsist if less than 10% of the aggregate Face Value of the Bonds of that Series remain on issue.
Change of Control	» A "Change of Control Event" will occur if a person together with its associates (as defined in section 12 of the Corporations Act) acquires or comes to hold legally or beneficially more than 50.1% of the voting shares (as defined in the Corporations Act) in the capital of the Issuer

KEY TERMS AND CONDITIONS

Negative pledge	» So long as any of the Peet Bonds remain outstanding, the Issuer will not (and will ensure that no other member of the Guarantor Group will) create or permit to subsist any Security Interest (other than a "Permitted Security Interest") » "Permitted Security Interest" means a Security Interest granted in connection with any Relevant Indebtedness, provided that after giving pro-forma effect to the incurrence of such Relevant Indebtedness and the application of the proceeds thereof, the Peet Secured Gearing Ratio would not be greater than the 40%
Limitation on Incurrence of Indebtedness	» So long as any of the Peet Bonds remain outstanding, the Issuer will not (and will ensure that no other member of the Guarantor Group will) incur any Financial Indebtedness, on or after the Issue Date unless, after giving pro-forma effect to the incurrence of such Financial Indebtedness and the application of the proceeds thereof, the Peet Gearing Ratio is less than 50%
Ranking on winding up	» A Holder's claim will rank equally with claims of all other unsubordinated and unsecured creditors (other than any obligations preferred by mandatory provisions of applicable law, including employee entitlements and secured creditors)
Events of Default	» Events of Default will include: – The Issuer fails to pay within 10 Business Days after the due date any amount payable by it (interest or principal) – The Issuer fails to comply with any of its other obligations under the terms of the Bonds or the Trust Deed and such failure remains unremedied for a period of 30 Business Days after the Issuer has received written notice from the Trustee in respect of the failure. – Any Financial Indebtedness greater than A$5,000,000 of any member of the Peet Group becomes due and payable or can be made due and payable before its stated maturity due to the occurrence of a default under that Financial Indebtedness – An Insolvency Event occurs in respect of the Issuer (not any other member of the Group). – The Guarantee is not (or is claimed by a Guarantor not to be) in full force and effect – All or any rights or obligations of the Issuer, Holder or the Trustee under the Trust Deed or Terms of the Bonds are terminated or are or become void, illegal, invalid, unenforceable or of limited force and effect – It is, at any time unlawful for the Issuer to perform any of its payment obligations under the Peet Bonds » If an Event of Default is subsisting, a 'dividend stopper' prevents the Issuer from paying dividends or returning capital on any issued shares until the Event of Default is cured
Minimum application	» 50 Bonds for applicants under the Institutional Offer and Broker Firm Offer ($5,000) » 20 Bonds for applicants under the Peet Offer ($2,000)
Fees and charges	» No fees, charges, brokerage, commission or stamp duty is payable by you on your application for the Bonds. You may be required to pay brokerage if you sell your Bonds after the Bonds are quoted on ASX.
Listing	» Peet has applied for the quotation of the Bonds on ASX » It is expected that the Bonds will be quoted under the code "PPCHA"
Selling Restrictions	» Selling restrictions apply to the sale of Peet Bonds in certain foreign jurisdictions

COMPARISON OF PEET CONVERTIBLE NOTES AND PEET BONDS

FEATURE	CONVERTIBLE NOTES	BONDS
Issuer	» Peet Limited	» Peet Limited
Guarantor	» None	» Yes – various Peet wholly-owned subsidiaries
Legal form	» Convertible debt obligations	» Unsecured debt obligations
Issue Price/ Face value	» $100 per Peet Convertible Note	» $100 per Bond
Term	» 5 years	» 5 years
Early redemption (at Issuer's option)	» Yes, for Regulation Event, Change of Control Event, Delisting Event, or when a Clean Up Condition subsists.	» Yes, for Tax Event, Change of Control Event, or when a Clean Up Condition subsists
Early redemption (at Holders' option)	» Yes, for Conversion of Peet Convertible Note for the Conversion Number of Ordinary share, Change of Control Event, Delisting Event or when a Clean Up Condition subsists	» Yes, for Change of Control Event (which requires a Holder Resolution to be passed in favour of the Redemption)
Coupon	» 9.5%	» Fixed rate. The coupon will be determined following the completion of the Bookbuild
Interest rate	» Fixed	» Fixed
Interest payments	» Mandatory, not deferrable	» Mandatory, not deferrable
Payment frequency	» Semi-annually	» Semi-annually
Transferable	» Yes – quoted on ASX	» Yes – to be quoted on ASX
Convertibility into Peet Ordinary Shares	» Yes, convertible into Ordinary Shares at a fixed Conversion Price (subject to adjustment for certain dilutionary and other capital transactions). The Conversion Price is a 25% premium to the VWAP of Peet ordinary shares during the 5 business days prior to Convertible Notes announcement ($2.25)	» No
Negative pledge	» No	» Yes – refer to Key Terms and Conditions
Limitation on Incurrence of Indebtedness	» No	» Yes – refer to Key Terms and Conditions

RANKING OF PEET BONDS

Illustration of ranking upon winding up of Peet (based on the consolidated balance sheet)

	Ranking	Existing debt obligations and equity	Amount drawn as at 31 December 2015, adjusted for the amount to be raised under the offer $75m
Higher ranking	Secured debt	Bank loans	$185.5m
	Unsubordinated unsecured debt	Peet Convertible Notes Peet Bonds Fixed rate loan	$50.0m $75m[1] $0.2m
	Subordinated, unsecured debt and hybrid instruments	None	None
Lower ranking	Ordinary equity	Contributed equity, reserves, retained earnings	$488m

Notes:
(1) Based on Peet refinancing Peet Convertible Notes ($50m currently outstanding)

KEY DATES FOR THE OFFER

Reinvestment Record Date for determining Eligible Peet Convertible Note holders (7.00pm Perth time)	Wed, 27 April 2016
Peet Offer Record Date (7.00pm Perth time)	Wed, 27 April 2016
Lodgement of the original Offer Specific prospectus with ASIC	Mon, 2 May 2016
Bookbuild to determine Interest Rate and Allocations to Syndicate Brokers	Mon, 9 May 2016
Opening Date for the Offer and lodgement of Replacement Offer Specific Prospectus with ASIC	Tue, 10 June 2016
Closing date for Peet Offer and Reinvestment Offer	Fri, 27 May 2016
Closing date for Broker Firm Offer (5.00pm Perth time)	Mon, 6 June 2016
Issue date	Tue, 7 June 2016
The Bonds commence trading on ASX on deferred settlement basis	Wed, 8 June 2016
Holding statements despatched by Registry	Wed, 8 June 2016
The Bonds commence trading on ASX on normal settlement basis	Fri, 10 June 2016

KEY DATES FOR THE BONDS

First interest payment date[1]	16 December 2016
Maturity date	7 June 2021

Note: The key dates above are indicative only and may change without notice.

[1]Interest is scheduled to be paid semi-annually on the Interest Payment Dates, until the Maturity Date or any earlier Redemption Date. If any of these scheduled dates is not a Business Day, then the Interest Payment Date will be the next Business Day.

Section 6

Annexures

SUMMARY INCOME STATEMENT

	1H16 $M	1H15 $M	Var (%)
Funds Management	21.6	21.2	2%
Development	67.4	94.8	(29%)
Joint venture	29.6	47.7	(38%)
Share of net profit of equity accounted investments	6.6	1.4	371%
Other[1]	11.5	19.1	(40%)
Revenue	**136.7**	**184.2**	**(26%)**
EBITDA (Pre inventory write-down)	**40.3**	**45.9**	**(12%)**
Finance costs[2]	(12.8)	(14.3)	10%
Depreciation and amortisation	(1.7)	(1.6)	(6%)
NPBT (Pre inventory write-down)	**25.8**	**30.0**	**(14%)**
Income tax expense	(7.3)	(9.1)	20%
Outside equity interest	-	(3.8)	100%
NPAT[3]	**18.5**	**17.1**	**8%**

Notes:
1 Includes AASB10 Syndicates, unallocated and elimination entries
2 Finance costs includes interest and finance charges amortised through cost of sales
3 Attributable to the owners of Peet Limited

SUMMARY BALANCE SHEET

	DEC 15 $M	JUN 15 $M
Assets		
Cash	49.3	57.7
Receivables	113.5	101.5
Inventories	598.9	520.5
Investments accounted for using the equity method	188.1	181.8
Other	12.9	13.5
Total assets	**962.7**	**875.0**
Liabilities		
Trade and other payables	66.4	63.3
Land vendor liabilities	123.2	48.2
Interest bearing liabilities	235.1	234.9
Other	50.0	44.7
Total liabilities	**474.7**	**391.1**
Net assets	**488.0**	**483.9**
Book NTA per share	$1.05	$1.04
Market adjusted NTA[1] per share	$1.14	$1.17

Notes:
1 Market adjusted NTA is based on independent bank instructed mortgage valuations, adjusted for development costs and settlements post valuation date