



MERGER OF FOLKESTONE EDUCATION TRUST WITH FOLKESTONE SOCIAL INFRASTRUCTURE TRUST

Folkestone Investment Management Limited ("FIML"), in its capacity as responsible entity of Folkestone Education Trust ("FET") (ASX code: FET), today announced that the Unitholders of the Folkestone Social Infrastructure Trust ("FST") (ASX code: FST), voted overwhelming in favour of the merger between FET and FST.

All resolutions were passed by poll as per the details in the attached summary.

As the scheme proposal has been passed, FST will become a wholly owned trust of FET on the Implementation Date of 6 January 2015. Following implementation of the merger, FET will own 47 early learning properties, a medical centre and a 15 per cent interest in the Folkestone CIB Fund, which holds a portfolio of police stations and courthouses.

Mr Vic Cottren, Chairman of FET said: "The merger of FET and FST reinforces FET as the leading owner of early learning properties in Australia. FST Unitholders (who, as a result of the scheme, will become unitholders in FET) will continue to benefit from Folkestone's extensive experience in owning and managing early learning properties, with the added benefit of being part of a vehicle that has greater geographic and operating diversification and increased size and liquidity."

Mr Nick Anagnostou, Chief Executive Officer of FET said: "We are very pleased with the strong support received from FST's Unitholders for the merger of FET and FST and we look forward to delivering on our strategy of generating sustainable income from a portfolio of quality early learning properties."

The FST units will cease trading on the ASX from the close of trade on 22 December 2014.

The Implementation Date of the Merger is 6 January 2015.

Further Information

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About Folkestone Education Trust

The Folkestone Education Trust is the largest Australian ASX listed (ASX:FET) real estate investment trust (A-REIT) that invests in early learning properties. www.educationtrust.folkestone.com.au

About Folkestone

Folkestone (ASX:FLK) is an ASX listed real estate funds manager and developer providing real estate wealth solutions. Folkestone's funds management platform, with approximately \$850 million under management, offers listed and unlisted real estate funds to private clients and select institutional investors, while its on balance sheet activities focus on value-add and opportunistic (development) real estate investments. www.folkestone.com.au

DISCLOSURE OF PROXY VOTES

Scheme Meeting-Friday, 19 December 2014

Resolution	Decided by Show of Hands (S) or Poll (P)	Total Value of Proxy Votes exercisable by proxies validly appointed	Proxy Votes in respect of which appointment specifies				Poll Results (if applicable)		
			FOR	AGAINST	ABSTAIN	PROXY'S DISCRETION	FOR	AGAINST	ABSTAIN
1. Approval of the acquisition by FET of 100% of the FST Units under the Scheme	P	44,767,558.4	36,771,532.8	655,472	75,145.6	7,340,553.6	45,270,425.6	655,472	75,145.6
2. Amendments to the FST Constitution	P	44,767,558.4	36,226,572.8	655,472	75,145.6	7,885,513.6	45,270,425.6	655,472	75,145.6
3. Approval of the FET Unit Sale	P	44,767,558.4	36,226,572.8	655,472	75,145.6	7,885,513.6	45,270,425.6	655,472	75,145.6