

September 6th, 2004



INVESTA
Property Group

The Manager
Company Announcements
Australian Stock Exchange Limited
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Sydney NSW 2000

Investa Properties Limited
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Dear Madam

**PRUDENTIAL AUSTRALIA PROPERTY TRUST AND LASALLE INVESTMENT MANAGEMENT
SELECT INVESTA PROPERTY GROUP FOR AUSTRALIAN OFFICE EXPOSURE**

Investa Property Group (IPG) and LaSalle Investment Management (LaSalle) have agreed to an investment arrangement through which one of LaSalle's largest investors in Asia, Prudential Australia Property Trust (PAPT), will invest up to \$150m with IPG. The initial investment will be \$136m.

PAPT will invest in Investa Commercial Property Fund, which has interests in 1 Market St Sydney, 231 Elizabeth St Sydney, 209 Kingsway Melbourne and 215 Coronation Dr Milton Queensland, as well as taking an indirect minority interest in 400 George St Sydney.

Mr Chris O'Donnell, Managing Director IPG said, "We are pleased that PAPT, as LaSalle's client, has selected Investa as their partner after a long and extensive search. This transaction further demonstrates Investa's ability to use its value chain approach to satisfy the mutual needs of IPG and external investors."

Mr Andrew Heithersay, National Director of LaSalle, said "We see Investa's solid track record and high quality portfolio as an ideal combination for a core investment in Australia's office sector, with a partner we believe will deliver performance." Mr. Trevor Hankin, Director Prudential Australia Property Trust added, "We are very pleased to be investing with Investa and look forward to its integrated and hands-on approach for delivering value".

PAPT is a wholly owned subsidiary of The Prudential Assurance Company Ltd, which has a global property investment portfolio of over £13b (A\$33b.). LaSalle Investment Management is Prudential's investment manager across Continental Europe, North America and Asia Pacific and has invested \$350m into the Australia market on its behalf. LaSalle is a global investment manager with USD 23b (\$33b) of assets under management and is active across a range of real estate capital and operating markets including private and public, debt and equity.

IPG's debt gearing ratio will reduce by 3% of total assets as a result of the arrangements. The net impact (after borrowing costs) on the Group's annual earnings will be a reduction of 0.06 cents per security. In the current financial year this will be offset by the 0.10 cent per security gain realised on the transaction.

Head of Investa's Unlisted Funds, Mr Bill Grounds said, "This investment by Prudential Australia Property Trust in ICPF sees the sell-down of units in ICPF near completion and brings the number of external investors in ICPF to six. With the emerging recovery of the office sector, Investa is now in a position to grow the fund to cater for expected further investment."

Mr Greg Penn of Jones Lang LaSalle represented Investa on this transaction.

For further information please contact Mr Chris O'Donnell on 02 82269300 or Mr Bill Grounds on 02 82269332.

Yours faithfully

Brian McGarry
Company Secretary
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