

7 August 2003



INVESTA
Property Group

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

Investa Properties Limited
ABN 54 084 407 241
Level 17, 135 King Street
Sydney NSW 2000
GPO Box 4180
Sydney NSW 2001
Tel: 02 8226 9300

Dear Madam

**OFF-MARKET BID FOR PRINCIPAL OFFICE FUND
INVESTA ANNOUNCES CONDITIONAL PRICE INCREASE**

Investa Properties Limited's (**Investa**) unconditional off-market takeover offer for all POF units (**Offer**) is scheduled to close at 7:00pm (Sydney time) on 18 August 2003. At the present time Investa has a relevant interest in 30.97% of POF units.

Investa is pleased to announce that it will increase its Offer consideration for POF units by an additional 4 cents cash for each POF unit if, but only if, Investa receives sufficient further acceptances to its Offer to increase its relevant interest in POF units to not less than 37.5%. In this event, Investa will formally vary its Offer in accordance with the Corporations Act to increase the Offer consideration by 4 cents cash per POF unit. The increased Offer consideration will then be 7 Investa securities and \$5.70 cash for each 12 POF units.

The increased consideration represents Investa's final Offer price. No further price increases will be considered.

The increased price will apply to all POF unitholders who accept Investa's Offer, including those POF unitholders who have already accepted the Offer. In the case of POF unitholders who accept Investa's Offer before the increase is made, payment of the additional consideration will be made within 5 business days after the increase in consideration has been effected in accordance with Corporations Act. Otherwise, payment will continue to be made within 5 business days after Investa's receipt of valid acceptances.

Investa advises that the increase in its Offer price will not have any meaningful impact on the financial forecasts for Investa which are contained in Investa's Bidder's Statement. Earnings and distribution forecasts remain unchanged.

For further information please contact Chris O'Donnell on (02) 8226 9301 or Andrew Junor on (02) 8226 9305.

Yours faithfully

Brian McGarry
Company Secretary

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