



ASX/Media Release

2 February 2012

## **A\$/¥ CAPITAL HEDGING - TERMINATION OF ENTIRE REMAINING HEDGE BOOK**

Astro Japan Property Group (ASX: AJA) today announced the termination of its entire remaining A\$/¥ capital hedge book.

The two remaining hedges in the capital hedge book, having a principal amount of Yen 3.8 billion (approximately \$46.9 million at a rate of A\$ = ¥80.99), have been terminated at that rate resulting in a net cash cost to AJA of approximately \$8.4 million. The hedges were entered into at a rate of A\$ = ¥101.9 in 2008.

The amount required to fund the termination of the hedges was fully paid from the collateral previously posted with the counterparty. With all hedges now terminated, the remaining balance of cash collateral of \$5.3 million will be released to AJA, and can be used for capital management and other purposes.

Mr Eric Lucas, Senior Advisor to the Board of AJA said, "Monetizing these hedges at a time of relative strength for the A\$ against the Yen and freeing up valuable cash makes a lot of sense, particularly in light of changed investor perceptions in recent times in relation to this aspect of AJA's capital structure."

"We are fortunate to have been able to smoothly and profitably run down what was a very large hedge book at the onset of the GFC in 2008. AJA's financial results will now fully reflect Yen outcomes and the relative performance of the Yen against the A\$ over time."

The profile of the capital hedges before the termination is set out in the Appendix to this announcement.

**ENDS**

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### **Astro Japan Property Group**

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**About Astro Japan Property Group (AJA)**

Astro Japan Property Group is a listed property group which invests in the Japan real estate market. It currently holds interests in a portfolio comprising 41 retail, office and residential properties. Asset management services in Japan are generally undertaken by Spring Investment Co., Ltd.

AJA is a stapled entity comprising Astro Japan Property Trust (ARSN 112 799 854) and Astro Japan Property Group Limited (ABN 25 135 381 663). For further information please visit our website: [www.astrojapanproperty.com](http://www.astrojapanproperty.com).

## APPENDIX

## Capital Hedge Maturity Profile

Capital hedge profile before termination

<i>Settlement date</i>	<i>AJA receives AUD</i>	<i>AJA pays ¥</i>	<i>Exchange rate</i>	<i>Interest rate spread</i>
Aug-12	20,614,509	2,100,000,000	101.9	6.01%
Aug-13	16,687,936	1,700,000,000	101.9	5.86%
<b>Total</b>	<b>37,302,445</b>	<b>3,800,000,000</b>		