

Stock Exchange and Media Announcement

Investa to acquire Silverton Ltd

Earnings positive first step to building a development business

Sydney Monday 29 October 2001: Investa Property Group (IPG:ASX) announced today that it has reached agreement to acquire property developer Silverton Ltd. Investa will acquire a portfolio of assets to a value of approximately \$144.5 million and this will be funded from equity, in respect of which a private placement was made earlier today of 45.2 million securities at \$1.88 each to raise \$85 million, and by debt.

At the same time as making the private placement, IPG has made application to ASIC to proceed with a Securities Placement Plan (SPP). Under the SPP, Investa will offer for subscription 1595 securities to each security holder, on a non-transferable basis, at a price of \$1.88. (ie a total of \$3000) The details of the SPP will be announced once ASIC approval has been obtained.

Under the Silverton Limited transaction, Investa will acquire a portfolio of commercial and industrial developments and sites in New South Wales, Victoria and Queensland, together with four parcels of residential development land for subdivision in Victoria, Queensland and Western Australia.

On completion, Investa will acquire all of the issued shares in Silverton from the No.1 Statutory Fund of National Mutual. The acquisition is subject only to ratification at the Investa AGM on 30 October of two private placements made earlier this year.

Chris O'Donnell, Managing Director of Investa Properties Limited, said: "The acquisition of Silverton is very much in line with our strategy for growing the Group, approved by our investors at last year's Extraordinary General Meeting which saw the formation of the Investa Property Group.

"Until now, our development activities have focussed on enhancing the Trust portfolio and assets of our property and facilities management clients. We see this acquisition as a measured first step into expanding our property development activities to provide another source of earnings for the Group.

"We expect the acquisition to increase IPG's forecast distributions for 2002 to 14.75 cents per security.

“In addition, we expect many of the completed and occupied commercial and industrial assets to be acquired will be suitable for syndication by our property investment management team .

“The acquisition therefore moves Investa from being solely an acquirer of property assets for investment to being able to develop specific properties to suit the needs of investors”

Commenting on the portfolio to be acquired, Mr O’Donnell said: “The commercial and industrial developments and sites are well located in Victoria, New South Wales and Queensland while the residential land in Victoria, Queensland and Western Australia is in areas of long-term demand.

Key members of the Silverton team will be joining the Group and will complement the activities already under taken by Peter Malpass. The development business will initially report directly to Mr O’Donnell.

Commenting on the SPP for securityholders, Mr O’Donnell said: “The SPP allows our retail investors to participate in the capital raising at the same price as institutions, if they so wish.”

Advisors to Investa are UBS Warburg and Deutsche Bank

ENDS

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EDITORS NOTES:

INVESTA PROPERTY GROUP

Investa Property Group came into being after unitholders of the then Westpac Property Trust voted in favour of a restructure which involved internalising its management, with Investa Properties Limited replacing Westpac Property Funds Management Limited as Responsible Entity.

Investa Property Group's stapled securities are listed on the ASX where it is a top-100 organisation with assets under management of \$1.3 billion and a market capitalisation of \$1.06 billion. The Group's total return for the year ended 30 June 2001 was 17.1%, outperforming the listed property trust indices.

The Investa Property Trust comprises interests in 20 commercial properties totalling approximately 333,000 m². Trust assets at year-end stood at \$1.15bn.

Investa Properties Limited is the Responsible Entity of the Investa Property Trust and in addition provides external property funds management services together with property and facilities management and development services, including 716,000m² of property for Westpac across 1,700 locations.

During the year, Investa Property Group also launched three single asset property syndicates in Melbourne, Brisbane and Sydney.

On 24 September 2001, Investa Properties Limited exercised its pre-emptive right to acquire Westpac's 50% interest in 60 Martin Place, Sydney, to create the Martin Place Wholesale Fund. The other 50% is owned by Investa Property Trust.

On 18 October 2001, Investa entered into an agreement to acquire six industrial properties from ING for a value of \$48.1m for inclusion within a property syndicate to be launched in the near future.

SILVERTON SITE LISTING

Commercial

Macquarie Street, Parramatta, NSW _____ development site

Commercial/Industrial

Turner Street, Port Melbourne, VIC _____ Stage 1 completed; 25% sold

Lorimer Street, Melbourne, VIC _____ development site

Bradman St, Acacia Ridge, QLD _____ Let to Woolworths & Blue Star Logistics

Eden Park drive, North Ryde, NSW _____ 65% leased

Waterloo Road, North Ryde, NSW _____ Stage 1 (commercial/hi-tech) completed

Residential

Mill Park, Victoria _____ partly developed and land for subdivision

South Morang, Victoria _____ development site for subdivision

Manly, Queensland _____ subdivision and sales underway

Quinns Beach, WA _____ development site for subdivision