

Brookfield Office Properties Increases Size Of Preferred Share Offering To C\$275 Million

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BROOKFIELD NEWS, February 9, 2017 - Brookfield Office Properties Inc., a subsidiary of Brookfield Property Partners L.P., announced today that as a result of strong investor demand for its previously announced offering it has agreed to increase the size of the offering to eleven million Cumulative Minimum Rate Reset Class AAA Preference Shares, Series EE (the "Preferred Shares, Series EE"). The Preferred Shares, Series EE will be issued at a price of C\$25.00 per share, for aggregate proceeds of C\$275 million. There will be no further underwriters' option. The Preferred Shares, Series EE are being offered on a bought deal basis by a syndicate of underwriters led by Scotiabank, CIBC Capital Markets, RBC Capital Markets and TD Securities Inc.

Holders of the Preferred Shares, Series EE will be entitled to receive a cumulative quarterly fixed dividend yielding 5.10% annually for the initial period ending March 31, 2022. Thereafter, the dividend rate will be reset every five years at a rate equal to the greater of (i) the five-year Government of Canada bond yield plus 3.96% and (ii) 5.10%.

Holders of Preferred Shares, Series EE will have the right, at their option, to convert their shares into Cumulative Floating Rate Class AAA Preference Shares, Series FF (the "Preferred Shares, Series FF"), subject to certain conditions, on March 31, 2022 and on March 31 every five years thereafter. Holders of Preferred Shares, Series FF will be entitled to receive cumulative quarterly floating dividends at a rate equal to the 90-day Government of Canada Treasury Bill yield plus 3.96%.

The Series EE Shares and Series FF Shares will be fully and unconditionally guaranteed, jointly and severally, as to: (i) the payment of dividends, as and when declared, (ii) the payment of amounts due on redemption, and (iii) the payment of amounts due on the liquidation, dissolution or winding-up of the Corporation, by the following entities: Brookfield Property Partners L.P., Brookfield Property L.P., Brookfield BPY Holdings Inc., Brookfield BPY Retail Holdings II Inc., BPY Bermuda Holdings Limited, BPY Bermuda Holdings II Limited, BPY Bermuda Holdings IV Limited and BPY Bermuda Holdings V Limited.

The Preferred Shares, Series EE will be offered in all provinces of Canada by way of a supplement to Brookfield Office Properties' existing Canadian short form base shelf prospectus dated August 29, 2016.

The net proceeds of the issue will be used by Brookfield Office Properties for general corporate purposes which may include the redemption of existing preferred shares. The offering is expected to close on or about February 17, 2017. The Preferred Shares, Series EE may not be offered or sold in the United States or to U.S. persons absent registration or an applicable exemption from the registration requirements under the U.S. Securities Act.

About Brookfield Office Properties

Brookfield Office Properties Inc. is a subsidiary of Brookfield Property Partners L.P., one of the world's largest commercial real estate companies, with approximately \$65 billion in total assets. Brookfield Office Properties owns, develops and manages premier office properties in the United States, Canada, Australia and Europe. Its portfolio is comprised of interests in 116 properties totaling 88 million square feet in the downtown cores of New York, Washington, D.C., Houston, Los Angeles, Toronto, Calgary, Ottawa, London, Berlin, Sydney, Melbourne and Perth, making Brookfield Office Properties the global leader in the ownership and management of office assets. Landmark properties include Brookfield Places in New York City, Toronto and Perth, Bank of America Plaza in Los Angeles, Bankers Hall in Calgary and Darling Park in Sydney.

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Forward-Looking Statements

This press release contains "forward-looking information" within the meaning of Canadian provincial securities laws and applicable regulations. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements regarding our operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and include words such as "expects," "anticipates," "plans," "believes," "estimates," "seeks," "intends," "targets," "projects," "forecasts," "likely," or negative versions thereof and other similar expressions, or future or conditional verbs such as "may," "will," "should," "would" and "could."

Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.

Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: risks incidental to the ownership and operation of real estate properties including local real estate conditions; the impact of general economic, political and market factors in the countries in which we do business; the ability to enter into new leases or renew leases on favorable terms; business competition; dependence on tenants' financial condition; the use of debt to finance our business; the behavior of financial markets, including fluctuations in interest and foreign exchange rates; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; uncertainties of real estate development or redevelopment; risks relating to our insurance coverage; the possible impact of international conflicts and other developments including terrorist acts; potential environmental liabilities; changes in tax laws and other tax related risks; dependence on management personnel; illiquidity of investments; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits therefrom; operational and reputational risks; catastrophic events, such as earthquakes and hurricanes; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements or information, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, we undertake no obligation to publicly update or revise any forward- looking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.

Associated Files