31 January 2003

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

Dear Sir

Investa Property Group
Half-Year Results 31 December 2002

Investa Property Group is pleased to announce its results for the half year ended 31 December 2002.

Reflecting success in the broad range of activities undertaken during the period, the Group posted a 12.7% increase in earnings per security over the previous corresponding period.

	Actual Results				Change on previous corresponding period
	Trust	Company	Group		
Revenue ($m)	67.4	28.9	90.2	(1)	+63.5%
Earnings ($m) (2)	51.6	9.0	60.3		+54.7%
Distribution per security (cents)	6.75	0.95	7.70		+5.5%
Earnings per security (cents) (2)	6.90	1.21	8.07		+12.7%
NTA per security			$1.78		+7.8%

(1) Group Result reflects eliminations on consolidation
(2) Earnings before amortisation, revaluations and after tax

The key achievements for the six months included property acquisitions of over $730million, including the $570million portfolio purchased from Telstra, the establishment of a further syndicate, and a number of acquisitions to replenish development stock. This expansion has dominated the result in comparison with the previous corresponding period.

We continue to welcome the strong support given by our investors to the pursuit of our strategy to maximise the benefits of the property value chain. This support is reflected in the participation in new equity issues amounting to $452million. In addition to this equity a further $280million in debt was raised, leaving the Balance Sheet in a sound position with gearing at 27.5% of Total Assets of $2.2billion.

A general meeting of securityholders will be called shortly to approve equity issues undertaken since the Annual General Meeting in October. This will provide greater flexibility to take advantage of new opportunities as and when they arise.

Reflecting the increase in business activities, the company's contribution to the Group result increased to 14% of overall after tax earnings, up on the 4% it contributed in the previous corresponding period.

Investment Activities
The Group's investment portfolio continued to contribute positively to earnings growth, with like for like income increasing 2.2% on the previous corresponding period and occupancy levels remaining high at 98%.

While market conditions in Sydney softened during the last six months, the portfolio remained well insulated, reflecting the relatively few leases that were due to expire during the period. Looking forward we expect market conditions to improve in Sydney as we move through 2003.

In the last six months, 11,000m^2 have been leased within the portfolio with leases in respect to only 1.9% of the area of the portfolio subject to expiry in the next six months. Overall, the lease expiry profile of the portfolio is very well positioned with the percentage of leases expiring in each of the next 3 financial years being:

2004	10.8%
2005	9.1%
2006	10.3%

Enhancing the low risk expiry profile, many of the acquisitions undertaken during the period have featured long-term leases offering fixed rental increases over time. This has further reinforced the earnings base of the portfolio and it's well spread lease expiry profile.

Development
The development business provided the second largest earnings contribution to the Group result, providing earnings of $4.7million (2001:$0.7million). This position is expected to be reinforced over time, with the process of re-stocking inventory likely to accelerate.

Residential sales generated $22.7million in revenue secured across the various estates representing the settlement of 176 lots. A further $2.0million was realised on the sale of 4 commercial units at Turner Street, Port Melbourne.

Two new projects were acquired during the period, a 0.8 hectare property adjoining the Group's existing asset of West End in Brisbane for which a residential scheme is proposed and a 4 hectare residential site in the Perth suburb of Hillarys.

Syndications
From management and establishment fees the Syndication business contributed $1.7million to Group earnings with one further syndicate established during the period. This syndicate involved a 50% interest in the Perth and Adelaide properties acquired from Telstra during the period together with a 50% interest in Penrhyn House in Canberra. The interests in Perth and Adelaide properties were sold into the syndicate at valuation, which netted the Group profit before tax of $2.0million.

A seventh syndicate is proposed to be launched in the coming months, utilising the remaining interests in the Perth and Adelaide assets, together with a 50% interest in 589 Collins Street, Melbourne.

Wholesale Funds
Fund management fees from the Group's two existing funds contributed $1.1million to the overall results.

Much of the activity of the Wholesale Funds business has been in the re-organisation of the Investa Commercial Property Fund. This will shortly be completed, and we expect to introduce external investors into the fund in the near future.

Asset Management

Supporting the activities of the Investment, Syndications and Wholesale portfolio's, the asset management business has continued to expand contributing $0.9 million in externally sourced revenue together with continuing benefits to owners through lower operating costs and quality management.

The Group is now responsible for the management of 38 properties with an annualised rent roll of approximately $250million.

Corporate Property Services

The Corporate Property Services business has continued to service the needs of Westpac Banking Corporation, albeit with lower revenues as a function of a lower cost of operation. Notwithstanding, earnings remained consistent with the corresponding period, contributing $0.7million.

These services have been extended to Telstra, as an integral component of the offer to acquire the portfolio from Telstra. The terms of that purchase included a guaranteed $1million reduction in outgoing costs to Telstra, sharing in the savings achieved above this level. These savings have been secured and the benefit of sharing further savings is expected to accrue in the second half.

Discussions are continuing with a number of other parties concerning the provision of these services.

We are very pleased with the achievements of the first half, which place the Group in a position to deliver a solid full year result.

If you have further questions regarding this announcement please contact Chris O'Donnell, the Managing Director, on 02 8226 9301, Graham Monk, the Chief Financial Officer, on 02 8226 9304 or Andrew Junor, General Manager Investment Services, on 02 8226 9305.

Yours faithfully

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