

Establishes a strong footprint across major global markets Success underpinned by highly experienced and growing executive team Diversity of service offering and independent positioning resonates with market Tuesday 9 July 2013 – Sydney, Australia: Pepper Property has today announced strong performance for its first 12 months of operations. Since launching in July 2012, Pepper Property has advised on over \$2.5bn worth of major transactions, while establishing a global network of offices, operations and senior executives spanning Australia, Asia, the United Kingdom, Ireland, Spain and North America.

Pepper Property was formed following an acquisition in July 2012 by the Pepper Group. With over \$7bn in assets under management and 500 staff globally, the Pepper Group is a leading diversified, global financial services business with specialist experience in Lending, Advisory and Asset Management across the residential and commercial property sectors.

Christian McKelvey, executive director at Pepper Property, said: "Following the acquisition, Pepper Property's performance has far exceeded initial expectations, driven by access to our parent company's global network, access to various new capital sources and highly entrepreneurial culture with an attitude to deliver clear, concise and commercial outcomes. The synergies with the broader Group were immediate and most importantly present significant opportunities for our clients."

Executive director, Greg Smith, added: "Having advised on over \$2.5bn of major transactions and recruited some of the best senior talent in our sector, Pepper Property has also successfully diversified into a range of new areas, including asset management and workplace solutions. The company has quickly established itself as a world-class strategic real estate adviser, and the only truly independent provider with global servicing capability.

"The global platform provided by the broader Group has allowed us to expand our offshore offering to support Australian corporate occupiers requiring independent real estate advice in all key markets."

Global Expansion

The Pepper Group entered the European market in mid-2012 and has quickly gained scale with more than half its staff base located in the UK, Ireland and Spain. Led by David Burton, as head of global corporate real estate services (CRES), and previously a director with Credit Suisse, Pepper Property has leveraged this platform and made key hires in the UK and Asia as well as formalising a long-standing alliance in the US with Howard Ecker & Co.

David Burton said: "With the support of the management team and leveraging synergies within the Group, we have quickly gained traction in Europe and the pipeline globally is looking extremely positive."

Distinguished Executive Team

Pepper Property has made a number of high-calibre appointments within Australia, including David Burton, to bolster its senior management team, led by Greg Smith and Christian McKelvey. The appointments deliver capabilities across corporate occupier solutions, real estate capital, and real estate divestments and acquisitions.

Other key members of the team include:

- Mark Smith, director of the Pepper Property office in Perth – a 10-year veteran of the group with expertise in major corporate occupier solutions, research and strategic advisory;
- Andrew Jones, head of real estate special solutions – ex-Partner of Deloitte, who brings a wealth of corporate advisory experience; and
- Tim Greenaway, head of workplace solutions – with 15 years' project definition and delivery advice, who is providing independent technical advisory and workplace solutions advice for corporate occupiers.
- Brian Berg, head of Commercial Real estate for Pepper Asset Servicing (Ireland) has vast experience of Irish and international property markets having managed and disposed of numerous retail driven schemes and investments in Ireland, the UK, US and Belgium and recently portfolio managed a number of prime commercial and residential property portfolios in Ireland, the US, Belgium, France and the UK.

Given the significant growth in the business, the Group is actively looking to recruit further senior resources, both within Australia and offshore over the next 12 months.

Significant transactions

Pepper Property delivers independent advisory services to some of the world's largest global blue chip organisations. In the last 12 months, Pepper Property has advised a number of major property deals, valued at over \$2.5bn, including:

- The acquisition of the \$250m Citibank commercial loan portfolio comprising of commercial real estate securities;

- Anka Property Group's financing of the 'Union Balmain' project, a residential development of 202 apartments in Rozelle, Sydney;
- Mirvac Group's acquisition of a portfolio of commercial office assets in Australia from GE Real Estate;
- Advised KPMG on its strategy on 8,000 sq m of office accommodation and tenant representation in Brisbane;
- Carval Investors on the acquisition of a €380m Lloyds portfolio of commercial real estate loans in Ireland and the UK in cooperation with Pepper in Ireland;
- Continues to advise Danske Bank in Ireland on the distressed commercial loan exposures relating to a portfolio of commercial property with an aggregate outstanding principal loan balance of €600m, in cooperation with Pepper Ireland;
- Ashurst's 14,000 sq m pre-commitment to 5 Martin Place, Sydney; and
- Tenant representation for Corrs Chambers Westgarth in Sydney, Melbourne and Perth.

Christian McKelvey continued: "With real estate being a capital intensive asset class we are uniquely placed to provide independent advice on real estate matters and execute a capital strategy that provides an optimal outcome to our clients. The Pepper Group has raised and invested over \$8bn in capital over the past three years and the access to their relationships with global capital sources is a significant benefit to our offering."

"Having joined forces with Australia's leading corporate real estate advisory team, Pepper Group is delighted that we have achieved our plans to deliver a consolidated global network that services our clients' diverse needs. The acquisition of Pepper Property has provided the Pepper Group with direct access to the commercial property market, where we can leverage our capital raising platform, credit, loan origination and securitisation expertise," said Patrick Tuttle, Group Managing Director & CEO.

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Notes to Editors:

About Pepper Property Group

Pepper Property is an independent, global real estate adviser providing strategic advice to corporate occupiers, investors and developers.

<http://www.pepper.com.au/property/>

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