

12 November 2015

Arena REIT (ASX code: ARF)

Dear investor

We are pleased to provide this update for Arena REIT's (ARF) activities for the quarter ended 30 September 2015 and enclose a copy of your distribution statement for the period.

Quarterly distribution of 2.675 cents per security

ARF has paid a distribution of 2.675 cents per ARF stapled security for the quarter ended 30 September 2015. This is in line with our distribution guidance of a total of 10.7¹ cents per security for the year ending 30 June 2016, which represents an increase of 7% on the previous year.

Approximately 30% of securities on issue participated in the DRP at an issue price of \$1.5974 per security, based on the average daily volume weighted average price (VWAP) over the period 2 to 22 October 2015, less a pricing discount of 1.5%.

Strong financial results for FY15

On 25 August 2015, ARF released its financial results for the year ended 30 June 2015 (FY15). It was another successful and active year, delivering solid results. Reported statutory profit for the year was \$61m (up 37% on the prior year) derived from a combination of revaluation gains (\$42m) and increased operating earnings of \$22m (up 15% on the prior year). Earnings per stapled security increased by 15% from the prior year to 10.2 cents and net asset value grew by 18% over the year to \$1.33 per stapled security. Over FY15 ARF also outperformed the benchmark ASX 300 A-REIT Accumulation Index by 16.1%, returning 36.3%.

For further information regarding ARF's financial results, download the FY15 results presentation or video overview please visit www.arena.com.au.

2015 Annual Report

The Arena 2015 Annual Report was published in September 2015 and distributed to investors. An electronic copy is available to download from our website, with printed versions available on request.

Arena REIT to deliver early learning centres for State of Victoria

On 29 October 2015, ARF announced it had entered into an agreement with the State of Victoria to design and construct multiple early learning centres to be located adjacent to selected new schools in Melbourne. ARF expects to invest approximately \$15m into the new centres, which will be leased to YMCA for a 26 year period. ARF is pleased to be partnering with the State of Victoria, Learning Communities Victoria and YMCA to deliver these new high quality early learning facilities in conjunction with the new schools project.

Reminder: Annual General Meeting (AGM) - Thursday 19 November 2015

Finally, we look forward to meeting investors who are able to attend the AGM at 10am (AEDT), Thursday 19 November at the Sofitel Hotel Melbourne. For eligible investors wishing to vote ahead of the AGM, online and proxy voting closes at 10am (AEDT), 17 November 2015.

¹ Estimated on a status quo basis assuming no new acquisitions or dispositions, developments in progress are completed in line with budget assumptions, and tenants comply with all their lease obligations.





To vote online please visit www.votingonline.com.au/ARFagm2015. Full details regarding the meeting resolutions are included in the Notice of AGM and Explanatory Memorandum mailed to investors and available on the Arena website.

If you require further information or have any questions regarding this update or your ARF investment please contact us on **1800 008 494** or at info@arena.com.au.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Bryce Mitchelson'.

Bryce Mitchelson
Managing Director



Visit us at www.arena.com.au

The Arena website provides a wealth of information on Arena REIT.

Information includes full and interim year financial reports, presentations and webinars as well as Arena tax statement guides.

Manage your investments online - InvestorServe

You can manage your investments through InvestorServe, via Arena's website. This allows investors to view holding balances, transaction history and distribution payments, along with other useful functions. To register with InvestorServe:

1. Call 1800 008 494 and request a password for InvestorServe.
2. Once received, visit Arena's website and click on the InvestorServe link shown on the Investor Centre page and select Register Now.
3. Enter the required information and follow the prompts to verify your identity and create your own account.
4. You should now be able to access and manage your investments.

Contact information

For further information or if you have any queries please contact us:

Relating to your Arena REIT investment holding:

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Important notice

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