



INVESTA
Property Group

Investa Properties Limited
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21 September 2004

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

Dear Madam

Investa raises A\$175million in 5 year Fixed and Floating Rate Issue

Investa Property Group, Australia's largest listed office property fund, today confirmed that it had priced the inaugural bond issue from its combined Commercial Paper and Medium Term Note program.

Investa has agreed to issue A\$135 million of 5 year Fixed Rate Notes and A\$40 million of 5 year Floating Rate Notes at rates equivalent to a margin of 56 basis points over the five year swap rate. Further details of the pricing are contained in the table attached.

Despite being increased from A\$120 million to A\$175 million, the issue closed oversubscribed.

The funding raised will be used to repay short term bank debt and to refinance a bond that matured on 15th September this year which had been issued by the Principal Office Fund prior to its acquisition by Investa.

This issue completes the refinancing task that Investa has been undergoing since acquiring the Principal Office Fund in an on market takeover last year. Investa has replaced its previously secured bank debt with a combination of unsecured bank debt, a A\$325.5 million private placement in the United States and today's domestic bond issue. Investa also has A\$463 million in Commercial Backed Securities on issue that mature in November 2006.

According to Chief Financial Officer, Graham Monk, "By replacing our largely secured bank debt with unsecured financing sourced from a range of markets, Investa has reduced its cost of debt funds and significantly enhanced flexibility, diversity and term of the Group's loan portfolio."

Investa is rated BBB+/Positive Outlook by international credit rating agency Standard and Poor's. According to Standard and Poor's, the ratings on IPG reflect the Group's strong market position as Australia's largest sector-specific office property investment group; the Group's high quality core portfolio of premium and A-Grade office buildings; a well-spread lease maturity profile; and strong asset, tenant, and geographic diversity.

Investa is an integrated property group involved in a range of businesses associated with the ownership, management and development of real estate, with total assets of approximately A\$4.5 billion and assets under management of over A\$5 billion. The majority of the Group's earnings are derived from its investment in a diversified portfolio of properties, which are primarily Premium and A Grade office towers. IPG's portfolio enjoys strong geographic diversity, with a focus on the more populous and economically strong states of New South Wales and Victoria. As at June 30, 2004 the investment portfolio was valued at A\$3.7 billion.

Westpac Institutional Bank acted as lead manager on the transaction and ANZ investment Bank acted as co-manager.

For further information please contact Graham Monk on 612 8226 9304 or Michelle Dance on 612 8226 9421.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Brian McGarry', with a long horizontal stroke extending to the right.

Brian McGarry
Company Secretary

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Email: bmcgarry@investa.com.au

Attachment One

Issue Details

Issue Amount: A\$175,000,000
Launch Date: 20 September 2004
Pricing Date: 21 September 2004
Settlement Date: 24 September 2004

Fixed Rate Notes

Instrument: A\$ Fixed Rate Medium Term Notes
Issue Amount: A\$135,000,000
Maturity Date: 24 September 2009
Benchmark: CGL 7.50% 15 September 2009
Re-offer to Swap: Semi annual mid Asset swap plus 56 basis points
Spread to Benchmark: CGL 7.50% 15 September 2009 plus 97.5 basis points
Re-offer Yield: 6.195%
Gross Price: 100.233
Coupon: 6.25%
Coupon Payment Dates: 24 March and 24 September; first coupon date 24 March 2005
Ex Coupon Period: 7 calendar days
Day Count Fraction: Australian Bond Basis

Floating Rate Notes

Instrument: A\$ Floating Rate Medium Term Notes
Issue Amount: A\$40,000,000
Maturity Date: 24 September 2009
Benchmark: 3 month BBSW (mid)
Re-offer to Benchmark: Plus 56 basis points
Re-offer Price: 100.00
Coupon: 3 month BBSW + 0.56%
Coupon Payment Dates: Every 24 December, 24 March, 24 June and 24 September; first coupon date 24 December 2004
Ex Coupon Period: 7 calendar days
Day Count Fraction: Actual/365 (fixed)