



INVESTA
Property Group

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

Dear Madam,

Acquisition of 441 St Kilda Road, Melbourne by Investa Property Trust

**Emergency Services Superannuation Board invests \$20 million in
Investa Commercial Property Fund**

Investa Property Group (ASX: IPG) is pleased to announce the acquisition today of 441 St Kilda Road, Melbourne, a 16,021 m² office building located in the St Kilda Road commercial precinct.

The property has been purchased from the Emergency Services Superannuation Board (ESSB) for \$45.0 million. The purchase price represents a rate of \$2,809 per m², with an initial passing yield of 8.73%. Colliers International and CB Richard Ellis acted for the vendor.

The property at 441 St Kilda Road, Melbourne comprises five levels of office accommodation and two lower levels of carparking for 343 vehicles. The building was completed in 1986, and has recently had a \$2.0 million refurbishment programme focused on the atrium and ground level lobby, as well as some minor external works.

The building is well located on the eastern side of St Kilda Road, in the preferred location between Commercial and Toorak Roads, with ample parking (1 per 48 m²) and access to bus and tram services operating along St Kilda Road.

The building features several high quality tenants including Kellogg Brown & Root, SAP Australia, Computer Associates, Hitachi Data Systems and ESRI Australia. There is a current vacancy of 9% (1,406 m²) in the asset, the majority of which is located on the ground floor. The building is subject to a guarantee (to a maximum of \$1 million) ensuring a passing yield of 8.50% for the period to June 2005.

Investa's Portfolio Manager, Tony Dixon, said: "Recent negative sentiment toward the Melbourne market has allowed Investa to acquire an excellent asset, with an outstanding tenancy profile, at a price well below replacement cost. The acquisition price of this well located, high quality asset, on a fully leased basis reflects a yield of 9.4%."

Mr Dixon said: "The property is well located along St Kilda Road with access to landmarks such as Fawkner Park, proximity to local transport and ample car-parking within the building. We are very pleased to have had the opportunity to secure this asset for our investors."

ESSB has invested \$20 million of the sale proceeds into Investa Commercial Property Fund (ICPF), a wholesale property fund with total assets of \$246 million. ICPF co-owns four assets with Investa Property Group, including 1 Market Street, Sydney, 209 Kingsway, Melbourne, 231 Elizabeth Street Sydney and Kings Row, Milton, Brisbane.

Investa's Fund Manager, Wholesale, Mr Bill Grounds said: "We welcome ESSB into ICPF, joining Government Superannuation Office (GSO) as major investors. ICPF's strong six year lease expiry profile and dominant Sydney weighting underpin the quality of this product."

For further information on this announcement, please contact Tony Dixon on (02) 8226 9405, Bill Grounds on (02) 8226 9332 or Chris O'Donnell on (02) 8226 9301.

Yours faithfully



Brian McGarry
Company Secretary

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