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30 September 2014

Perennial Hedged Global Property Securities Trust (ARSN 096 017 248)

Proposal to Terminate the Trust

Following a recent review, the Responsible Entity (IOOF Investment Management Limited (IIML)) in consultation with the investment manager, has decided to terminate the Perennial Hedged Global Property Securities Trust (the Trust).

The decision to terminate the Trust reflects the investment manager's decision to retire as investment manager of the Trust as well as the receipt of a significant redemption request which is to be processed at the end of October. With this knowledge, our assessment is that the Trust will not have sufficient scale to enable it to achieve its purpose and we therefore cannot justify its continued operation in the best interests of investors. Accordingly, we propose to terminate the Trust, realise the assets and return the proceeds to unit holders via cash.

Under the *Corporations Act 2001*, the Responsible Entity may terminate the Trust after giving investors 28 days' notice of the termination and on the basis that no unit holder meeting to consider the proposal to terminate the Trust is convened.

We will write to you again on or around 30 October 2014 to provide an update on the proposal to terminate the Trust.

To ensure that all unit holders in the Trust are treated equitably, the Responsible Entity reserves the right to suspend new applications and redemptions from 30 September 2014 if there are significant outflows.

Expiry of the notice period and wind-up process

On the basis that a unit holder meeting is not called, the Responsible Entity will commence the wind-up process on or around 30 October 2014. At that point in time, we will start to liquidate the assets and realise the investments of the Trust.

Given the nature of the assets held in the Trust, based on normal market conditions, we anticipate the proceeds will be available to unit holders on or around 14 November 2014.

The cash proceeds from the realised assets of the Trust will be distributed to all investors. Payment will be as per your current instructions provided to us.

Fees

The Responsible Entity will waive the management fees for the Trust from 30 September 2014.

What do you need to do?

If you accept the proposal to wind up the Trust, you do not need to take any action at this time. If you wish to convene a meeting of unit holders to consider and vote on the proposed termination of the Trust you need to submit a request for a unit holder meeting to us by no later than 5.00pm (Melbourne time) on 29 October 2014.

The termination of the Trust may have tax implications for you as a result of the capital gains or losses on the disposal of your units. We therefore recommend that you speak to your tax adviser about your individual circumstances. A tax statement will be sent to you after 30 June 2015.

You may also wish to speak to a financial adviser in relation to reinvesting your money.

Where to go for more information?

If you have any questions or require further information, please contact a Client Services Representative on 1300 730 032 or via invest@perennial.net.au.

Yours sincerely,



Julie Orr
General Manager Operations
On behalf of the Responsible Entity
IOOF Investment Management Limited