



Stock Exchange and Media Announcement

INVESTA BROADENS WHOLESALE FUNDS MANAGEMENT PLATFORM WITH SUNCORP METWAY TRANSACTION

Sydney 19 November 2001:As part of its strategy to build scale in its wholesale property funds management business, Investa Property Group (IPG:ASX) announced it has entered into arrangements with Suncorp Metway Investment Management Limited under which it will become the Responsible Entity of the Suncorp Metway Balanced Property Fund (SMBPF).

SMBPF has interests totalling approximately \$248m in three commercial properties in Sydney and Brisbane. With the inclusion of these funds Investa now manages approximately \$1.8 billion of property funds.

Announcing the arrangements, Mr Chris O'Donnell, Managing Director of Investa Properties Limited said: "This is in line with the course we embarked upon last year when the Investa Property Group was created. Since then we have made a considerable investment in building a management team with the depth needed to build an integrated property services group capable of delivering new sources of earnings to our investors.

"On completion, the Suncorp Metway Balanced Property Fund will be renamed the Investa Commercial Property Fund and become Investa's principal open ended wholesale property investment platform."

Under the arrangements with Suncorp, IPG will compensate SMIML for its retirement as Responsible Entity of the SMBPF. Investa has undertaken to ensure that the current unitholders of SMBPF are redeemed out of the fund by the end of January 2003. To this end, Investa will immediately invest \$19m into the Suncorp Metway Balanced Property Fund and will arrange borrowings to redeem some of the units currently held by Suncorp. An enhancement in SMBPFs yield is anticipated.

"We will market the fund to new wholesale investors and in so doing replace the two Suncorp entities that currently hold units in the fund, helping Suncorp meet its objective of reducing direct property holdings," said Mr O'Donnell.

SMBPF currently has interests in three A grade commercial office buildings, being Kings Row and State Law in Brisbane, and 1 Market Street in Sydney in which Investa and Suncorp are already co-investors.

The buildings are fully leased with high quality tenants including Department of Public Works (QLD), Suncorp, Pioneer Constructions, Hewlett Packard, CGU Insurance and BT Australia. Investa has provided Suncorp with an option to buy back the State Law Building in certain circumstances for a set value.

Mr O'Donnell said: "The Suncorp transaction is our second major initiative in developing a wholesale property funds management arm, the first being the Martin Place Wholesale Property Fund, launched in September. Market support for that particular initiative has encouraged us to take this next step toward fulfilling our strategic ambitions. The Suncorp arrangements will be accretive for the Group."

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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 \$1.8 billion and a market capitalisation of \$1.18 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 interest in 20 commercial properties totalling approximately 333,000m². Trust assets at 30 June 2001 stood at \$1.15bn.

Investa Properties Limited is the Responsible Entity for 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.

In 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 October 29 2001, Investa announced that it had reached agreement to acquire property developer Silverton Ltd. and its portfolio of assets to a value of approximately \$144.5 million.

Including the Silverton and Suncorp transactions, property funds under management by Investa are approximately \$1.8 billion.
