

30 October 2001

The Manager - Companies
Australian Stock Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

**Investa Property Group
Chairman's Address**

Attached please find the a copy of the address of our Chairman, Mr I.K. Payne, to our Annual General Meeting today.

A copy of the presentation material is also attached.

Yours faithfully

**Brian McGarry
Company Secretary**

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**Investa Property Group
Annual General Meeting
Tuesday October 30th, 2001**

Chairman's Address

Today's General Meeting is the first for the Investa Property Group, which as you know was formed last year by internalising the management of Westpac Property Trust, now the Investa Property Trust, and the acquisition of its responsible entity, now renamed Investa Properties Limited.

The purpose of today's meeting is to report on the progress for the year since that momentous change, and to consider resolutions appointing directors of the responsible entity, and the re-setting of the provisions for private placements of securities in furtherance of achieving the strategic goals for the Group.

You will all have received a copy of the Annual Report for the Group, and the Notice of Meeting which sets out the resolutions before you today.

But before turning to the formal business of the meeting, it is worth spending a few moments to look back on an exciting year.

This has been achieved through expansion of Investa Property Trust, the purchase and development of the Company which has facilities, asset and development management services; and the creation of several new management fee income-producing property syndicates. .

When I spoke to you last year on the creation of the Group, it was the view of all the directors that the Proposal has the potential to add significant value to your investment. I believe we can say that we have lived up to the promise. Here's what I said:

- We expected your securities will be re-rated by the market – for the year ended 30 June 2001, they increased by nearly 8.5 percent from \$1.66 to \$1.80 – And today they are trading at around \$1.94, up 14 percent from the \$1.70 at which they were trading at last year's EGM;
- We expected increased distributions - they were up 5.3% to 13.8¢ per security;
- We expect to increase operating margins by reducing the Management Expense Ratio for the Trust - it was, by a third to 0.44%; and
- We planned a diversification of income streams from new business activities – during the year we established three property syndicates, creating a substantial

external fee earning stream, established our Corporate Property Services business with a five year agreement with Westpac Banking Corporation

Overall, the Group's total return for the year was a credible 17.1 percent, outperforming the ASX commercial listed property trust index which returned 15.4% and the ASX listed property trust index which returned 14.1%.

Your Board has been strengthened with the addition of John Arthur. John is a long-time partner at Freehills and brings a wealth of relevant commercial and property experience to the Board. He has made a tremendous contribution since his appointment earlier this year.

In addition, all major operational roles that were pending at last year's EGM have now been filled.

The new senior management appointments during the year included Peter Bolton-Hall to lead our Corporate Property Services Group and Brian McGarry and Andrew Martin to lead our corporate governance and financial management respectively. All of them bring a many years of experience in either the property development, property management or in property funds management.

We now have a full complement of excellent quality, and highly experienced senior management to lead the company.

Importantly, this means that overall we have established a strong base from which to go forward.

Not only do we manage a substantial portfolio of commercial property, over 1,000,000m², but also we have the people and structures in place to grow our business, not only through active trust portfolio management, but also through further syndications, and the provision of property and facilities management services.

I might also add that since balance date, we have taken further important steps to cement our forward strategy.

Firstly in late September we raised \$40.5 million by way of private placement to fund future investment activities including the purchase of the 50% interest in 60 Martin Place held by Westpac Banking Corporation for the Martin Place Wholesale Fund.

Last week we announced the Investa is to acquire six industrial properties from the ING industrial fund. These are destined to form the core of an Industrial Property Syndicate.

And just yesterday, as a measured first step into expanding our property development activities, we have agreed terms for the acquisition of Silverton Ltd, a property development business currently owned by the No.1 Statutory Fund of National Mutual. This \$144.5 million acquisition comprises a number of East coast commercial and industrial developments and residential land holdings in Victoria, Queensland and WA.

About half of the Silverton developments are complete and we expect will make suitable assets available for syndication. Chris O'Donnell will talk more about these developments later.

These initiatives make for an excellent start to the year ahead.

Finally, on behalf of the entire Board, I would take this opportunity to thank the entire team at Investa for their superb effort and results they have achieved in this momentous year. Thanks to those efforts, having delivered security holders the forecast distribution for 2001, Investa is well positioned to deliver our increased forecast of 14.75¢ per security for 2002

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