



**ASX and Media Announcement**

**8 February 2011**

## **Update on Internalisation and Corporatisation**

### **In-principle recommendation from Responsible Entity**

Qube today announces that following a recommendation made by Kaplan Funds Management ("KFM"), The Trust Company (RE Services) Limited ("The Trust Company"), the responsible entity for Qube, has made an in-principle determination to support two structural changes to Qube which have previously been announced to unitholders and which it believes would be in the best interest of unitholders of Qube.

These changes involve proceeding with the internalisation of Qube's management ("Internalisation") and to change Qube's corporate structure from a trust to a company ("Corporatisation").

The Trust Company has appointed Deloitte Corporate Finance Pty Limited to prepare an independent expert's report to assess whether the Internalisation and Corporatisation are fair and reasonable and in the best interests of Qube's unitholders.

Subject to the outcome of the independent expert's report, it is presently anticipated that a unitholder meeting to vote on each of the Internalisation and Corporatisation will be held in May 2011. The Internalisation will be conditional on the Corporatisation being approved, however the Corporatisation will not be conditional on the Internalisation being approved.

The Internalisation will involve the payment to KFM of \$40 million to terminate the management contract pursuant to which KFM currently manages Qube. As previously advised to unitholders, KFM will accept at least 80% of this payment in Qube securities.

KFM will work with The Trust Company to put in place a suitably experienced management team and Board to operate Qube should the Internalisation and Corporatisation be approved by unitholders. The new management team is expected to include some of the core team of KFM representatives presently involved in managing and advising Qube.

Further information on the Internalisation and Corporatisation process and timetable will be provided along with the announcement of Qube's half-year results which are expected to be released around the 24<sup>th</sup> February 2011.

This announcement has been prepared and released on behalf of Qube by KFM, the manager of Qube.

Further Enquiries:

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