



INVESTA
Property Group

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The Manager
Company Announcements
Australian Stock Exchange Limited
20 Bridge St
Sydney 2000

Dear Sir

**Investa Property Group
Purchase of MacArthur Central Retail Centre, Queen Street, Brisbane**

Investa Property Group is pleased to announce the execution of contracts for the purchase of MacArthur Central Retail Centre, Brisbane, a prime CBD retail shopping centre.

The Centre will be purchased for \$96.95million reflecting an initial yield of approximately 7.5%.

Managing Director of Investa Property Group, Mr. Chris O'Donnell said, "The purchase represents an opportunity for Investa to acquire a highly sought after and well located CBD retail shopping centre in one of Australia's fastest growing retail markets".

The Centre is well located in the heart of the Brisbane CBD at the busy northern end of the Queen Street Mall, adjacent the GPO. In combination with the new Queens Plaza retail development the northern end of Queen Street Mall will be reinforced as the emerging hub of CBD retail. The Centre is located at the crossroads of major pedestrian arteries of inner Brisbane linking Central Railway Station, parking stations, and bus and ferry terminals with the key commercial and retail districts.

The Centre, which was completed in November 2002, includes 14,347 square metres of prime retail located over 3 levels and is anchored by Woolworths, Big W, Millers/Crazy Clarks and Dymocks. In addition, there are 40 specialty tenancies including major national chain retailers including Polo Ralph Lauren, Orotan, Morrisey, Watches of Switzerland, KFC and Bakers Delight. The majors and national retailers contribute approximately 90% of the Centres income. The Centre also includes 95 car spaces on title, which is leased to Kings Parking for 10 years.

The leases to Woolworth and Big W are for terms of 20 years while the Dymocks lease is for 15 years. The specialty tenants have lease terms typically ranging from 4 to 8 years and provide a combination of fixed rental increases of 3% - 5% and turnover rent provisions.

The Centre forms part of the MacArthur Central Complex, which comprises the Retail Centre, a 24,800 square metre office tower, which is currently under construction, and car parking for approximately 323 cars. The purchase does not include the office tower, or ancillary car parking. The office tower is expected to be completed by November 2003 and will further enhance the appeal of the retail centre.

The Group will acquire the Centre with the intention of future syndication. Mr. Andrew Roy, General Manager, Syndications said "The acquisition will provide an opportunity for the public to invest in a high quality retail centre with strong underlying fundamentals of the Brisbane CBD retail market".

Mr. O'Donnell said, "The acquisition is expected to be earnings accretive providing further benefits in the form of additional establishment and management fee income while broadening the Groups platform into quality CBD retail".

The Centre will be purchased from the MacArthur Chambers Joint Venture, a joint venture between Leighton Properties (Brisbane) Pty Limited and Seymour Administration Pty Limited. The contract is conditional only upon the registration of title, which has been approved by the Brisbane City Council.

Settlement is expected in June 2003 and will be fully funded from existing debt facilities.

For further information on the above announcement, please contact Chris O'Donnell on 8226 9301, Andrew Roy on 8226 9333 or Andrew Junor on 8226 9305.

Yours faithfully



Brian McGarry
Company Secretary

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